



Scrutiny Office

## Corporate Services Scrutiny Panel Quarterly Hearing

**MONDAY, 13th JUNE 2016**

**Panel:**

Deputy J.A.N. Le Fondré of St. Lawrence (Chairman)

Deputy S.M. Brée of St. Clement (Vice-Chairman)

Deputy K.C. Lewis of St. Saviour:

Connétable C.H. Taylor of St. John

**Witnesses:**

The Chief Minister

Assistant Chief Minister

Director of Business Change

Director of Corporate Policy

Index

Questions from the public	Page 3
Publishing expenditure online	Page 7
Population and Migration	Page 9
MTFP	Page 20
NEF	Page 24
Healthcare charge	Page 28
PECRS	Page 30
e-Gov	Page 32

[10:29]

**Deputy J.A.N. Le Fondré of St. Lawrence (Chairman):**

Right, shall we kick off, because we have got a fun-packed agenda and a limited amount of time. So, Minister, I draw your attention to the notices in front, which I am sure you are fully aware of. Anybody sitting in the public seating, notices around the room, which also we do expect members of the public and the media in the public seating to remain quiet at all times while the hearing carries on.

[10:30]

As we proceed through the questions, we may stop you, Minister, if we feel you have answered the question sufficiently, because we need you to try and be as concise as possible. We are going to suggest if you could aim for around no more, and preferably less, than 60 seconds a question. Right, Minister, you will also be aware that we have received some questions from the public.

**The Chief Minister:**

Yes.

**Deputy J.A.N. Le Fondré:**

That is the first time this has been done by Scrutiny for a Quarterly Hearing and we hope therefore, if successful, this will be rolled out across the other panels to keep your other Ministers on their toes as well.

**The Chief Minister:**

Yes, a good idea.

**Deputy J.A.N. Le Fondré:**

There are 4 questions from the public with some supplementaries and that will end with Deputy Brée. So for the benefit of the tape I will start going round. Deputy John Le Fondré, Chairman of the panel.

**Deputy S.M. Brée of St. Clement:**

Deputy Simon Brée, Vice-Chairman of the panel.

**Connétable C.H. Taylor of St. John:**

Constable Chris Taylor, member of the panel.

**Director of Business Change:**

Jonathan Williams, Director of Business Change.

**The Chief Minister:**

Ian Gorst, Chief Minister:

**Assistant Chief Minister:**

Paul Routier, Assistant Chief Minister.

**Director of Corporate Policy:**

Paul Bradbury, Director of Corporate Policy.

**Deputy K.C. Lewis of St. Saviour:**

Deputy Kevin Lewis, panel member.

**Deputy J.A.N. Le Fondré:**

Okay, so without further ado, let us kick off from the questions. So, first question from the public. Does the Government of Jersey feel comfortable that they have no solution to the costs of off-Island higher education and are therefore openly saying that higher education off-Island is an option for the children of wealthy families only? Have they considered the cost to the Island of not providing a solution?

**The Chief Minister:**

There are a number of questions there rolled into one, some of which the answer is yes and some is no. We have recently published a report which the Education Department worked on together with Treasury looking at the problem which members of the public have brought to our attention over the last number of months that some families were struggling to fund the increasing costs of education if they wished to send their child off-Island to do a degree course. Although there are no immediate solutions in the report that is published, there are some solutions which will need to be worked on and I have asked both Treasury and Education - and they are doing this - to see if there is not some money in the interim period that we could put in the M.T.F.P. (Medium Term Financial Plan) to slightly offset the difficulty that families are experiencing. So we are working on solutions. They are going to take longer than we thought and we recognise that in the interim we have to try and provide some financial support, even though it may not be to the quantum that everybody might wish, to slightly alleviate that.

**Deputy J.A.N. Le Fondré:**

Thank you, Minister. Okay, next public question from Chris.

**The Connétable of St. John:**

This is from the public, yes. I would like to know why the States of Jersey is so reluctant to help with student funding at an appropriate and fair level, resulting in a reduction of locally-qualified graduates for our workforce and the associated pressures on resources caused by having to import sufficiently-qualified individuals from elsewhere when our own youth have the talent but not the funding.

**The Chief Minister:**

I think I have answered largely that question with the answer that I just gave. I would add to that, we recognise that there is a problem for a number of families in our community in affording to send their children off-Island for degree courses and, yet, at the same time, there is not a direct correlation between wanting ... some people want to go off-Island and money should not be ultimately the barrier to them doing that. Some want to study on-Island and there is not sufficient provision currently for those that want to do that. We do not just want people to go off-Island and then immediately return, although we do want them to return in due course. We also think there is a benefit not only in the degree course itself that they might go off-Island for but there is further benefit in working elsewhere and bringing that experience back. So it is not that I think we want people to come back straight away, I think our challenge is to continue to work with people who were local, who have gone off to study a degree, and ultimately at the right time encourage them to come back. Education have put in place a new process - "monitoring" might be too strong a word - but keeping in contact with students that go off-Island and also in connection with local employers so that they can use that network so that where jobs come up that need degree courses, be it in something that may be not obvious, they can use that network to flow out to people to try and encourage them to come back at that time.

**The Connétable of St. John:**

Thank you.

**Deputy J.A.N. Le Fondré:**

Kevin?

**Deputy K.C. Lewis:**

Another public question, Chief Minister. In the *Higher Education* report submitted to the States Assembly in May, that is R.51/2016, the idea of a loan was ruled out based on an assumed cost of £700 million. Had the Chief Minister seen this report before it was published and, if so, did he not think that it was an absurd figure and look at it in more detail?

**The Chief Minister:**

Well it was a report that was brought together between Education and Treasury. I of course have sighted the report before it was published; that is a theoretical number. We do not know whether that full capacity would be taken up or not. But what it did was lead us to suggest that that was not the solution that we initially thought it might be and that we would need to work on other solutions both short term in the interim and longer term as well.

**Deputy K.C. Lewis:**

A supplementary to that question, why did the Chief Minister not ask the Minister for Education why the loan had been based on 25 years when many of the parents who repay it would likely be dead and, if not, they would be pensioners, repaying a loan for their child who would be, by the end of it, at least 46 years-old?

**The Chief Minister:**

Well maybe that is one of the reasons why the loan system would not necessarily work because it is not just having the security, you could say that it would be appropriate to have security against the strategic reserve to that level. The problem with that is it does not ultimately allow you over that period of time, which would then become indefinitely, to do anything else with the strategic reserve. I have not seen the detail of the figures that the questioner is putting to me but I can certainly go away and look at them but what on the surface it would indicate to me is that potentially that is part of the problem and the concern is that loans are not repaid. When you look at the experience elsewhere in the world, they have a high level of default, and that would be a challenge that we would have needed to deal with if we had have come forward with that particular model.

**Deputy K.C. Lewis:**

You have touched on there, which comes to the final point of this supplementary, the loan figure quoted assumed all drawdowns would not be repaid by anyone at all for 25 years. In short, all the drawdowns would be defaulted, is that not a rather extreme view?

**The Chief Minister:**

It is a theoretical view, I accept that, which is why I gave the answer that I did right at the start.

**Deputy J.A.N. Le Fondré:**

So just to pick up on that, you have basically asked for further work to be done to see what can be resolved and that might take account of some of those kind of queries that have been raised?

**The Chief Minister:**

Yes, indeed, I have.

**Deputy J.A.N. Le Fondré:**

As a shortlist?

**The Chief Minister:**

Yes, the report has been seen as a government saying they are not going to do anything. To be fair, that is not what the report is saying. The report is saying it is not quite as straightforward as might have been first thought and I was one of those who was saying: "Could we not just do a scheme similar to the U.K. (United Kingdom)?" What the report is saying is that if you look at those theoretical models, it does not look like you could but there are other things that you could try and do. At the same time, in government we recognise that there are people who are suffering and finding it difficult today to make the right decision for their children. Even though it is only a small amount, there will be some understanding of that in the M.T.F.P. and that that will give us the period of this M.T.F.P. to look at working in more detail on some of those solutions.

**Deputy J.A.N. Le Fondré:**

Okay, thank you, Minister. Simon?

**Deputy S.M. Brée:**

Thank you. Yet, again, this is a question from the public. Under the Human Rights (Jersey) Law 2000, Jersey has signed up to the European Convention on Human Rights. One enshrined right is the right to education, including higher education. The right to education belongs to the person. Our system of grants is based on the parents' ability or desire to pay; therefore, some students are not able to exercise their right to education until they are 25 years-old or they must leave their family home and become independent for at least 3 years before they can apply in their own right. What plans does the Chief Minister have to address this discrimination?

**The Chief Minister:**

Well I am not an expert on Human Rights' implications. I know that the current policies, as written, will have received legal advice to ensure that they are Human Rights compliant because there was a piece of work that was done before we signed up and enshrined the European Human Rights into domestic legislation to ensure that that was the case. It is fair to say that some of that work was more thorough than others and there is a differential between those who are currently in education and going through that and those who have left education and gone into work and then are looking to do a degree. Of course, after that there is a difference there but other than saying it

has previously received approval, I am not sure, unless you want to repeat some bits of the question, that I can add any more.

**Deputy S.M. Brée:**

Okay, I think that is fine.

**Deputy J.A.N. Le Fondré:**

I think it was a reasonable response.

**Deputy S.M. Brée:**

A reasonable response, yes.

**Deputy J.A.N. Le Fondré:**

We will stop there, I think. Okay, thank you, Minister. Kevin, over to you.

**Deputy K.C. Lewis:**

Outstanding issues. Chief Minister, you have publicly stated that you support the suggestion we made at the last hearing about publishing expenditure details online, I think we said of items of above say £500. You have not yet formally written to us on this but can you tell us when you are expecting this work to commence? What is the anticipated completion date?

**The Chief Minister:**

Okay, I apologise for not formally having written to you but I think I have said in the States that I accepted your proposal that you had asked me at a Scrutiny hearing and that I agreed that it was the right way forward. Officers have, as you know, been doing a review of all the spending over £500 for 2014 and 2015 and as part of that release last week, I committed again to the publication of those expenses over £500 and I fully expect that in 6 months' time from Friday's release that we will be publishing those figures. What I am not sure of is that we need to get a suitable timeline going forward but that work has been started and I expect that to be published in 6 months' time.

**Deputy J.A.N. Le Fondré:**

Can I just ask though, just to be clear, that is the end of the year, broadly speaking? Or just before the end of the year?

**The Chief Minister:**

It might be that we take it, do a December ... yes, just before the end of the year and then do that.

**Deputy J.A.N. Le Fondré:**

Yes, and that is all expenditure and not just travel?

**The Chief Minister:**

It has got to be travel, hotels ...

**Deputy J.A.N. Le Fondré:**

No, no our initial question ... so your commitment recently, what has been reported very recently, was about travel expenditure which was over £500.

**The Chief Minister:**

It was, yes.

**Deputy J.A.N. Le Fondré:**

But the question we asked was more generic about expenditure; it was not just specific to travel.

**The Chief Minister:**

All expenditure?

**Deputy J.A.N. Le Fondré:**

Yes. Consistent with how, for example, local councils and things like that are publishing in the U.K.

**The Chief Minister:**

Well, then we have not given that much further thought. Our thought has been about the travel expenditure in those 3 different categories. We can certainly go away and do that but I suspect that the threshold would be potentially quite a bit more than £500 but we would have to have a look at that. We have not done any more work on that as far as I am aware.

**Deputy J.A.N. Le Fondré:**

Okay, well we will follow it up in the next hearing, I am sure.

**The Chief Minister:**

Yes.

**Deputy J.A.N. Le Fondré:**

Great. Kevin?



**Deputy K.C. Lewis:**

You have also indicated support for a public declaration of interest by senior civil servants. Again, could you indicate when this might be implemented?

**The Chief Minister:**

I have not been briefed on where we are with that but I see no reason ... I think one of the things that this travel report shows that there is some work to be done about Ministers' publication and the travel policy that they should abide by and States Members as well. So we will be speaking to P.P.C. (Privileges and Procedures Committee) about that, Council of Ministers will be considering it and I would have thought that that work we can tie in with the 6 months from this time to make those declarations. You will be aware that we are publishing the accounts today and there are some items in there but it does not go as far as what I think we agreed with you that it needed to.

**Deputy J.A.N. Le Fondré:**

Good.

**Deputy K.C. Lewis:**

Are you aware, Chief Minister, there is a list of other issues still outstanding from our previous public hearing with you on 7th March 2016, despite numerous requests for an update?

**The Chief Minister:**

I have not been briefed on the detail of that. Perhaps Paul can just enlighten us to where we are.

**Director of Corporate Policy:**

I was aware of a range of items you had requested.

[10:45]

My thought was that the substantial number of them had been responded to. I am particularly thinking about the impact assessment but if there are any outstanding then I obviously need to deliver those to the panel as quick as possible.

**Deputy J.A.N. Le Fondré:**

Perhaps you could readdress the letter and come back ideally this week, please, because this has been going on since 7th March. Any other comments at this stage? No? Okay, on to Chris and population and migration.

**The Connétable of St. John:**

Population and migration. At our last quarterly hearing, we discussed the population policy which had expired; however, you state the main tenets of the policy were being adhered to. You also stated the maximum figure of 325 people per annum in immigration was a planning assumption and the actual figures of those arriving was closer to 600. What is the latest figure? Do you have that?

**Assistant Chief Minister:**

Well you are aware that the Statistics Unit will be publishing their figures, I think it is on 22nd June, so until they have published those figures it is difficult to give you an answer to your direct question.

**The Connétable of St. John:**

All right.

**Assistant Chief Minister:**

But we rely on their work to get that figure. But, in saying that, I do not imagine that it is going to be a lower figure than last year's figure. That is an observation.

**The Connétable of St. John:**

So, you do not have the figure at the moment? No?

**Assistant Chief Minister:**

No, and it will be wrong for me to pluck a number out, Chris.

**The Connétable of St. John:**

Yes. What is the higher education qualification of the average, if I can put it that way, immigrant?

**Assistant Chief Minister:**

I do not think we would have a record of that.

**Director of Corporate Policy:**

No, I do not have it off the top of my head right now but we do have a breakdown of composition of the population by qualification level and we have it by nationality, so I am sure that is a statistic we can provide, yes.

**The Connétable of St. John:**

Just it ties in with the earlier questions on higher education and we need to know what academic we are having to import into the Island as opposed to being able to grow indigenously through the educational system.

**Assistant Chief Minister:**

Of course, anecdotally, people tend to say that we get people coming to work in the Island and working in industries, perhaps in agriculture, and who have very high qualifications coming from there and not using those qualifications. So it is not necessarily they have come ... because we want those high qualifications. They have them ...

**The Connétable of St. John:**

They have them anyway.

**Assistant Chief Minister:**

... and they are using them in another way, yes.

**The Connétable of St. John:**

Was the figure of 600 which we were given last time related to legal immigration?

**The Chief Minister:**

Yes, those 2 figures were produced by the Statistics Unit for the years 2013 and 2014.

**Assistant Chief Minister:**

Yes.

**The Connétable of St. John:**

Right. So what are the States doing to control the borders against illegal immigration?

**Assistant Chief Minister:**

Well, that is more a question that would be aimed at probably the Minister for Home Affairs but certainly the assurances that we have had from the Home Affairs Department is that they are ... I think they had a press release quite recently about their activity in recent times and they have identified times when they have been sending people back that have been inactive. Because we know there has been the one case of a gentleman coming in the back of a car who is here but that certainly goes to show that the people who are working at the harbours and the airports are sort of monitoring things. But we believe that they are doing a fairly good job, it is just a matter of people might slip through occasionally but it would be perhaps on the very rare occasion.

**The Connétable of St. John:**

With reference to the gentleman in the back of a car, can you confirm that you cannot seek asylum on this Island?

**Assistant Chief Minister:**

Would you like to answer that?

**The Chief Minister:**

Well you can seek asylum.

**The Connétable of St. John:**

You can?

**The Chief Minister:**

If you are wanting a right to remain in the British Islands and that is a process that you would follow which is similar to the process that you would follow if you touched down in Dover. But you still have a right under the U.N. (United Nations) Convention of Refugees to seek asylum wherever you touch down if those territories are signatories to that convention of which we are.

**The Connétable of St. John:**

Presumably then under those conventions you have to seek asylum in the first country that you touch down so if ...

**The Chief Minister:**

Well, no. This is where it gets a bit complex in that that is part of the Dublin Convention, not part of the U.N. Convention on Human Rights. So we do of course, you will be aware, the current policy is that if people arrive here on our shore, the first action is to return them back to France because that was the country under the Dublin agreement where they should in safety seek asylum but we equally know that that is an issue. Some people are seeking asylum in France; some people are seeking to get to the United Kingdom and we are extremely vigilant to try and ensure that they do not seek to use Jersey to get to the United Kingdom.

**Deputy S.M. Brée:**

Just one question on that. You confirmed that you can seek asylum on the Island, where is the nearest processing centre for asylum seekers?

**The Chief Minister:**

Well we do not have our own processing centre like you would have in the United Kingdom and therefore we have to deal with each individual case as asylum is made and we have done it in the past. You will be aware of the case that Senator Routier just referred to. That is another case that is ongoing.

**The Connétable of St. John:**

Okay. Jersey is considered a safe and desirable place to live, what are you doing regarding immigration to ensure that this status is kept?

**The Chief Minister:**

When you use the word “immigration”, we have just spoken about asylum seekers and you have asked questions about illegal immigration. Senator Routier is absolutely right, our border agencies are working much more closely and have been doing since 2013 - more recently the number of people moving - to seek to stop and make sure that Jersey is not used for illegal immigration. We are using both the formal channels and informal channels to do that and I am pleased to say as we sit here that seems to be working but we are not complacent and we continue to be vigilant, even to the extent of conversations with the Honorary Police to make sure everybody needs to be aware of the vigilance that is required; so that is in connection to illegal immigration. It is fair to say that it seems, and I think it is a fair assumption to make, that people that would want to come to Jersey arising out of the migrant movement are trying to get to the United Kingdom because when they get there, they will have access to housing and then have access to benefits, whereas here they do not have that when they first arrive. If you are talking about the other sort of migration, so people moving across Europe connected with the free movement of people and the common travel area, then again we use the Housing and Work Law to limit licences under those laws.

**The Connétable of St. John:**

Thank you.

**Deputy S.M. Brée:**

Just one question following up on that, can you confirm which body or entity has legal responsibility for the control of Jersey’s borders?

**The Chief Minister:**

Well, let us say you have got the border agency and they have a - I am not sure I would use the word a “split” responsibility but you could use that word - one to the Minister for Home Affairs, therefore, the Executive, but they equally have a responsibility for the office of the Lieutenant

Governor who has the ultimate say in some of these immigration matters and that is a throwback to the executive powers that the Lieutenant Governor has had for years.

**Deputy S.M. Brée:**

Okay, thank you.

**The Connétable of St. John:**

Given that the current immigration policy ran out in 2015, when is the new population policy likely to be implemented?

**Assistant Chief Minister:**

Well, you will be aware that the long-term plan which was being worked on, the Shaping our Future, is going to be ... I think States Members might have had a copy of a survey which was going to be used in the last few days which is a survey which can be done online which is the first step in trying to develop the long-term plan. But for public consultation, I think it is in about 3 days' time, it is going to be launched so that people will be able to have their say about what sort of Island they would like to live in and the implications that would have on every aspect of Island life, whether it be Green Zone, population, everything with the sort of community that we want to live in. So that is going to be launched very soon so ...

**The Chief Minister:**

Yes, I just want to clarify the timing. I do not think it is 3 days' time, is it the 24th? Paul will tell you exactly the date.

**Director of Corporate Policy:**

We have got a States Members' briefing later today. The aim is to begin to go into the public domain with a short and simple survey later this week with a view to building up a picture of Islanders' priorities and where they see the biggest gaps between where they wish the Island to be and indeed where they think it is at present. The aim is by the autumn to have a level of data which we can move into what we call a "deliberative" phase so we can take all the views Islanders have expressed with a view to coming back in the spring of 2017 with a vision for Jersey. What we mean by a "vision", we do not mean just general words, we mean a set of key measures where we think we can do better based on what Islanders have asked us to do and that then becomes a long-term plan for Jersey.

**Deputy J.A.N. Le Fondré:**

So to ask you to answer the question ...

**Director of Corporate Policy:**

Apologies.

**Deputy J.A.N. Le Fondré:**

... when do you think a new population policy will be implemented? Because from what I am hearing that is at least a year and a half away after it is expired, so just give us a ballpark figure, is it 2 years away from now?

**The Chief Minister:**

Yes, but ...

**Deputy J.A.N. Le Fondré:**

Is that a yes, it is 2 years from now?

**The Chief Minister:**

No, the title might have expired but the actual policy is still good for business and that policy is a robust policy of trying to say yes to licences that are going to bring value to our community and no to those that we think are not and you have got a planning assumption underlying that.

**Deputy J.A.N. Le Fondré:**

Can I just pick you up, Minister?

**The Chief Minister:**

Yes.

**Deputy J.A.N. Le Fondré:**

You said it was a robust policy, but if the policy was originally, I am going to say 350 individuals, and the lowest figure that came close to being implemented was about 600 individuals, how does that become a robust policy?

**The Chief Minister:**

No, I did not say "robust", I said it was still good for business.

**Deputy J.A.N. Le Fondré:**

You used the word "robust" in your answer.

**Assistant Chief Minister:**

I think the policy is more than just the number. It is not the number that is the policy, the policy is how we address the needs of our community. It is about if we have the hospital or caring agency needs more nurses, we will look at that and we will deal with that request for more people. If it is a business that is going to employ more local people as well and that might mean that they need to have some people come to the Island to establish that business, we will look at that in a favourable way if it is going to be of good benefit to our Island.

**The Connétable of St. John:**

Well, sort of leading on from that, what work has taken place to ascertain the cost of immigration particularly for low-paid non-locals in terms of cost of education, cost of health, cost of housing, et cetera?

**Assistant Chief Minister:**

Well we are very aware that if you give licences to businesses which employ people who are not going to contribute a great deal in the way of taxes to our Island, that does create an additional cost to our Island.

[11:00]

But we have got to take a balanced view of that to see if overall people coming to our Island are going to be of overall benefit. If, for instance, a new teacher or a nurse was to come to our Island, perhaps financially they are not going to contribute, the balance is outweighed by the service they are providing as opposed to the financial benefit to the Island. So to answer the question specifically about has a financial calculation been done, I have to say no, there has not but we have to take a balanced view of it when we make that decision.

**The Connétable of St. John:**

I am confused. If you have not made the financial calculation, how can you balance the other side?

**The Chief Minister:**

If you are taking low-skilled individuals into agriculture, into hospitality, into retail, it is not just about money, is it? It is not just about that financial calculation. The agricultural industry keeps our Island looking the way that it does. So it is not just a straightforward bottom-line calculation, otherwise you would say no. But you say yes because you realise that there is more value than just financial that agricultural brings to our community and the same with hospitality. They bring people to ensure that we have got good-quality hotels, that we have got good restaurants, that we



have got good airline links and that benefits all of us. You do not do a bottom-line calculation and that is where the decisions they make are difficult.

**Deputy J.A.N. Le Fondré:**

I think, Minister, we have got the gist of what you are saying but if you do not have any work or data on that, how do you justify that view? Because is it costing us £100,000 a year or is it costing us £10 million a year? To give you an extreme, the point is if you have not got the work done, how can you make those sort of statements, because surely we need an indication of the benefits?

**The Chief Minister:**

I am pretty sure that all the information we have got, the Statistics Unit could bring some of that information together and it would be ... again, it would be an average cost of a person in a sector with an average household, with an average medical history, with an average ... so you would have all those caveats around it anyway.

**The Connétable of St. John:**

Yes.

**Deputy J.A.N. Le Fondré:**

But that would give people a flavour of where we were.

**Assistant Chief Minister:**

I think it has been demonstrated in the past that if you were to put a hard-nosed financial bias to making a decision about the agricultural industry, you would close it down.

**Deputy J.A.N. Le Fondré:**

Or you might, for example, ask the employer to pay an insurance contribution towards the health costs, as an example.

**Assistant Chief Minister:**

Yes, but I do not think that ...

**The Chief Minister:**

But that in effect might have the same effect because there is not much ...

**Deputy J.A.N. Le Fondré:**

But the point is we are operating in a void; we do not know.

**Assistant Chief Minister:**

But that is not what we are doing. Well that is an extreme of what I would say but in reality if you just bring a financial aspect to it but we are not going to do that.

**The Connétable of St. John:**

I think the issue I am looking at, Chief Minister, is that you said we need a balance between the financial and the needs.

**The Chief Minister:**

Yes.

**The Connétable of St. John:**

But if you do not know the financial, then you cannot make that balanced decision. So, surely you need that information and you need a robust immigration policy so that we have the guidelines and the framework so as to determine what type of immigrant we can afford, or should afford, at whatever times in the Island's history.

**The Chief Minister:**

You could do it on a very basic level. The average immigrant coming into Financial Services, what is the G.V.A. (Gross Value Added) that they create? The average immigrant coming into agriculture, what is the G.V.A. they create? The average immigrant coming into hospitality? That calculation is not a difficult calculation to do but it is not going to help us, I do not think, deal with the more social broader issues of what we want our Island to be like.

**Assistant Chief Minister:**

Without having the hard and fast numbers like that, I think it is very evident that there are lots of lower-paid jobs and businesses if we wanted to do it that we are beaten on, they would not exist now, and that is not what we are about. We are about having a broad community that are providing services to our Island and keeping our farms going and the restaurants we all go into, that is what it is about, this decision-making that we have. Even if we were to find out that the agricultural industry worker was going to be costing us a lot of money, are we going to say: "Close it down"? I do not think we are, even if we had that information.

**Deputy J.A.N. Le Fondré:**

Simon?

**Deputy S.M. Brée:**

Yes, just go back to a little bit of the basics about the population policy. Effectively, the declared population policy has expired. You are continuing to, as you say, follow the main tenets of it, it seems to me that the Council of Ministers knew that effectively the policy was going to run out in 2015. Why has no work been done before now on trying to come up with a practical more robust population policy? Because it seems to be that now we are hearing that the public are not going to be consulted on it and yet we are in 2016, I believe. Why has no work been done up until now?

**Assistant Chief Minister:**

I am sorry to say, but a lot of work has been done and is being done. There have been quite a lot of meetings that we have had during the last year. We have had workshops at St. James's Centre. We have been meeting with lots of stakeholders to discuss the early stages of what sort of Island we want to live in. It is an ongoing process and it is a big piece of work, it really is. I mean, for us to just ... Paul, you have been heavily involved in it.

**Director of Corporate Policy:**

Well we have briefed the panel and we have been very clear. I think we are agreed on this - I think we are agreed - population policy is not just about numbers but the type of Island we are and therefore that needs a large-scale consultation. Why have we not done that before now? I think that is a fair challenge. I think it has taken a degree of preparation post the composition of this Council of Ministers, engagement with a panel such as yourselves and engagement with stakeholders to develop the product we are now about to launch. It is right that we did that at groundwork. As to the population policy, the Strategic Plan and the Medium Term Financial Plan were very clear that the principles of a migration policy focused on high value, going to the earlier point, focused on fairness, and trying to get a more even allocation between businesses of individual licences remain the mainstay of our population policy. That is the mainstay of the interim population policy, it is the mainstay of the interim Strategic Plan and the Medium Term Financial Plan.

**The Chief Minister:**

The long-term plan, it ties into the challenges you have just been giving us about: well how do you know what people want? Do they want an agricultural industry if it is costing this much? That is what the long-term plan tries to play into and provide some answers to.

**Deputy J.A.N. Le Fondré:**

Right, let us start wrapping up. Chris, have you got any other comments?

**The Connétable of St. John:**

Not just at the moment, I do not think.

**Deputy J.A.N. Le Fondré:**

Simon?

**Deputy S.M. Brée:**

Not at the moment.

**Deputy J.A.N. Le Fondré:**

I have got 2. Kevin?

**Deputy K.C. Lewis:**

I will check with you time-wise.

**Deputy J.A.N. Le Fondré:**

Okay, one comment was these terms of request for information which is around the educational qualifications' element. You made some indication to do some work, so hopefully you can send that through to us and we can look at it.

**The Chief Minister:**

The statistics, yes.

**Deputy J.A.N. Le Fondré:**

Okay, and we can look at it and obviously we may pass it on to the relevant panel as well. I think my only observation is in terms of the long-term vision. If you want people to sign up to that kind of stuff, I think the point we are trying to make is you need decent data behind it. It seems to me, as a comment, that at the moment we have had an interim population policy which has now expired which has been an interim population policy way before this last Strategic Plan. I cannot even try and think how long immigration has been going on but I have been in the States for 10 years and it has been going on and on and on.

**Assistant Chief Minister:**

It always will be.

**Deputy J.A.N. Le Fondré:**

It is an important piece of work. It has been an important piece of work for a long time.

**The Chief Minister:**

Whatever policy you have, if you have a policy to close the door, it is controversial. If you have a policy to swing it wide open, it is controversial. It seems even when you have got a policy to try and manage it that looks at value, it is still controversial.

**Deputy J.A.N. Le Fondré:**

I am probably saying that we have had an interim policy for a very long time. Right, let us move forward: M.T.F.P. Minister, can you confirm that key elements of the M.T.F.P. Addition such as the proposed healthcare charge and the liquid waste charge have now been finalised and are finalised in time for inclusion with the M.T.F.P. on 30th June?

**The Chief Minister:**

One of those I can answer yes to.

**Deputy J.A.N. Le Fondré:**

We are assuming that is since 2nd June.

**The Chief Minister:**

There has been a lot of work put into all of these proposals and there has been a lot of batting around about what is the right proposal, what proposal is deliverable, what effect will it have on the community? We are now largely there. I think T.T.S. (Transport and Technical Services) are finalising some of the details of their proposal.

**Deputy J.A.N. Le Fondré:**

So, hang on, as of today ...

**The Chief Minister:**

The quantum that is needed, and this is the approach that we are going to take on both of those charges, is agreed, and will be in the M.T.F.P. Yes, of course it will.

**Deputy J.A.N. Le Fondré:**

So as of today ...

**The Chief Minister:**

There is a lot of trying to make criticism about: "Oh, we do not know what we are doing and we have not got detailed plans and it is all very last minute." It has not been last minute. With a plan this big, which is about £700 million spending every year for the next 3 years, getting that final bit

together, getting agreement on the final bit, and the final bit is often the most controversial, takes time but we are there.

**Deputy J.A.N. Le Fondré:**

Can you confirm, as of today, are they confirmed and all the details are agreed? That is the details as to who is going to be charged, how much is it going to be per household, what is it going to look like, that level of detail? Is that agreed, as of today? For all those relevant charges?

**The Chief Minister:**

The detail of the health charge is and the broad detail of the waste charge is as well.

**Deputy J.A.N. Le Fondré:**

What do you call the “broad” detail, Minister?

**The Chief Minister:**

Well, the mechanism that we would use, the categories that would be charged and I think, to be fair, what they are doing is working on how they could develop a mechanism to mitigate some of those that would be affected by it in the least possible way.

**Deputy J.A.N. Le Fondré:**

That does not sound like all the details have been finalised then, Minister.

**The Chief Minister:**

It is an intricate process. You go through it and somebody says: “Can you think about that a bit more?” and then the department goes away and says: “Okay, we have thought about that a bit more and this is a way that we can refine it and improve it.”

**Deputy J.A.N. Le Fondré:**

I think the observation I would make, Minister, is this ...

**The Chief Minister:**

You know that is exactly how these things work because you sat in the Treasury Department. I would say, as we sit here today, we are not publishing the M.T.F.P. until the 30th, we are probably further advanced than I have known sometimes in the past with where we are in agreement.

**Deputy S.M. Brée:**

Chief Minister, when the M.T.F.P. was originally lodged, an extension was given to the Council of Ministers by the States Assembly to provide all of this detail.

**The Chief Minister:**

Yes.

**Deputy S.M. Brée:**

I think most people will find it concerning that even given the additional time to finalise this detail, we are today 13th June, and you are confirming that not all of the detail has been agreed with the M.T.F.P. Addition due to be lodged on 30th June. Do you consider that to be an appropriate manner in which to deal with the States expenses?

**The Chief Minister:**

Absolutely it is. I think it was your panel that said you did not think we would have enough time to do all the 4 years, we should do it year by year.

**Deputy S.M. Brée:**

No, no, no.

**The Chief Minister:**

Did you not? That was your amendments.

**Deputy J.A.N. Le Fondré:**

No. Minister, the Minister for Treasury and Resources and/or yourself came to us ...

**The Chief Minister:**

Was it not?

**Deputy J.A.N. Le Fondré:**

You guys came ...

**The Chief Minister:**

Now you are criticising us for not having every single i dotted and t crossed ...

**Deputy J.A.N. Le Fondré:**

Hang on, no. Minister, if you do not mind ...

**The Chief Minister:**

... and yet we virtually have.

**Deputy J.A.N. Le Fondré:**

... we are trying to keep it concise. But the normal run-of-the-mill of the M.T.F.P. is that everything should have been agreed a year ago - well, sorry, last September - lodged before the summer recess. You approached us ...

**The Chief Minister:**

We all agreed that because of the changing economic climate and the need to try and get certainty about the assumptions that it was the most prudent thing to do and we worked together and said: "Yes, it was the prudent thing to do."

**Deputy J.A.N. Le Fondré:**

The underlying assumption on that would be that the underlying work would be done in advance and people have a good, long consideration of the decisions being made.

[11:15]

At the moment, there are mixed communications coming out from your Ministers as to how much consultation they are getting on different issues. It does not give the impression of a cohesive, co-ordinated approach, given you have had an extra 12 months to do the work that you would normally have been required to do last year. That is the concern. What I will do is, I will move on, because I think we know the response you are going to give us, and just move on to the structure of stuff because I am aware of the timeframes. At a recent I.O.D. (Institute of Directors) debate, the Comptroller and Auditor General commented on the need to look at the long-term picture when considering savings and not salami-slicing budgets for short-term savings. In formulating the M.T.F.P. Addition, how have the Council of Ministers maintained the focus on long-term savings?

**The Chief Minister:**

It is a point which is very well made. When you are making a saving there is always what might appear attractive in the short term just to make a saving to balance the book in the short term but I am not sure the panel can have it both ways. We have tried to take time to think about sustainable savings that are going to make a difference to the Government over the longer term. That, by its very nature, takes time and that is why we have been working - and we are not quite up to the line yet - but almost right up to the line to try and do that.

**Deputy J.A.N. Le Fondré:**

Is it not the case that the cuts proposed, for example, the nursery funding, tend to indicate evidence of salami-slicing of budgets?



**The Chief Minister:**

No.

**Deputy J.A.N. Le Fondré:**

Okay. Just to cover off that area on the basis of a press release or a statement that has gone out to States Members today, could you clarify whether the revised changes to nursery funding are applicable to non-States nurseries or all nurseries?

**The Chief Minister:**

Has that gone out into the public domain?

**Deputy J.A.N. Le Fondré:**

I thought it was a press release.

**Assistant Chief Minister:**

There was a press release this morning.

**Deputy S.M. Brée:**

There was a press release this morning.

**The Chief Minister:**

Okay, well it has then. Okay, that is fine. Well you will see there is a case in point where the Minister had a proposal and he has listened to the Scrutiny Panel, he has listened to members of the public and he has refined his proposal which is ...

**Deputy J.A.N. Le Fondré:**

Can you answer the question, please, Minister?

**The Chief Minister:**

Yes, I am getting to it. That surely is a good thing. It does currently remain to have the same application, so it is for people who are sending their children to non-States nurseries.

**Deputy J.A.N. Le Fondré:**

Okay. Can you just clarify how they are cuts and also the comment about non-States nurseries, how that supports the Council of Ministers' Strategic Plan of investing in education?

**The Chief Minister:**

Yes, because you look at the overall picture. Just because we are putting an extra £70 million into health - £28 million extra in the last M.T.F.P., another £40 million in this M.T.F.P. - does not mean that we should not at the same time ask health, in this instance ...

**Deputy J.A.N. Le Fondré:**

I just said education, Minister.

**The Chief Minister:**

You said both strategic priorities.

**Deputy J.A.N. Le Fondré:**

No, the question was: "How does that support the Council of Ministers' Strategic Plan of investing in education?"

**The Chief Minister:**

Okay. Well the same message applies to education. Just because you are putting extra money into education does not mean to say they themselves should not also look at a reprioritisation programme and driving out efficiencies in the work that they would do. We look elsewhere in the world, it is best shown in health, which is why I went on to talk about health, but it is equally the same in education. Just because you are giving a department more money to improve the outcomes does not mean to say you want them to stop looking at whether all the things that they are currently doing are appropriate, are in line with the strategic aims, and are delivering value for money. You do not; you want both.

**Deputy J.A.N. Le Fondré:**

So we are putting more money into education?

**The Chief Minister:**

Yes.

**Deputy J.A.N. Le Fondré:**

In that budget, education will increase?

**The Chief Minister:**

Yes.

**Deputy J.A.N. Le Fondré:**

By more than the cost of living?

**The Chief Minister:**

Well, I do not have all the figures in front of me.

**Deputy J.A.N. Le Fondré:**

Principle?

**The Chief Minister:**

I do not have all the figures in front of me.

**Deputy J.A.N. Le Fondré:**

Okay, all right. Any questions there, Chris or Simon?

**The Connétable of St. John:**

Yes, the point I would make is you drive inefficiencies, not drive them out, so you like to improve efficiencies.

**The Chief Minister:**

A point very well made.

**Deputy S.M. Brée:**

Following on from the clarification that you have just given us, Chief Minister, can you confirm that you support the Minister for Education's proposal that any cuts proposed to nursery funding are directed solely at private nurseries and not States nurseries?

**The Chief Minister:**

I do. I support his proposal. What it is going to do is release funding in his budget to allow him to deliver on his pupil premium which is going to support those children who are less able to reach better standards in the future.

**Deputy S.M. Brée:**

Thank you.

**Deputy J.A.N. Le Fondré:**

Right, moving forward, does the M.T.F.P. make any reference to a community infrastructure levy?

**The Chief Minister:**

You are asking me if I can remember exactly all the wording of the documentation and ...

**Director of Corporate Policy:**

I will check. I am fairly confident it will make reference to it but not in terms of a financial provision.

**Deputy J.A.N. Le Fondré:**

So you are aware of such a levy?

**The Chief Minister:**

Yes, if it does, it will be in the narrative, not in the numbers.

**Deputy J.A.N. Le Fondré:**

So, it is not some form of tax-raising measure or increase in charges that the States are being asked to vote on at this stage and it will not be implemented during this period of the M.T.F.P.?

**The Chief Minister:**

Well, it is not in the numbers as they are crafted. It may be in the narrative. I would expect it to because it is a piece of work that Planning are working on. So, it may be introduced in the form of the M.T.F.P. but it is not necessary to deliver the numbers which are in there currently.

**Deputy J.A.N. Le Fondré:**

Can you enlighten us as to what its nature is?

**The Chief Minister:**

Well I am assuming you knew from the question that you asked. The department is out to consultation on it. I do not have the consultation document in front of me. I imagine it is not dissimilar to the narrative.

**Deputy J.A.N. Le Fondré:**

Okay, perhaps we will do some more digging there, Minister.

**The Chief Minister:**

Yes.

**Deputy J.A.N. Le Fondré:**

Right, going back to the healthcare charge and we commented on communication there, could you perhaps enlighten us as to how much this is going to be per household?

**The Chief Minister:**

No, I have got to be careful because all the detail is going to be released on the 30th but we have chosen such a mechanism, we will have the figures from previous work no doubt that has been done but it is not straightforward in the way that you were thinking of every household will pay a set amount. It will not work like that.

**Deputy J.A.N. Le Fondré:**

Without necessarily giving us the detail, do you know the impact on households?

**The Chief Minister:**

I know the impact with regard to the distribution of analysis work, yes.

**Deputy J.A.N. Le Fondré:**

Okay. All right, Kevin, public sector.

**Deputy K.C. Lewis:**

Chief Minister, you have identified £20 million of staff savings that need to be made in 2016 with an overall target of £70 million by 2019. How much progress have you made in meeting the 2016 target?

**The Chief Minister:**

The previous quarterly financial report shows that all departments are on budget and will meet their savings and spending funds.

**Deputy K.C. Lewis:**

Can you explain to the panel how you propose to meet those targets?

**The Chief Minister:**

Well you know how the targets were being mapped because it was in the M.T.F.P. and it was agreed by the States, and departments are working to that. Please forgive my ignorance here, do you see the quarterly reporting - I assume you do - after the Council of Ministers have seen it?

**Deputy J.A.N. Le Fondré:**

Only if it is on the B agenda and listed as ...

**The Chief Minister:**

Which it is.

**Deputy J.A.N. Le Fondré:**

So we saw the outturns for 2016.

**The Chief Minister:**

No, 2015.

**Deputy J.A.N. Le Fondré:**

Yes, I am just thinking I do not recall seeing the quarterly one before that, to be honest.

**The Chief Minister:**

You must have seen the ...

**The Connétable of St. John:**

No, we do not.

**Deputy J.A.N. Le Fondré:**

I do not think we do.

**Female Speaker:**

You do not receive it as a matter of course usually ...

**Deputy J.A.N. Le Fondré:**

No.

**Female Speaker:**

... unless it is on the B agenda.

**Director of Corporate Policy:**

You have to request it.

**The Chief Minister:**

Would you like to request it?

**Deputy J.A.N. Le Fondré:**

Could we have it, please?

**The Connétable of St. John:**

Could we have it as a matter of course?

**Deputy J.A.N. Le Fondré:**

Yes. Can we possibly set it up as an automatic release of information?

**The Chief Minister:**

Is that how it works?

**Deputy J.A.N. Le Fondré:**

No, normally we have to physically request it.

**Director of Corporate Policy:**

We can get a flag so after C.O.M. (Council of Ministers) it automatically goes.

**Deputy J.A.N. Le Fondré:**

Yes, that would be good. Thank you. Minister, right, under terms and conditions, can you clarify whether there is any further work being done on the Public Sector Pension Scheme?

**The Chief Minister:**

Not that I am aware of, no.

**Deputy J.A.N. Le Fondré:**

Okay. With people savings and less staff paying into the pension funds potentially, how will that affect those funds?

**The Chief Minister:**

It is a good question and the advice that I have, because I have been asked that question, and I have corresponded with the Committee of Management on it, when you take out the reduction in staff in some departments, we are still expecting growth in staff in Health and in Education because of the extra money that we are putting in, although there may need to be some adjustment money it will not be a material adjustment to the sustainability of the pension fund. What is more material is the changes that the States agreed previously which are proposed to be implemented; for new members are already being implemented and for existing members I think implementation is 2020.

**Deputy J.A.N. Le Fondré:**

Okay. Just picking up on that, can you confirm that the States as an employer will be increasing their contribution rate to the pension scheme to 16 per cent or 16.5 per cent starting in 2020 and that for new employees we are now paying 16 per cent?

**The Chief Minister:**

That is correct. I think it is 16 per cent, not 16.5 per cent.

**Deputy J.A.N. Le Fondré:**

Yes, I agree. Okay, now our work in a different area when we did the pensions review identified that the average employer contribution rate across the Channel Islands was approximately 10 per cent. Would you agree that if we say that staff costs are around £350 million a year, then we are paying around £20 million more than the private sector would be paying for pensions as an employer?

**The Chief Minister:**

The figure that you quoted was private and public sector pensions, was it? The 10 per cent?

**Deputy J.A.N. Le Fondré:**

I think we have just been told it is an average. I assume it is private sector.

**The Chief Minister:**

I do not have those figures in front of me. I would have thought that the differential would be greater. I would have thought that the 10 per cent figure that you have quoted as an average would be increased by the public sector pensions and that the average private sector pension employer contribution would be less than 10 per cent but I do not have that data in front of me.

**Deputy J.A.N. Le Fondré:**

Is it some information that perhaps once we are clear of this M.T.F.P. one should be looking at from the point of view of understanding the long-term viability and sustainability of the pension funds? Because arguably there is quite a significant difference between what the private sector does and what the public sector do and arguably the taxpayer is subsidising an area of government that in the private sector would not be happening. We do not know the information on that at the moment.

**The Chief Minister:**

It was not an area that I was expecting to be questioned on today but we have done a lot of work on changing the public sector pension and that has led to those increases, as you have said. But equally there are substantial increases being made by employees as well and we took the view that moving to a career average scheme rather than a final salary scheme, putting forward those increases in contribution, was the best step at this point in time. I am on record as having saying you expect changes to pensions to last somewhere between 10 and 20 years but in a very changing economic environment they may not last that long. You have to keep them under review



but you do not want to be moving them every 2 or 3 years. You want a package to be sustainable for a period of time and that is the current package that the States have agreed. So I would not have thought we would be looking to change that, certainly not during this period of the M.T.F.P. because it is only really going to come into play in the next M.T.F.P. There is one employee group that is still not satisfied with what the current proposal is because they think they are being asked to pay too much.

[11:30]

If we look at Guernsey we see that they changed their package and made it more generous and their union group did not accept that either and they are having to go back to the renegotiation table. So I would not want us to do that because I fear that, as an employer, we would not gain and the taxpayer would not gain, it might be going in the other direction.

**Deputy J.A.N. Le Fondré:**

I am going to just note and then we will move on, our advisers of the day did raise some queries about the sustainability of the fund moving forward on the basis particularly of 16 per cent contribution rates. Okay, moving forward. Sorry, I am assuming ... anybody else got any other questions? No? We are on track at the moment. Simon?

**Deputy S.M. Brée:**

Okay, Chief Minister, we would like to talk about the eGov programme, if we may. Can you confirm, who has overall ultimate responsibility for the delivery of eGov?

**The Chief Minister:**

Well this is why I have brought Jonathan because he heads up the eGov ... I am not sure whether I want to call it department because it is cross-cutting the eGov change, we will call it. Jonathan sits in my department.

**Deputy S.M. Brée:**

Right. So, politically speaking, you have overall ultimate responsibility for the eGov?

**The Chief Minister:**

Well I would say the Council of Ministers do because it is has got to be cross-departmental. I think the points that the Comptroller and Auditor General made in that regard are absolutely right.

**Deputy S.M. Brée:**

Okay. So it is more of a Council of Ministers' responsibility than one individual Minister?

**The Chief Minister:**

Yes, otherwise it will not be delivered at all.

**Deputy S.M. Brée:**

Okay. Can you confirm what is the structure of the eGov team?

**The Chief Minister:**

Jonathan will be able to do that for you.

**Director of Business Change:**

The structure of the officer team working on eGov is one that represents a number of different departments. It has people focused on a number of different activities, including the delivery of what we describe core components. So these are components that would be intended to be used across the entirety of the public sector and an oft-used example is the digital ID. It also has on the team, representatives from departments who are focusing on refining and automating different lines of service. So an example would be the recent development to the G.S.T. (Goods and Services Tax) payments, easing the way that that is configured and delivered to our customers, also increasing the internal efficiency. So it is a wide-ranging team with people from a number of different departments with different aspects of their focus.

**Deputy S.M. Brée:**

Okay. Who sets the targets for this eGov team to meet?

**Director of Business Change:**

The original business case set out in early 2014 positioned eGov as an investment case with a number of defined deliverables or targets. We have stayed true to those and that therefore represents the target delivery for the eGov programme.

**Deputy S.M. Brée:**

So who set those defined deliverables or targets in the first place?

**Director of Business Change:**

That was a case agreed by Council of Ministers in early 2014.

**Deputy S.M. Brée:**

Do you feel that the targets or defined deliverables, as you call them, perhaps are slightly easy to meet at the moment and, therefore, one is seeing a longer deliverable period?

**Director of Business Change:**

Quite the opposite. I would describe them as increasingly complex to meet and, as a consequence, that is one of the concerns I have as director of the programme in the pace of delivery.

**Deputy S.M. Brée:**

Okay. You refer to it, the recent report by the C. and A.G. (Comptroller and Auditor General) talks about vision and strategy, stating that there appears to be an absence of vision for public sector reform overall which brings together different resources: financial, human resources, information and assets. How do you expect the eGov programme to work effectively if there is a lack of apparent strategy?

**Director of Business Change:**

So the eGov team has a vision of the strategy. We meet frequently with the reform team to make sure that we can align to the best possible way. There is a piece of work underway currently just to take stock of the activity that makes up the reform programme to ensure that post-M.T.F.P. 2 planning we are comfortable that the activity in reform and the activity of the component part in reform of which eGov is a major element, are clear and therefore that we are using our resources and our time as appropriately as possible.

**Deputy S.M. Brée:**

So who sets the strategy for the eGov team then?

**Director of Business Change:**

The strategy was set out by the business case I described earlier. The approach might change as a consequence of learning different things as the programme progresses but it still focuses, for example, on delivering the capability in core components that will enable the States of Jersey and beyond to operate with better quality of customer service, better cross-cutting activity, so common things done commonly across the States, in order to deliver better efficiency. A further objective in there, the third of the 3, is to ensure that we can support Digital Jersey in their aspirations to grow capability in that digital market as well.

**Deputy S.M. Brée:**

So, for funding purposes, it would appear that individual projects are funded on an *ad hoc* basis as opposed to having an agreed budgetary and funding route? Why is that?

**Director of Business Change:**

There are different funding approaches taken to different aspects of the programme, so there are large chunks of funding which are allocated to delivery of core components and their allocation largely remains the same as was set out in the original business case. I say “largely” because as we understand more about the way in which we could approach delivery of those components, we have to take views as a board on how we might want to reallocate budget within that original capital vote. The point you are making with reference to the Comptroller and Auditor General’s report on eGov is related to some specific and much smaller-scale projects in what we call the foreground. Now these are a series of examples, exemplar projects, the intention of which is to provide some more momentum, some more tangible delivery. The board has chosen in the past to sponsor a series of small elements in different departments to get the wheels of eGov moving, if you like. We have developed in the last 6 months a formal process by which we are signing off the projects to ensure that that governance is in place and that was reflected in the audit report. In advance of that, decisions were made by the sponsorship board, so we have good governance process.

**Deputy S.M. Brée:**

Well the C. and A.G. report states and I will quote from it: “Funding decisions that the senior responsible officer makes are not documented.” Why not?

**Director of Business Change:**

They are documented at a sponsorship board level. The point that she was referring to was that we needed to improve the way that we are making decisions in allocating those small amounts of funds between different departments for those smaller exemplar projects which we have since done.

**Deputy S.M. Brée:**

Okay. Chief Minister, if I may ask you directly, as Chief Minister of the Council of Ministers, eGov, or the delivery of eGov, was looked upon as being, not only an important step, but also a cost-saving exercise in the long run. To the outside person there seems to be a lack of strategy, there seems to be a lack of delivery, how would you counter those arguments?

**The Chief Minister:**

Well I think we just heard Jonathan do that. This was always going to be a challenge because an equally-important part of what the Comptroller and Auditor General says in this regard in her report is not just about technology; it is about culture and departmentalism. I have known from day one that changing the culture, getting departments to work together, was going to be a Herculean task and that is why I have on a number of occasions spoken to Jonathan about making sure - and he

is doing this - making sure that eGov is not just about him and the leadership of his team but it is about prodding, poking and encouraging people right across the departments to think about how technology can improve the processes and the efficiency of the services that they are providing. It was always going to be difficult and I always expected people to come along and say: "You are not moving fast enough. You are not moving sufficiently well together." But equally I think the Comptroller and Auditor General says there is some progress but she says it needs to happen faster and in a more co-ordinated way and we need to change the culture. The guys are absolutely mindful of that and that is why they have said they accept what she is saying and they are working to try and deliver on that agenda.

**Deputy S.M. Brée:**

So how much has been spent to date on the eGov programme?

**The Chief Minister:**

Jonathan will have the figures there but I think it is something like £1.8 million and £1.8 million, is it not?

**Director of Business Change:**

That is correct. So, from the inception of the project until the end of 2014, £1.8 million against a £2.15 million budget. Our 2015 full year, £1.8 million against a £2.2 million budget and we have a remainder of £7.62 million. I am not putting that into specific years because that could run over multiple years. We are just in the process now of considering our approach and any necessary reallocation of budget, different activities in the programme within that capital vote to make sure that we continue to spend as wisely as possible to achieve the objectives that we set out.

**Deputy S.M. Brée:**

So, Chief Minister, how much in terms of actual savings has the eGov initiative contributed towards the £70 million of public sector reform savings which the Council of Ministers has pledged to achieve?

**The Chief Minister:**

Well what we have done, and hopefully you will accept that this is a prudent approach, technology is an enabler to help departments do things differently but they may not have categorised the saving and efficiency as an eGov saving. What they have been doing is saying: "Well we can save money by using maybe fewer people here and there is a technological solution to it." So they have put it in their departmental budget as a saving that they are going to deliver over the period of the 4 years. I think that was the best approach and it is an approach that has been encouraged by the eGov team because that approach gets buy-in because they can then see that they have got a

saving in their department rather than Jonathan sitting at the centre and saying: "Look at all this money that I have saved" because without them getting the buy-in they would not have made the saving, so that is how it is working. So we are not ...

**Deputy S.M. Brée:**

So you are saying that is not possible to quantify directly?

**The Chief Minister:**

No, I am not saying that. It possibly would be after the event but what I am saying is I am not giving you a line that says: "That is your eGov saving." I am saying: "Go away and look at how you can work more efficiently and use technology to help you to do that which will deliver savings." So, you have said, we have all said, there needs to be flexibility in the M.T.F.P. and technology is going to help deliver some of that flexibility in people and in other savings that are not quantified as an eGov saving. Have you got anything to add to that?

**Director of Business Change:**

No, no. The Chief Minister is absolutely right in that articulation. One example to help provide some context is that, in looking at an individual department and their aspiration to make some savings under M.T.F.P. 2, they might look at a particular service line, they might apply their lean knowledge and skills which is an investment in capability made previously through reform. They might also approach eGov and ask for some help in trying to rationalise and apply technology and a number of other things that they would do to deliver their M.T.F.P. 2 savings. So, as was set out, and I will make that reference back to that early business case, eGov was set out in a neighbouring programme and we continue to do just that.

**The Connétable of St. John:**

Can you confirm that all departments are co-operating and working with you with the strategic aims of eGov?

**Director of Business Change:**

I can. I am very pleased with the support from departments.

**The Chief Minister:**

He is more positive than I am.

**Director of Business Change:**

I have set out in fact informally to this group in February that I think is one of the unwritten and most significant challenges of the programme in that we are looking to take a frame of reference

that is across the entire public administration. It is beyond the States of Jersey. As you also know it includes the parishes and we operate well with the parishes. It goes beyond that into the private sector, into the third sector as well, and it is a continual challenge to make sure that we get the right people around the table and we line them up. I know people want to walk in the same direction at the same speed. It is incredibly difficult and complex to get to that stage and maintain that but that is one of the objectives of the programme. So I am continually positive about the fact that is required and getting good input from a whole host of different people that end.

**The Chief Minister:**

It is fair to say, the way that the parish have engaged is a good role model of how I would like everyone to approach it. Everybody has praised the parish, rightly, for the work that they have been doing, that that has been work that has been supported by the central pot of funding and the central team on eGov. It has got to be a partnership approach.

[11:45]

**Deputy S.M. Brée:**

You, Chief Minister, appear slightly less positive about the buy-in from all departments. Can you advise us where you think the problems lie?

**The Chief Minister:**

I think the Comptroller and Auditor General put her finger on it when she talked about changing culture. It is difficult to pinpoint a particular department or a particular area of a department but I still want to see more positive engagement with Jonathan and his team about bringing forward ideas where they think technology could help them. That is where I think there is still a lack of people. Their views lean incredibly well about their existing processes and I would like to see that move on to say: "Okay, we have done all this to our existing process, is there an answer some way here that technology can provide?" It is starting but I think there is a further few steps that could be taken.

**Deputy S.M. Brée:**

Well, Chief Minister, you have already said that it is not possible to quantify the exact savings being provided by eGov to date. You have also stated that there is resistance among certain departments or areas in departments to change, so how can you be placing such a great reliance on eGov contributing to the £70 million saving if you have got both these problem areas that you, yourself, admit exist?

**The Chief Minister:**

Problems are to be overcome, problems are there to be dealt with; not for us to pick up our stumps and go into the clubhouse. We would have done that years ago if that was the attitude we took. But seriously it is reports like the Comptroller and Auditor General's which help us and help me and help Jonathan to deliver the change that we are all aiming for. So I am optimistic that the M.T.F.P. proposals that we will publish on the 30th can be delivered.

**Deputy S.M. Brée:**

Okay.

**Deputy J.A.N. Le Fondré:**

I have got 2 questions; one is specific. I am just keeping an eye on the time as well. There have been a number of H.R. (Human Resource) I.T. (Information Technology) programmes that have not delivered over the years, do you have any indication how much has been spent on that particular integration thus far? Obviously not just in your time but prior to that?

**Director of Business Change:**

I do not, I am afraid.

**Deputy J.A.N. Le Fondré:**

Can we agree a lot?

**Director of Business Change:**

I have not looked at that.

**The Chief Minister:**

I do not know because I do not have the numbers. We can certainly ask the question.

**Deputy J.A.N. Le Fondré:**

Perhaps if you could let us know on that one. The other one really which is going back to this whole issue around, I do not know about resistance, but I think you talked about the silos, is how are you tackling the silo mentality of departments?

**The Chief Minister:**

Do you want to do it from a technical ...

**Deputy J.A.N. Le Fondré:**

Well I think I would like it from the Chief Minister as an overall.



**The Chief Minister:**

Well I will come back to it but it is important from definitely a team perspective.

**Deputy J.A.N. Le Fondré:**

We do have 2 questions left at the end of this so not too long, please.

**Director of Business Change:**

The approach that eGov has taken to look to support the Chief Minister in the aspiration to make for an efficient public sector, public administration is to ensure that we have a host of activity across the entirety of the administration so we do not concentrate in isolated pockets which might reinforce that issue that you refer to. So we have a desire to build processes and build services which are configured around customers. Our customers do not make the distinction that they get one part of their service from Department A, another from Department B, another from Parish C. So by virtue of taking that approach we bring a collection of different people into the same room with the aspiration to build the best process for the customer. Then we repeat that exercise time and time again, and in so doing help departments understand that only working collaboratively can they give the best possible service, and doing more of that helps break down the silo mentality you described.

**Deputy J.A.N. Le Fondré:**

Okay. Chief Minister?

**The Chief Minister:**

We are doing it by working more closely as a Council of Ministers and a corporate management board and that is how we have tried to develop the M.T.F.P. together so that we are all in a room together so we are building relationships and we are recognising that there is not ... a frustration of mine I have always had is somebody in Department A critical of somebody in Department B about the service they are providing rather than just picking up the phone and saying: "Look, we are all serving the public, we are all part of the Government, what are we going to do about it?" It has got to come from the top level as well.

**Deputy J.A.N. Le Fondré:**

It has obviously got to come from the top, from the Council of Ministers and politicians, but do you think you are getting the buy-in from the senior civil servants or even the middle-management civil servants?

**The Chief Minister:**

I think we are but I think there is still more work to do.

**Deputy J.A.N. Le Fondré:**

Shall we sum it up as work in progress?

**The Chief Minister:**

Yes.

**Deputy J.A.N. Le Fondré:**

Okay.

**Director of Business Change:**

Problems. Let us sum it up as a problem.

**Director of Corporate Policy:**

A challenge.

**Deputy J.A.N. Le Fondré:**

Right, are we happy to move on? Okay, Kevin?

**Deputy K.C. Lewis:**

Chief Minister, the Statistics Unit has recently announced it will be ceasing certain reports due to resource cuts, that is also Business Tendency Survey, Retail Sales Survey, Jersey/U.K. Price Comparison. Would you all agree that having access to good data is essential when making policy decisions?

**The Chief Minister:**

It is but we have asked everybody to look to make efficiencies in their department as well. There was a proposal to do that in the Statistics Unit as well. We are now, however, working with the Statistics Unit to see if we cannot transfer statisticians from elsewhere in government under the remit of the Chief Statistician and the Statistics Unit and hopefully make efficiencies and deliver roughly the same level of service. So I think it is fair to say there was a little bit of miscommunication and I hope that we are going to work through that. The Statistics Unit might decide they do not want to do some reports but it should be their decision. It should only be a result of wanting to use the budget in a better way.

**Deputy K.C. Lewis:**

What feedback have you had from the public and industry on this?

**The Chief Minister:**

Well interestingly from the public not ... I am not aware of any feedback from the public. I have had feedback from the Chamber of Commerce.

**Deputy K.C. Lewis:**

Would you expand on your thoughts?

**The Chief Minister:**

The Chamber of Commerce were of the view that there was value in those reports and they would not like to see them lost.

**Deputy J.A.N. Le Fondré:**

I will pick up on one question then just to be specific, I presume that was in relation to the Business Tendency Survey, as an example?

**The Chief Minister:**

Yes, that is right.

**Deputy J.A.N. Le Fondré:**

So using your example of bringing resource in from elsewhere and making the staff savings at the same time, is it likely that something either the same or something very similar to the Business Tendency Report will continue to be produced or not at this stage?

**The Chief Minister:**

I cannot give you that categorical assurance but I would expect that once that integration has taken place that we would see that particular report, which I think was where the concern was, being maintained in some form.

**Deputy J.A.N. Le Fondré:**

Well at the moment, Minister, I will look to my left. Chris, are you okay? Simon? Kevin? Amazingly enough, despite a slight element of lack of preciseness in the middle of the hearing, we have managed to finish I think about 4 minutes ahead of schedule which is very good on the basis of the timing I say, at the very least. Thank you very much for your time and attendance today. It is good from the quality of the answers we were given but there we go. But thank you very much for your time.

**The Chief Minister:**

Thank you very much indeed, Chairman.

**Deputy J.A.N. Le Fondré:**

Joking apart, we do appreciate having you in front of us.

**The Chief Minister:**

Yes, thank you very much indeed.

**Deputy S.M. Brée:**

Thank you.

**The Chief Minister:**

Thank you.

**Deputy J.A.N. Le Fondré:**

That concludes the hearing.

[11:54]