



Corporate Services Scrutiny Panel

Quarterly Hearing

Witness: The Chief Minister

Monday, 5th November 2018

Panel:

Senator K. L. Moore (Chairman)
Deputy S.M. Ahier of St. Helier
Deputy J.H. Perchard of St. Saviour
Connétable K. Shenton-Stone of St. Martin
Connétable R. Vibert of St. Peter

Witnesses:

The Chief Minister
The Deputy Chief Minister
States of Jersey Chief Executive
Director, Corporate Policy
Director, People Services
Director, Human Resources
Head of Decision Support, States of Jersey

[12:02]

Senator K.L. Moore (Chairman):

Thank you to everybody for joining us for this hearing with the Chief Minister. It is our second quarterly hearing with the Corporate Services Panel. I think everybody will be familiar with the terms of engagement and the rules. Just for the record, though, Chief Minister, if you could confirm that you are aware of the panel procedures under privilege?

The Chief Minister:

Absolutely.

Senator K.L. Moore:

Thank you. We will kick off with introductions first. I am Senator Kristina Moore, I am the Chairman of the panel.

Deputy J.H. Perchard of St. Saviour:

I am Deputy Jess Perchard, member of the Corporate Services Panel.

Connétable K. Shenton-Stone of St. Martin:

Constable Karen Shenton-Stone, member of the Corporate Services Panel.

Deputy S.M. Ahier of St. Helier:

Steve Ahier, Vice-Chair.

Connétable R. Vibert of St. Peter:

Constable Richard Vibert, member of the Corporate Services Scrutiny Panel.

Scrutiny Officer:

Simon Spottiswoode, Scrutiny Officer.

The Chief Minister:

Senator John Le Fondré, Chief Minister.

The Deputy Chief Minister:

Senator Tracey Vallois, Deputy Chief Minister and Chairman of the States Employment Board.

Director, Corporate Policy:

Paul Bradbury, Director of Corporate Policy.

States of Jersey Chief Executive:

Charlie Parker, Chief Executive.

Director, People Services:

Jacquie McGeachie, Director of People Services.

Senator K.L. Moore:

Excellent. So given the timing, we know that the Deputy Chief Minister is unable to stay for the full duration, we thought we would start with the section of the questions particularly aimed at the States Employment Board. Firstly, would you be able to update us on progress that has been made on to resolve the current pay dispute with States employees?

The Deputy Chief Minister:

So the States Employment Board met with unions on 25th October to listen to their concerns surrounding the pay offer that was provided through negotiation with our officers. We met with all unions but the nurses representative union, they wanted to meet separately. We took note of their concerns and we are due to meet today as a States Employment Board, this afternoon, to look at restructuring ... the possibility of restructuring that pay offer.

Senator K.L. Moore:

What more will you be able to offer given the situation with finances?

The Deputy Chief Minister:

Okay, so parts of the issues that were raised in terms of the concerns to us were, of course, the fall out in terms of the workforce modernisation and they are wanting us to discuss pay separately from workforce modernisation and all the terms and conditions, all those types of things. So there are separate discussions is one of the things that the unions expressed to us on the 25th, openness and transparency and, of course, there is a concern around consolidated and unconsolidated pay. So we are looking at ... I believe we have roughly around 5 or 6 options that we can look at this afternoon, but at the moment the 33.6 million, 27.4 of which is recurring, is unfortunately the amount at the moment that we have. Bearing in mind that that includes 14.8 or 14.9 which is not yet funded.

Senator K.L. Moore:

You might say there is a considerable amount of money unfunded there, however, given the amount of money that is being held in contingency and it is proposed it will be transferred to the Stabilisation Fund, surely there are plenty of funds available within the States of Jersey if the Council for Ministers saw fit to unlock those funds?

The Deputy Chief Minister:

My understanding, and I am happy to explain that 50 million, but my understanding is the 50 million that is going into the Stabilisation Fund is ... because I think it is 180, or something like that, that is sitting in the Consolidated Fund, 50 million is proposed to be transferred to the Stabilisation Fund but that is a one-off. So in terms of recurring expenditure we would need to be ensured and assured that we could carry on funding whatever pay offer we provide to States employees. It is not fair to

offer one thing and then not be able to continue funding it. So, that is my understanding but I am happy for any other ...

The Chief Minister:

I think the other points I would make is that the 50 million is obviously a slight change ... and if the Assembly agrees, I believe it was previously mooted as going over to the Strategic Reserve under the previous Council of Ministers. It is just a reclassification, almost. Secondly, just to reinforce what Tracey is saying, is the difference between capital and revenue expenditure. So we can spend 50 million once but if it is revenue you are spending it for ever.

Senator K.L. Moore:

But you are in the middle of a savings programme, so the aim being that savings would be found from revenue spending in future years?

The Chief Minister:

Absolutely. But adding to the challenges we face by adding a recurring amount of revenue expenditure a payment award would not assist matters as a principle. In other words, if you have a 50 million award amount and we increase the pay offer by say 10 million or something, it is gone in 5 years and then we have to find it again and have to keep finding it on top of the stuff we already have to face, bearing in mind the future financial position. Charlie, do you want to add anything?

States of Jersey Chief Executive:

The only other point I would recognise is that the F.P.P. (Fiscal Policy Panel) made a very clear recommendation that we should start to replenish the Stabilisation Fund in light of potential arrangements for a post-Brexit settlement that may be based on a hard Brexit position. Therefore, again, it is one-off monies to be used to be able to transition and smooth that set of circumstances. I think there are a number of interlinked and related issues here about the use of that one-off surplus from the previous year.

Senator K.L. Moore:

But the F.P.P. were not talking about £135 million, which I think would be the balance predicted in the current budget.

States of Jersey Chief Executive:

No, the F.P.P. were recommending the majority went in there. I think in the budget the recommendation is for the £50 million. But the point that has been made by both Ministers is that we currently have - and I know it is an item for elsewhere on the agenda - a range of issues that we

have to meet and adding to that problem only creates further challenges for the next M.T.F.P. (Medium Term Financial Plan) 3 period.

Senator K.L. Moore:

However, if we consider the priority to reduce income inequality and improve the standard of living what do you say, Ministers, to nurses, teachers and other public sector staff who are being offered pay increases much lower than inflation?

The Chief Minister:

I will hand the detail to both Tracey and Charlie but I think the principle is that one needs to delve down slightly above the headline element, which is that in certain instances some people are getting more than the cost of living. It depends on the grade that you are looking at.

Senator K.L. Moore:

I think 86 per cent of public sector workers are receiving less than R.P.I. (Retail Price Index) and they have done for some years.

The Chief Minister:

Sorry, I thought you were talking about the present offer rather than historically.

Senator K.L. Moore:

Well, if you look across the piece you have to take into account the recent history as well to understand and have some empathy with the situation your staff find themselves in.

The Chief Minister:

I think we all have empathy for all situations. Obviously what we are dealing with is a series of legacy issues that we have inherited. There has been several issues where ...

Senator K.L. Moore:

It is very easy to say they are legacy issues but you could find a different path ...

The Chief Minister:

If I could just finish as well?

Senator K.L. Moore:

... in order to solve the problem.

The Chief Minister:

I think the point is there is a serious set of legacy issues that have been inherited where the structural oddities on pay have not been addressed properly and so we are now hitting a range of issues altogether and the idea is to try and deal with it properly. It will be difficult but perhaps Charlie or Tracey would like to add something.

States of Jersey Chief Executive:

I think, as the Chief Minister said, and as the Deputy Chief Minister made clear, the real challenge is to try and reduce the inequality on equal pay for equal value and at some point we are going to have to address that. If you were to follow the request by the trade unions for R.P.I. for 2018 and 2019 you are, in effect, still not dealing with the differentials between the lowest paid workers in the public service and the highest. There is no desire not to try and deal with that issue because that has been the driving point of all the negotiations to date. I think in terms of the trade union's request for R.P.I., I think that is understood and it tries to redress the imbalance over the period of the last several years about pay awards. But you will understand that in the context of that there was a period of challenge to public finances, previous governments made decisions around trying to improve efficiencies, of which pay was one of the considerations. I do not think we are going to be able to catch up with all of that in one arrangement. We have also done some work around disposal income comparators, areas where there may well be a similar set of circumstances where we look both at Guernsey, U.K. (United Kingdom), New Zealand type comparators and that work is ongoing for the States Employment Board to look at. But it does highlight that Jersey's relative position between gross and net income and cost of living is better than most other comparators. Therefore we have to look at this within the cost envelopes of what we are facing at the moment.

Senator K.L. Moore:

What work is being done to communicate and engage with staff on this point? I am sure everybody saw the Nursing Association's tweet last week which compared a nurse's net income, showing that they had, in their view, £150 left every month as opposed to a nurse in the U.K. after similar costs who had just over £1,000.

States of Jersey Chief Executive:

I am not sure that I think we are comparing the same statistics because it does not take into account other benefits that could be accrued to low paid staff that you can access, depending on what your personal circumstances are here in Jersey. I have seen the tweet but it is probably, as I say, something which we would need to understand how and on what basis the assessment has been made around that. It does not fit quite with the analysis that we have done. Saying that, in terms of the broader question on communications, subject to the discussions that are taking place with the States Employment Board, Council of Ministers, there is a range of further discussions and

communications that we need to undertake with staff which will obviously form the basis of whatever the outcome of those negotiations and discussions that are taking place will be.

The Connétable of St. Peter:

Chief Minister, so given you are constrained by the Medium Term Financial Plan in accessing large balances on the Consolidated Fund, have you looked at how you could reprioritise money from existing budgets to fund pay rises?

The Chief Minister:

I think it is a fair comment to say that we are acutely aware we are constrained by the spending limits that, you know, are in this present Medium Term Financial Plan. It ultimately comes down to if we reprioritise the money has to come from somewhere by the real definition and what does that do? So the discussions, as I said, which are being lead obviously by the States Employment Board and then obviously the Chief Executive and the H.R. (human resources) team are trying to continue to work in the envelope they have. But, as I say, it really goes back to reinforcing the argument around capital expenditure versus revenue recurring expenditure and trying to minimise, to an extent, the impacts there because, if not, it will just make life much more complicated going forward.

[12:15]

We know we face financial challenges ahead and this is one of the difficulties we have. But there is a much wider piece of work, we as a government are 4 months into it - or whatever we are now - but it is becoming very, very clear that when you start delving down into employment terms and conditions it gets very complicated very rapidly. I will throw in one example, which is I was not aware until relatively recently that for civil servants there is a build in pay differential over any other workforce group of 4 per cent. That starts rent raising and interesting questions. In other words, they have built into their - up until now - situation a 4 per cent pay differential over any other pay group.

States of Jersey Chief Executive:

The one point that I think was made in the early contribution by the Deputy Chief Minister is, of course, some of the offer that has been made for pay for 2018 and 2019 is unfunded, so will already have to come from further efficiencies that we are embarking on in order to be able to bridge that gap. So the prioritisation from both S.E.B. (States Employment Board) and the Council of Ministers has been to use some of those efficiencies to meet the above increased offer for different sectors of the public service, to be able to try and deal with some of those equal pay and equal value issues.

The Connétable of St. Peter:

Thank you. We have high numbers of agency staff, particularly within Health, who often come at a higher cost. Have we looked at using the money that agency staff cost to put into higher wages to attract more permanent staff?

Director, People Services:

So, yes, we are using agency staff at the moment and they are probably used to fund some of the vacancies that are currently on the establishment list. One of the reason why we have a high percentage of vacancies at the moment, or one that may be, is that we are creating room in the system ahead of any potential restructures that may happen as a consequence of implementing the new target operating model, this then maximises our permanent staff's opportunity to be redeployed across the organisation.

Senator K.L. Moore:

If we could just chip in there. If one considers Health staff, in particular the nurses, it might strike some fear into the hearts of people if they hear we are trying to create room in the system. Of course that is one of the areas where you do see a very high percentage of agency staff.

Director, People Services:

It is absolutely opposite of fear, I think. It is the opposite, of giving some security, job security, to our staff that if we now go out and recruit to some of our vacancies on a permanent basis those vacancies could have been used to redeploy current staff into. Health always carries a number of opportunities where they do need agencies for obvious reasons within the model that they work in. But where we have agencies filling permanent roles, which I think is some things that have been suggested, that is good headcount management at a time when we are heading into a period of change.

The Connétable of St. Peter:

Will the next government plan ensure there is sufficient provision made to avoid this situation repeating itself in future years? The pay dispute, the inequality of pay, will the next government plan ensure there is sufficient provisions made to avoid that in future?

The Chief Minister:

I will hand to it Charlie shortly, but the short answer is we are going to have to make sure that the government plan does cater for these types of things, however there is also the ... always the issue ... the dilemma is if you put in ... for the sake of argument, if you put in a 10 per cent increase for pay and terms and conditions, that is what people will negotiate to. Obviously I am exaggerating but that is the principle.

The Deputy Chief Minister:

From my point of view, I think it is really important to recognise that if we as a government are serious about equal pay for work of equal value, we have to put the commitment behind it and ensure that whatever the next plan looks like it continues that ethos in ensuring that it stands up for what it is. From my point of view, I think we have a responsibility absolutely there to ensure we have the right support framework and the right funding and the right terms and conditions, everything that goes with it, to drive towards equal pay for equal value but with all the legacy issues that sit behind or some of the areas that we need to resolve, it is not going to be easy. We need to make sure we are ready for that. So the next plan gives us the opportunity to do so.

Deputy J.H. Perchard:

Chief Minister - excuse me, I am just going to jump in - I take your point about setting a bar higher and then people will want to jump up to that bar, but what we are talking about here is pay increasing with the cost of living. Requests for pay are not exceeding cost of living and obviously by definition cost of living means being able to afford to live.

The Chief Minister:

Yes.

Deputy J.H. Perchard:

So surely we should be saying: "Yes, absolutely, we will ensure that we commit to ensuring that public sector pay will increase with cost of living." Otherwise what they are suggesting by implication is that we are not willing to ensure and commit to pay reflecting the cost of living, being able to eat, live, send our children to school, all of those bare essentials ...

The Chief Minister:

I will give you the high level comment and then I will pass it to the Chief Executive at that point or to Jacquie, but the issue there is you are working on an assumption that ... the difficulty we are coming to, and this is where I think there is probably an argument to say there may need to be some greater transparency on all sides as to how or what pay grades are and what people do and what people receive. But if you benchmark a certain condition, certain pay levels, as the Chief Executive referred to, we do appear to be at, in certain areas, the high level. The question is whether one therefore automatically builds in a cost of living increase for said grades or, because ultimately it is about the taxpayer as well, do we say: "Relative to how people are paid, if people are deemed to be receiving more than they should be, do we have to address that?" It is a complicated discussion and it is not one that we are going to resolve immediately. It is something that we have to consider for the next government plan. At that point I will hand over to Charlie or Tracey.

States of Jersey Chief Executive:

I think the key bit is, in going forward there has to be a lot more clarity and transparency around the make up of what is involved in pay, because it is not just basic pay, it is all the entitlements that come as well, whether that is shift allowances, whether that is payments for responsibilities. If you are a teacher, for example, whether there are differentials between - I do not know - enhancements to what might be the terms and conditions for one sector of the workforce and not another. For the last 5 years the States has been trying to deal with the actual workforce modernisation programme. For whatever reason that has not been successful and that has been rejected by the workforce. So we have to go back and start to look at these issues in the way that starts to identify what is the cost of living issue versus what are the terms and conditions that we currently pay versus what is affordable. But all of that needs to be laid out in a clear, concise way, that the public, that the Assembly, and also staff fully understand. But, you know, you would not, in the normal course event just automatically say that you would enhance salaries by cost of living. If there was rampant inflation then that would impact on the available to spend as you undoubtedly know. I think we have to have a more sophisticated approach but the real challenge is we have too many people at the lower end of the pay structure whose value for the work that they do is not being respected, reflected or remunerated in the right way. That has to be the first priority we have because that creates a contingent liability, to go back to the question that has been raised by the Connétable about future risks to public expenditure levies. If you do not deal with that then we will be subject to legal challenge, which will further enhance the problem that we are facing around public expenditure. So I think everybody wants to be able to deal with pay equally and fairly but it is a complicated set of contributions into that which we need to do more. So going back, again, to the Chairman's point about communication, we have to be better at that than perhaps we have been to date.

Deputy J.H. Perchard:

Given the likelihood of industrial action taken by teachers and nurses, how quickly do you expect to see some of the changes you have just outlined happen?

States of Jersey Chief Executive:

I think what was said earlier was that the endeavour is to try and get pay for 2018 and 2019 resolved as quickly as possible and to deal with that over the next short period. There are a series of meetings in play, I think after that we will be able to give you a clearer timeline for when we can bring some resolution and what that might look like for the workforce.

The Chief Minister:

That is why I paused because obviously the meeting this afternoon is where the States Employment Board will determine where they are going forward.

Deputy S.M. Ahier:

Chief Minister, if you cannot fix the public sector pay problem this year, what hope can you give to staff that it will be resolved for future years?

The Chief Minister:

What hope, did you say?

Deputy S.M. Ahier:

Yes, what hope can you give for that?

The Chief Minister:

I think the point is we will get to a resolved position. One is always in a position where we have 2 sides trying to negotiate and those negotiations will always at times be robust. But let us see what happens this afternoon from States Employment Board.

Deputy S.M. Ahier:

What measures are you taking to tackle inflation as this has an impact on wage increases?

The Chief Minister:

There is a kind of cycle there. Having just had the thing about you always have cost of living increases on salaries because that does assist, it then does tie into productivity, which we know and I think the Minister for Economic Development did an announcement on that not so long ago, which, in other words is another piece of work to start focusing on that. Then there are a variety of indices which are outside our control. Interest rate increases will have an impact on inflation. So it is a complicated picture and in the longer term, particularly focusing on productivity is one of the areas that we will be addressing.

Deputy S.M. Ahier:

But obviously our interest ...

The Chief Minister:

That is medium term, obviously it is not a short term.

Deputy S.M. Ahier:

That is right. Our interest rates now are 4.5 per cent in June, 4.3 per cent recently compared to 2.3 and 2.2 per cent in the mainland. What actual actions will you be taking to reduce this headline inflation?

The Chief Minister:

As I said, one of the actions being taken is on productivity because that then will start having a dampening down effect.

Senator K.L. Moore:

The Minister for Economic Development at the C.S.P. (Common Strategic Policy) briefing suggested that one of his measures for improving productivity was to increase the number of low-paid, temporary staff coming into the Island. Can you explain how you see that improving productivity?

The Chief Minister:

I would have to go and find out exactly what he said because I was not present when he said it.

Senator K.L. Moore:

I think you were.

The Chief Minister:

Okay, so in which case I do not recall him saying what he was saying at the time. I suspect he was talking about hospitality but I would like to confirm.

Senator K.L. Moore:

He was talking about an increase of seasonal workers on temporary contracts, yes, and representing that as a measure to improve productivity. Therefore, I would like to know how you think that that will help to improve productivity.

The Chief Minister:

I am not cited on that particular one. I will say my perspective on productivity is to make sure it will be anything from ... whether it is automation we know has an aspect attached to it, I am just pausing there because there are other aspects to it.

Senator K.L. Moore:

Perhaps we can try another tack then. One of the main influences on our inflation rate is the cost of housing. What measures will you be putting in place to help alleviate the increases in the cost of housing?

The Chief Minister:

As we said, we are putting a board together on that which is going to look at that very fundamentally, because it was one of our core pledges, and also I believe the Minister for Housing has already put some measures in place to start capping the increase in rents going forward, which should ...

Senator K.L. Moore:

In social housing?

The Chief Minister:

We think that will always have an impact on the wider market.

Deputy S.M. Ahier:

Chief Minister, are you considering a replacement for workforce modernisation to simplify pay structures and ensure equal pay for equal value?

The Chief Minister:

I will hand to Tracey.

The Deputy Chief Minister:

Well, the workforce modernisation programme was rejected by the workforce and so we have to look at doing the right thing. Like I said before, in terms of seriousness, if we are serious about this and doing the right thing in terms of equal pay for work of equal value, we have to commit to it. So we have to put a new programme in place but we will have those discussions clearly further this afternoon of course because we need to agree on an 2018-19 position because we need to resolve that as soon as we can. This is equal pay for equal value is not an overnight situation but we have put a plan together to ensure that we can put something that we can work with the workforce to move forward and is in the best interests of everyone in the Island.

[12:30]

States of Jersey Chief Executive:

I think the key thing is under the workforce modernisation proposals there was always a recognition it would take time to reduce the inequality for equal pay and equal value. Any arrangements going forward will not be able to achieve the discrepancy in one full hit. There will be, inevitably, over a period, an adjustment which would need to be dealt with. The ambition is to try and introduce that and the government plan going forward would obviously be part of the period in which it would reduce the inequality down so that you will then create a clear and transparent new set of arrangements for terms and conditions, which will include pay. The ambition in the workforce

modernisation was to create a single spine because we have too many spines at the moment. Whatever comes out of this I suspect we will not get to a single spine straight away but we will certainly reduce the number of different pay arrangements that currently are in existence.

Senator K.L. Moore:

We do need to move on slightly so that we can ask another question of the Deputy Chief Minister before she has to leave.

Deputy J.H. Perchard:

Deputy Chief Minister, in light of the ongoing pay dispute, what actions are being taken to ensure the wellbeing of States employees?

The Deputy Chief Minister:

I have become extremely aware of the concerns, attention and things going on in terms of the workforce, right across the board. I am pretty worried about it. We need to put in place policies and action to support people. Of course at the moment we need to resolve the pay dispute this afternoon, we need to look at the options that are being put forward. Certain policies ... I feel quite a bit of pressure on the officers in terms of the policies we have in place, our legal responsibilities under the law in terms of health, safety and wellbeing. Wellbeing I think is something that we need to prioritise going forward, not just to do with the pay dispute, but this goes in line with the equal pay for work of equal value and all the other things around being a good employer.

Deputy J.H. Perchard:

Does the States currently have a co-ordinated wellbeing strategy?

The Deputy Chief Minister:

I am not aware of it. I have asked to see the policies under which the law governs my responsibility as Chairman of the States Employment Board. We have had a briefing from the Health and Safety Executive about our responsibilities in terms of our staff's health and safety. Wellbeing is something that I would like to crack on with, but the pay dispute side of things is quite a high priority at the moment, so I am having to juggle all of that while also doing education as well.

Deputy J.H. Perchard:

You said you asked to see the policy. Have you seen it and were you given it?

The Deputy Chief Minister:

Not as yet. I have not seen the policy as of yet.

Deputy J.H. Perchard:

That is the wellbeing policy?

The Deputy Chief Minister:

The wellbeing policy, yes. But like I said, the priority at the moment is in terms of the pay dispute, which is the discussions this afternoon, but under the law it does specifically talk about wellbeing and I think it is important to ensure that that ... I am doing it across the board with all my responsibilities anyway, but ensuring that the policies that we do have in place underneath the law which governs the way that we take action and put in practice our responsibilities are suitable and fit for purpose.

Deputy J.H. Perchard:

How long have you been waiting to see the wellbeing policy?

The Deputy Chief Minister:

I believe I only asked a month ago, I think it was. I do not know the exact date, but I have asked for ...

Director, People Services:

The wellbeing policy does exist. It may be that we need to brief Tracey on that, but it has been in play for a couple of months now. But on the back of that, we also have a contract with an organisation called AXA, who not only deal with our occupational health matters, which are reactive matters to people that have issues with health, usually around absenteeism, but we have also started a proactive number of measures using AXA, where people are invited to know their numbers and go forward for tests on sort of blood pressure and cholesterol and all of those type of things. That is starting to work through the organisation as well. We are also thinking of having mental health first aiders, which you may or may not have come across in previous experiences as well.

Senator K.L. Moore:

What has been the take-up of the new offering from the service provider?

Director, Human Resources:

I think the best approach to answer that question, Chair, is perhaps write to you with the details. I think the Committee would probably welcome that.

Senator K.L. Moore:

Yes, thank you. We did want to briefly touch on bullying and harassment, which I know is an issue you are very keen is addressed.

The Connétable of St. Peter:

Chief Minister, you advised the Assembly that 2 new policies, whistle-blowing and bullying and harassment, had been approved by the S.E.B. and would be published in January 2019. The Deputy Chief Minister also told us in July that just writing a policy and sending it out is not enough. What other actions are you taking to act on this report?

The Chief Minister:

I am going to hand over to Tracey, because this is her area, and also I know there will be various things that will be coming through over the next few weeks, which I do not want to tread on in the wrong timing.

The Deputy Chief Minister:

There are a large amount of things going on with regards to this, because bullying and harassment of course was quite a huge priority of mine, especially in light of the HR Lounge report that was published earlier this year. The officers have been very good at working away and putting together the right package to support staff. In terms of going live for January, we will have training to be put in place. We will have First Steps to Success as a briefing for the line managers and ensuring we have support for them. Particularly with bullying and harassment, the emphasis is on calling out inappropriate behaviour and a 14-day intervention period; whistle-blowing, so line managers know how to respond; working with internal comms on a campaign to promote that everyone has a role for this and to start the shift in stance in terms of the culture. We plan to have a strapline to support the launch, for example, like in Australia they have: "Don't be a silent witness." There are many things. We can send you finer details if you would like to see those finer details, but we will also be establishing what we call the Expolink. This will be a third party speak-up line for staff, so if they feel that they cannot go directly to their line manager, they can contact this particular third party and express the issues that they are facing.

Senator K.L. Moore:

Thank you. We would very much like to see that additional information, if you could.

The Connétable of St. Peter:

Very quickly, how will the S.E.B. monitor the actions and success of these actions taken in response to the report?

The Deputy Chief Minister:

If you do not mind, I will ask Chris Stephenson to respond.

Director, Human Resources:

Yes. My name is Chris Stephenson. I am an H.R. director in the H.R. team. Background: this particular subject area has been in my area of responsibility for the last 12 months and we have done a huge amount of work to address the issues that have been referred to. I think you have been supplied separately with a whole range of background papers which give you a sense of what we have been seeking to do. In answer to the specific, one of the other things that the Chair of S.E.B. has instituted is a very strong emphasis, as she referred to a few moments ago, on governance within the S.E.B. and making sure the S.E.B. follows through on the initiatives that it creates and it implements within the organisation. We have a session with S.E.B. on 19th November in order to ensure that we do provide the right level of governance frameworks for the board to be assured that what it asks to happen and asks to be implemented does occur. I think this is a significant benefit that will come from the new Chair's view of how she wants to conduct the S.E.B. duties. For example, we referred to a few moments ago health and safety and wellbeing and we would expect to report out to the board on a 6-monthly basis on that basis. On this particular area, especially as it is the launch of a new policy and a new framework and a new way of wanting the organisation to behave, we would expect to report quarterly in the initial 12 months and then we will see how we sort it out, because one of the key things that you would expect is that we need to review what is happening on a day-to-day basis and make sure it is doing what we expect it to do, rather than complicating matters or confusing them.

Deputy J.H. Perchard:

Chief Minister, in the HR Lounge report, in the executive summary it states that those carrying out this study were "struck" by parts of the organisation where supportive management did not exist and that the level of our bullying complaints were the result of "a symptom of a style of leadership." It goes on to suggest that we should be less tolerant of bad managerial behaviour and more supportive to recipients of that managerial style. Again, there is a specific reference in the report to this being the responsibility of senior leaders of both government and the Executive. I would just like to know what provisions or actions you will be taking to ensure that your most senior members, including your director generals, are equipped to change what has been identified as a leadership style that has permeated the organisation for a very long time.

The Chief Minister:

Just to be clear - and I made the comments in the States Assembly when the report was first issued - that I think we fully accepted all the recommendations. I am sure no one would disagree with that, that it is absolutely unacceptable in terms of the findings of what came out from that report. The tone starts from the top; we have said that. It starts with me, it starts with the new Chief Executive and then it starts permeating down, but it applies not only to the civil service, it also applies to politicians. There have been behaviours in all types which have been unacceptable. Measures

have been put in place. Tracey will be putting more details on that in terms of whistle-blowing and the helplines and things like that, then it is going to permeate down. Let us be really clear: unacceptable behaviour in the past and that has to be addressed. That is what this part of this programme is all about.

States of Jersey Chief Executive:

As part of that, we have, as you know, started to develop the Team Jersey cultural change programme, which looks at behaviours, culture and leadership values, which will start to be rolled out across the whole of the public service, starting clearly at the top with the director generals and the senior leadership team that sits just below them. A key part of that is how you value people, what is the best way of dealing with challenges that inevitably face public servants every day and what the culture of the organisation is that we want to be able to deal with here. The list will go on. I think for us Team Jersey is a really critical part of that transition into establishing a modern, fit for purpose public service that has the right cultural and behaviour and leadership arrangements in place. I think we have given a promise that as we develop that and we take that programme forward, which will be for all staff - and indeed, the Council of Ministers themselves have also said they want to be part of that cultural change initiative - we will be reporting on that back to both this scrutiny committee and others, where it is relevant. I think that we will start to give you a lot more information about how that is working, what the judgments and the processes for determining whether it has been successful are, but we have made very clear that this is a 3 to 4-year programme, such are some of the cultural behaviours entrenched in the way in which the organisation exists. This is not going to be a short-term fix.

The Chief Minister:

Part of that is the TDP thing, so the contract that we signed.

States of Jersey Chief Executive:

There are some other things that we have started, for example, around the bullying and harassment piece to link back to the recommendations. I do not know if you might just want to say a little bit. We have got the rollout of training and support for people already starting on that as a first commitment to meeting the report's recommendations, but recognising the longer-term play that I just touched on earlier.

Deputy J.H. Perchard:

Is the training being led internally or is it being brought in by public standards?

Director, Human Resources:

At this precise moment, the training is being briefed internally. I think the H.R. community have got the internal skills to be able to make that happen, but it is building on the learning and support we have had from HR Lounge. But just adding to the Chief Executive's particular point, I think what we have tried to do here is, as you say, change the culture and that is a long burn. You do not change culture overnight, as we all know. It is also important that our people feel that when they do call out something, it is supported. We have not really referred to it very strongly here, but I think it is important.

[12:45]

It was one of the initiatives that the Chair of the S.E.B. was very keen on, that we have an external organisation that members of staff can direct their concerns to in a way that they do not get capped, for want of a better phrase. People were worried that line managers cap things off, the behaviours that were alluded to a few moments ago. On top of that, one of the things that we are doing is strengthening our internal capacity - and we have gone out to recruitment as we speak - developing internal mediators, which I think in itself demonstrates a very different cultural construct. We are also training our investigators through Acas again. It was done in the past, but it needs to be refreshed, because investigatory techniques change and improve. I think the other thing that we have got is a very clear commitment. We alluded to the director generals a few moments ago: they have committed that where these people are signed up and recruited through a formal process, they will make sure they have time to do those jobs, because one of the other critiques we got was the investigations were tending to be done off the side of a desk, which took time, which did not help resolve the problem speedily and professionally, so those things are going on.

Deputy J.H. Perchard:

I will ask about internal/external people running it. What I am really asking is how are you ensuring that we are avoiding a situation where someone who may have made a complaint about bullied or harassed by a manager in the workplace is not then being trained by that manager in ...

Director, Human Resources:

You make a fair point. I think there is an argument that we would have to check that. I could not sit here today and guarantee that that might not happen. What I can guarantee - and I think this is important, and it goes back to the earlier question - is that after the running of this programme for about a year, we would expect to bring HR Lounge back, because the best way to test that you have done something is for the people that effectively did the initial report come back in and go through the similar process and say: "Okay, can we absolutely measure and see what has changed? Have they improved?" I think that is where we would be going to get the external assurance. That bit that

you are talking about, it is a fair challenge and we would have to review that, but I would say we are reasonably confident we could do that successfully.

The Chief Minister:

Certainly from the documentation, which I am sure we can pass on to you, is that in summary, if there are 4 people in a room and 3 people say: "It is a bullying atmosphere" and one person is saying: "No, I am being robust" then perhaps that one person needs to change their views and modify their behaviour.

Deputy J.H. Perchard:

I think what I was just driving at is that it can be very emotionally distressing for a person who has made a complaint and been brave enough to do that to then work for a year in that situation. I think it would be worthy of a view sooner than when the H.R. people come back.

Director, Human Resources:

We will take on board your suggestion.

States of Jersey Chief Executive:

We are going back to the wellbeing. We do provide, where it is appropriate and where individuals are prepared to do it - because it takes 2 to be involved - external counselling to support people through those difficult times if they do experience them.

The Chief Minister:

The point being it is a piece of work that is happening, so in other words, the change has started.

Senator K.L. Moore:

It is encouraging to hear. We are going to move on now to talk about the C.S.P.

Deputy S.M. Ahier:

Yes, Chief Minister. In October you published the Common Strategic Policy for your Council of Ministers. The 5 policies that you have identified are things that most people could probably agree with. How will you ensure that these priorities will really make a difference to Islanders' lives?

The Chief Minister:

That is interesting. I think the point is that, as you say, we would hope that what we have put together, it has basically been refined from everything we have all encountered from elections, from feedback, from general knowledge of the system and working together as a team from the Council of Ministers' point of view. I will be interested to hear your comments when you produce your report,

but we are hopeful and confident that what we have got is a sound plan. How do we ensure we are going to achieve that? No doubt you will be holding us to account on various points, but then the detail, as you know, gets fleshed on to this as part of the government plan in the middle of next year and that then starts identifying how we are going to fund it. Obviously some things are already happening, so we are putting children first and we are building on the work that was done previously. We are sending the message out, we hope, that Children's Services and how we deal with our children is changing. Again, on all of these, they are longer-term strategies. Some of these will outlast the period of this government, no doubt, but a lot of it is then making sure we have the funding in place and then building on getting the workstreams in place.

Deputy J.H. Perchard:

Chief Minister, there is not in fact much mention in the policy of encouraging diversity in the Island. Was this discussed?

The Chief Minister:

I suppose specifically probably not, but it is what I would call part of ... sorry, as you say, if you look for the word "diversity" probably not, but if you look in the context of this, I would consider that to be part of business as usual, if that makes sense. In other words, it is stuff that we need to be doing, we know that - I think you have asked very pertinent questions more recently - and that, as a work programme, will be taking place as what I would call part of business as usual. We do make the point in the document that just because something is not mentioned in the 5 priorities does not mean it is not going to happen. Diversity will have to be one of them, no question, because we have got the ...

Deputy J.H. Perchard:

Sorry, could you elaborate on what you mean? Because it sounds like you are saying diversity will have to have happen and I am not quite sure what that means.

The Chief Minister:

Sorry, I am assuming you want us to be focusing a lot more on the inequalities side of discrimination and all that type of thing. Obviously as the discrimination laws have been coming in there are various programmes of work that are coming through, the disability strategy being one of them, and how we then get those pieces of work to come together, but that is what I would call part of business as usual. It is not necessarily a separate strategic priority. In other words, we know we are going to have to do it ... sorry, we know it should be being done. Parts of it are being done. You are going to say to me at some point, I am sure, that more should be done - I am possibly putting words in your mouth - and I am fairly certain you will say: "Yes, more should be done." But if there is more to be done, then that work programme needs to be put in place.

Deputy J.H. Perchard:

It sounds like the suggestion is that because there is some legislation coming through, we do not need to mention it in the policy. Is that what you are driving at? “It is happening over here, so we did not need to mention it over here”?

The Chief Minister:

To an extent. That is not just because it is about legislation though, it is also about mindsets and making sure as part of the organisational cultural changes that the relevant modern-day working practices, modern-day recruitment practices and things like that are in place. Do not forget some of that will be already.

Deputy J.H. Perchard:

Yes. It seems strange to exclude diversity and inclusion when we know that we are not there yet. As a nation, if you like, we are not currently what you would call diversely inclusive, particularly in our public sector, so it does seem strange to exclude it on those grounds. It would seem worthy of a place in the policy when we are currently living in a situation where it is not ...

The Chief Minister:

I think the point was what we tried to do in the strategic plan is to keep it to very high level, quite chunky areas. In your view, diversity is incredibly important, but this was a combination of more than 10 opinions around the table - in fact, 21 opinions around the table - and trying to refine those down to something that was reasonably focused at a high level. That is what I am trying to say: to me it is part of what I would call business as usual. As we have said, just because it is not mentioned here does not mean we are not going to be doing it.

Senator K.L. Moore:

You can have one more, but I think we do need to move on.

Deputy J.H. Perchard:

I will save it.

Deputy S.M. Ahier:

Very little attention is given to the policy to support Islanders with disabilities. Is this not a priority?

The Chief Minister:

Going back to the point I just made, it is that we can try to pick all sorts of things and say yes, but if it is not mentioned here, it does not mean we are not going to be doing it. As I said, the disability

strategy is in place. There is a report either just out or about to come out, which is kind of the first year or the first measures in place, and then that is going to be built on. Surely it is also all around the areas of improving Islanders' wellbeing type of thing. It is part of that kind of piece of work. You can take a view for diversity, for disability - I do not know, I am sure there are about another 5 topics we could come up with in this room very quickly - but the point was as a strategic plan to try to have not too many areas, but areas that we think covered the significant levels of concern that have been expressed during election time. We think that is what we wanted to focus on. But as I said, I think if you delve underneath it, as we bring workstreams together, as I said, the disability strategy is in place, so that will be part of business as usual.

Deputy S.M. Ahier:

The priority given to ...

The Chief Minister:

Sorry about that. Thank you very much, Paul. Even if you look on page 16, it does say we will implement the disability strategy.

Deputy S.M. Ahier:

Yes, I did notice that one line in a whole policy document.

The Chief Minister:

As I said, the point is when I first started in 2005, I cannot remember the length of the strategic plan that was put in place, the first one, but it was big. A lot of the work was spent on trying to get it in place. What we tried to do is a more refined document. My perception is that as those documents are being produced over time, they have been refined down so that we can then move on to: "How are you going to fund it?" which is the government plan and then doing things, rather than writing it on a lot of paper.

Deputy S.M. Ahier:

The priority given to children in the policy is understandable, but it seems that this will be at the expense of supporting other vulnerable groups, such as the elderly, the disabled, the disadvantaged and the chronically ill. How do you intend to ensure that these groups are not forgotten about?

The Chief Minister:

I wondered when somebody was going to throw in the elderly as an example. I would suggest, for example, it would be covered under: "We will improve Islanders' wellbeing and mental and physical health and we will reduce income inequality and improve the standard of living." In other words, because it is for a wider context of Islanders. We are raising children in there for very obvious

reasons, because obviously we have just gone through a fairly traumatic number of years. We spent however many millions it was on the report that has come out. There are still issues going through and we know Children's Services as a whole are lacking, so there is a very specific reason why that is there. But in terms of the wider population, as I said, I think those 2 areas, for example, are going to cover those kind of areas that you are raising.

The Connétable of St. Martin:

Chief Minister, the policy talks about working in partnership with the parishes. How is this going to be funded?

The Chief Minister:

How is it going to be funded?

The Connétable of St. Martin:

Yes.

The Chief Minister:

All right. As we know, the funding side ...

States of Jersey Chief Executive:

I will just come to your correspondence.

The Chief Minister:

I was going to say that the whole ...

The Connétable of St. Martin:

I know, I keep repeating this, but ...

The Chief Minister:

... point of the funding side is going to be put together under the government plan. This is one of the issues, that these are the ambitions of this Council of Ministers. It is what we are required by law to produce in a certain timescale. We then put the flesh on it. That process has started, but the money side of it is sorted in the middle of next year. Obviously, as we know, there will be a balance because we have the funding pressures we are already facing versus the organisational change and efficiencies and savings and better money management, if you like, that we are going to have, which the Chief Executive is specifically charged with and then that is then going to give us a far better understanding of what those demands are. For example, we know that one of the issues we will have is that at the end of 2019, the previous Council of Ministers froze supplementation. Unless

something is done and it unfreezes - that is £15 million a year - that is part of the funding pressures we are showing. There will have to be a decision made there as to how we deal with that and how we deal with it first in 2020 and how we deal with it in the medium and long term. I cannot give you the answer to that today.

States of Jersey Chief Executive:

Just in terms of working with parishes, there is a huge amount of knowledge and understanding of local areas which is contained within each of the parishes. My sense as Chief Executive coming in is that we have tended to, in centralising activity and services, perhaps not take account of the local circumstances that exist across the Island and pick out some of variants and also common themes that exist in some of our communities. By way of example, you could create a way in which some services are delivered in a more localised environment, which reduces travel, helps people about confidentiality, tries to improve the collaboration that takes place already with parishes and the good services they do. Some of that will not be about cost, it will be about the way in which we organise ourselves. Some of it will be: "Can we do things jointly?" and we might then need to look at the financing of that separately. The development of more local services is a key plank of the one government proposal. We are hopeful that we will be able to make an appointment soon for the director that will lead that work. We are already gearing that up with our customer analysis and work and this is about adding and working with parishes. As I said, some of that will be not necessarily be an increase in cost, it will be a better utilisation of knowledge and experience. Some of it will be perhaps realignment of services, and in that sense the Chief Minister is right, we will bring that forward as part of the government plan.

The Chief Minister:

To go back to the parish point, as a former parish Deputy and a very strong supporter of the parish system, it makes absolute sense to me to make sure that we do tie into what I consider a real and crucial aspect of our community. It is what makes us different, so if we can do better working with the parishes, then we should do.

[13:00]

The Connétable of St. Martin:

I am all for this strategy.

The Chief Minister:

In terms of who is going to help make that certain, obviously the Connétable of St. Clement is a Minister and I have 2 Connétables who will certainly bend my ear at the appropriate times if I am failing on that front, I am sure.

States of Jersey Chief Executive:

Linking back to the point also that was raised in reference to older people, which I think is an important point, clearly some of the understanding of talking with parishes is the reticence of some of the community to come into and work with some of the States-based services for a variety of reasons and we need to do that. A cross-cutting theme in the C.S.P. is to work to help Islanders live longer, more independently, to ensure that some of the inequality around standards of living are addressed. These are key themes and I think they will be better working in partnership with parishes rather than trying to impose something on a one size fits all. In particular, the issue of mental health for older people is something that I think has become very prevalent over the last period, where you need to do things slightly differently than the current arrangements, because they are patently not working in the right way.

Senator K.L. Moore:

I think perhaps the point that the Connétables make is that the parishes, yes, are there, however, they do not necessarily have the space in their buildings to assist.

States of Jersey Chief Executive:

Again, some of this will be about those facilities where we can better work and utilise. Some of it might be about whether we use other facilities in the parish, but work with the parishes. But I think the point is it has to be co-designed and thought through and agreed with the parishes. It should not be something that is just imposed, because I do not think that would work.

The Connétable of St. Martin:

I think the parishes are very keen, because that is what Jersey is all about really.

States of Jersey Chief Executive:

The parishes, yes, correct. It is a unique point.

The Chief Minister:

One of the things I have found - I remember from pre-politics out in another island community - where I have always taken the parish halls for granted; there was a facility in every parish. Other places: "We are trying to have a meeting, we do not necessarily know where we are going to be able to do it." Each parish usually has a degree of infrastructure there, and the question of course is whether and how and if we can tap into it or not.

The Connétable of St. Martin:

Yes, parishes have great resources but it just comes back to having to ... we do not want to go to our next rates meeting and increase the rates so that we can afford to fund central government.

The Chief Minister:

No, absolutely not. Point taken.

Deputy J.H. Perchard:

Chief Minister, the report does not make much reference to delivering more government services online. How much of a priority is this for you?

The Chief Minister:

It is a fairly significant priority, and sorry maybe I am misremembering certain documentation, but anyway in terms of organisation change - let us call it automation and digitisation and all that sort of stuff - has got to be and is one of the pieces of work that is coming through and has been ongoing. So, yes, it is important and overall it will be important for how we deliver the efficiency savings and better management we want to do. One also does need to take account ... in anticipation of at least another question if not from you then from someone else; we still need to always remember as well those people who do not have access to computer systems. But generally we need to make sure that where it can be that things are available and properly available online, and that programme is expanding.

States of Jersey Chief Executive:

Again, one of the ongoing initiatives is about creating a modern public service, and you will know that within that there are 4 pillars of which customer services and more online activity is a key plank of it. So whether the C.S.P. highlights that in great detail, please acknowledge that the One Government programme, which is trying to push more activity online where appropriate, with that qualification that the Chief Minister has just made, that is our intention. As part of that we have already started to see the bringing together of some of our One Front Door activity for customer services gradually over the last few weeks - and that will continue. There is more work to be done about our website and about how we can make payments much more easily. You will know, and so many other people have written to me making it very clear it is not particular user friendly, there are other ways in which we can do things which are more appropriate in a modern setting for people to be able to communicate, access and generally relate to the States. So I think over the next couple of years you will see a dramatic ramp up in that. One of the things though that I would point out is there will have to be - and I think the Council of Ministers have acknowledged this - within our fiscal framework from 2020 onwards some investment back into the technologies necessary to be able to do that. I think it would be fair to say that we have not necessarily utilised public money as well as

we would like in the past to be able to achieve the platforms necessary to do that. So, again, the expectation is we will be bringing some of this back to the relevant scrutiny committee, and that is already starting with some information that will probably become apparent in early 2019 about strategy that we are going to adopt for the improvement and furtherance of the digital platforms necessary to do that.

The Chief Minister:

It is fair to say that we are going to do a presentation at some point which is about reminding Members as well of the legacy issues or the organisation issues that we are all facing. Off the top of my head - I may be misremembering - we are operating a number of different software platforms, enough of them are not talking to each other.

Senator K.L. Moore:

Yes, I think the Chief Executive has ...

The Chief Minister:

What I was going to say though is that on page 22 of the plan it does talk about a modern, innovative public sector that meets the needs of Islanders effectively and efficiently, and although it does not talk about, as it were, the computerisation or whatever expression was used, that would be obviously one of the issues that we will be covering under that area.

Senator K.L. Moore:

Thank you. We are rather short of time now so if we could move on. Shortly after the C.S.P. was published, in fact the following week, another report was published, R130, and we were rather expecting to see some funding attached to the C.S.P. and some indications of funding. So we were rather puzzled by this R130 and would be grateful if you could explain what the purpose of it is please?

The Chief Minister:

R130 is basically identifying certain areas of discussion that came through while the C.S.P. was being put together and essentially, as laid out ... so I am just looking at the second paragraph there which sets out a sort of indicative programme as to how parts of the government plan will be put together. So, if you like, it gives a little bit of extra detail on some of the thoughts behind the Ministers, but it is there and that will then start to be a framework for the government plan that is going to start to be put together; it is an aspect thereof.

Senator K.L. Moore:

The funding we will be seeing when?

The Chief Minister:

As I have said previously, in fact just earlier, in the government plan in the middle of the year. That is consistent with all the other strategic plans as well.

Senator K.L. Moore:

We all are aware that the C.S.P. was originally scheduled for 20th November, however it was deferred to an already ...

The Chief Minister:

Yes, by 2 weeks.

Senator K.L. Moore:

Yes, but to an already busy sitting of 4th December, which is the budget among other things, which is highly unusual to have 2 major debates of this type on the same day, particularly in a planned way. Could you explain the reason for this?

The Chief Minister:

I think there are 2 aspects, one is practical in that the logistics are that both myself and the Minister for Treasury will not be present on 20th November for various reasons, and ...

Senator K.L. Moore:

Could you explain why you have put another engagement ahead of the primacy of the Assembly? It is supposed to be your first priority to attend Assembly sittings.

The Chief Minister:

There are 2 issues around that, it is purely diary issue that a longstanding arrangement ...

Senator K.L. Moore:

For what? Could you tell us exactly what?

The Chief Minister:

I do not know if it was just for a Chief Minister, I was briefed on it in the summer, and it is a visit for me to go to China, which is being announced shortly. It is Hong Kong, Shanghai and Beijing, and that has tied in with certain events that are happening down there and it is about promoting Jersey's economy. My understanding was that to change the arrangements would cause a degree of embarrassment for the Island. I am not clear - I have not gone back and asked - how early those dates were put together, but certainly when that came through ... the second thing is logistics, and

I think it is something that we are still slightly ... I would not say grappling with, it might be something we all have to learn from, is that with the May elections that has changed the whole timing of what any Council of Ministers previously has dealt with. So whereas previously you would have the budget as normally scheduled, and we are I think ... our last sitting may be earlier in December than normal. But it meant you would have had the budget in December and you would have had the strategic plan in the middle of the following year. So the strategic plan was then I think April/May time. Obviously we had the elections in May; that has an impact because the consequences of the laws as to what dates everything can be lodged for and ...

Senator K.L. Moore:

Did you consider bringing the debate forward 2 weeks rather than putting it back?

The Chief Minister:

Well, we cannot I do not think. I think also because ...

Senator K.L. Moore:

You could have asked for the leave of the Assembly to do so.

The Chief Minister:

The point would have been that that has impacts on Members and their ability to bring amendments; and, okay, we perhaps should have had a better discussion but from past experience giving scrutiny what would have effectively been 6 weeks to consider the strategic plan rather than the long amount of time, I did not think was particular constructive. I say 6 weeks; I think it would have been 6 weeks.

Deputy J.H. Perchard:

Chief Minister, what is your ongoing involvement with the One Government project and how are you ensuring that it delivers a public sector that meets our Islanders' needs?

The Chief Minister:

Right, so there is the short term, medium term and longer term. So the short term is I get reasonably regular briefings from the Chief Executive as to where we are, and the medium term is that we are going to be putting a board together to keep a slightly wider oversight on how matters progress.

Deputy J.H. Perchard:

A board?

The Chief Minister:

Yes.

Deputy J.H. Perchard:

How will you be appointing members to the board?

The Chief Minister:

Yet to be determined. It will also be from the non-executive side. I will do an email to States Members and see if anybody wishes to participate, if not I am certainly intending to bring one or 2 external people in as well, and then it will be obviously from the Executive.

Deputy J.H. Perchard:

When do you intend to have this board constituted?

The Chief Minister:

Hopefully before Christmas, if not January. I will just say there are some logistical issues going forward and I want to get the board in place first.

Deputy J.H. Perchard:

So when you say "a board" you are talking about a policy development style board for this?

The Chief Minister:

It will be that style.

States of Jersey Chief Executive:

Sorry, for the record, there will be a regular report to this scrutiny panel as well on the One Government. I do not think it is "instead of". There is obviously oversight and then there is challenge and it is appropriate that you as scrutiny panel will be getting sight of progress, some of which will also need to go to the P.A.C. (Public Accounts Committee), some of which will need to go on individual initiatives to other scrutiny panels as well. So I think the Chief Minister is dealing with the day-to-day oversight but clearly there is not an expectation that we will not be bringing stuff back to this scrutiny.

The Chief Minister:

Yes, sorry, I had not interpreted the question that way but, yes.

States of Jersey Chief Executive:

Just to reassure the panel.

Deputy J.H. Perchard:

Given the well-known risks associated with having an undiversified board in business, and it is widely accepted as best practice now to have a diverse board, particularly in private business, will you commit to ensure that we too as the States commit to what is acknowledged as globally being best practice when it comes to diversification of this particular board, given its importance?

The Chief Minister:

I will do my best. The reason I pause, and we have had this discussion, for example, around legal aid in terms of the board or the committee or whatever it is called that is outlined in the statute there, is I am not entirely clear ... so, for example, if we go for person X or person Y it may be there are not that many people that can come in. So it depends on what the pool is I am selecting from but, yes, I will do my best. I am sure, as I said, we will liaise and identify people that are up front with yourselves as to how that is going to be made up.

Deputy J.H. Perchard:

Chief Minister, when will the reorganisation of States Departments be complete?

The Chief Minister:

Right.

States of Jersey Chief Executive:

The expectation is that by the end of this calendar year we will have completed the top tier appointments, or that they will be in train and there will be fixed dates for the finalisation of some appointments which may flow into 2019. Each of the departments will have a consultation document that will be out for discussion with staff as part of the tiers from 4 to 6 that will then enable us by March 2019 - which was the original commitment - to be able to go out with final organisational structure arrangements for each department.

[13:15]

The Chief Minister:

So, in essence, that is still consistent with the letter from 9th October.

Deputy J.H. Perchard:

Thank you, and how many more senior appointments ... sorry, my apologies.

Director, People Services:

I was just going to add a little bit extra there to say that what will then happen is following the consultation ... Charlie and the Minister are absolutely right, we are aiming for the end of March, however, there will be further recruitment to finalise after March that we will carry on for the other tiers further down the organisation.

Deputy J.H. Perchard:

Thank you, and how many more senior appointments still need to be made?

Director, People Services:

Do you want me to just give the detail on that?

The Chief Minister:

Yes, okay.

Director, People Services:

So at the moment out of the 40 roles that make up the senior 2 tiers, excluding the Chief Executive, we have recruited to 30 of those roles. We are currently out to 6 roles and we have got 4 more in the pipeline that we will, as the Chief Executive mentioned, be pursuing and progressing before Christmas with a timeline to recruit.

Senator K.L. Moore:

In the letter that you referred to of 9th October you referred to a gender balance of tier 2 appointments as being fairly equal. However, looking at the top level in civil service, the tier 1, the 7 post holders and the Chief Executive are all male. What are you going to do to ensure a better gender balance at the very top of the organisation in future?

States of Jersey Chief Executive:

So you are quite right, the top tier 1 level, all 8 were male. On the subsequent it is 50 per cent equal between male and female, and we also have a B.M.E. (Black and Minority Ethnic) candidate that has been appointed as a senior person within the organisation, which I think is something that has not been achieved previously. We are clearly looking to promote - and Jacquie can come back on some of this - a longer term programme of developing capability and capacity within the organisation, and I think we touched on that before. That process will start in the new year with looking at our talent and our future stars, trying to promote and support people from within the organisation, of which clearly the majority at the moment, if we look at the sort of numbers, are female. So there will be, by default, an emphasis on ensuring that there are career opportunities for all sections of the workforce. Do you want to come back with more specifics?

Director, People Services:

Yes, and I am more than happy to come back to this panel with some more details, however, I think Jersey is fairly consistent with other organisations where for some reason or other we tend to lose the female employees as soon as you start getting up into the senior management levels, and we need to address that and understand why. It goes back to probably our earlier conversation; what is it about our engagement with our employees - whether it is through our psychological contract or through the hard contract - that makes it as such. So what are we not doing or we are not saying or what we are doing and what we are saying. Coming back to the tier 1, and this does sound a little bit defensive and it is not intended to be, but I think we need to celebrate the fact that 5 of the candidates within tier 1 were within our existing population and they were male. So you have to recognise that the successful candidates at tier 1, 5 of them were from our own workforce and we have to recognise that that is where we are with that population.

Deputy J.H. Perchard:

I think you are absolutely right, and this is not about attacking the current demographic because it would not matter what the demographic is at the top.

Director, People Services:

Correct.

Deputy J.H. Perchard:

It could be all young women and I would still be saying it is not diverse enough.

Director, People Services:

Absolutely.

Deputy J.H. Perchard:

But how are we going to ensure that we protect ourselves against affinity bias? Because affinity bias is the reason why women do not get to the top, and that is well documented in research, that is globally accepted as the reason why women are not getting to the top. How are we going to protect against affinity bias?

Director, People Services:

I think there are a couple of things here and it stretches over a number of what I would call sort of H.R. disciplines really, and it comes back also to that unconscious bias as well, so we have to thread not just the gender mix but all of the minority mix through everything that we do. Now, that sounds really easy but it is quite difficult to implement and sustain when you have a workforce that is a busy

workforce. So it comes through at interview level when you are recruiting, it comes through performance management, and it is about ensuring that our staff are doing and saying the right thing to encourage people to develop. That is part of - and it has been mentioned this morning - the Team Jersey culture piece, it is part of acknowledging what we need to acknowledge and putting in place what we need to put in place to make sure that happens. But it is a real culture shift for this organisation.

The Chief Minister:

It is an oil tanker we are trying to turn.

The Connétable of St. Martin:

Chief Minister, you announced on 10th October in a speech to the Chamber of Commerce that the States would make £30 million worth of savings in 2019. This announcement was one day after you wrote to us with further information on One Government. However, no mention was made in your letter of these savings despite our specific request to be provided with this information. Why was this?

The Chief Minister:

I think it said there would be some information being announced or something at that point. But, sorry, what was the question? Was it why was it not referred to?

The Connétable of St. Martin:

Yes. You made no mention in your letter of the savings.

The Chief Minister:

I do not have the letter in front of me but from memory ... and I wonder if somebody is going to produce the letter, it is the 9th of October, and I thought we made reference to that there was going to be ... here we go, is it part 6 that we are talking about? Yes, that is the bit that I am thinking of. Sorry, I have that in my mind but it was not quite that phraseology that we said there would be some announcements coming through, or maybe it was something I said in the States previously. I honestly cannot recall. Essentially, I think matters were still being finalised at that point so we were just wanting to make sure that things were ready when we did the announcement.

The Connétable of St. Martin:

Following on from that; it seemed odd that you decided to announce the savings at a Chamber of Commerce event and not first to States Members or the public sector staff.

The Chief Minister:

Well, I think the issue we have got is that just the process it went through. I think the point was that it is a matter of public interest and we did send something around to States Members, or was it Council of Ministers? I think it went to States Members.

States of Jersey Chief Executive:

Also to staff.

The Chief Minister:

Also to staff, at around that time, so there was an announcement just in front.

The Connétable of St. Martin:

It was first announced at the Chamber of Commerce and then the announcement came afterwards.

The Chief Minister:

No, I think the timing was fairly ... well it should have been all fairly close. The point being is at this point we did have and still are showing deficits coming through and obviously we know we are going to have to react to them. So the obvious question is going to be how are you going to react to them.

The Connétable of St. Martin:

We understand that £30 million worth of savings have been highlighted. Has there been any change to that figure?

The Chief Minister:

At this stage we are still focusing on the £30 million.

The Connétable of St. Martin:

How much of that has been spent so far?

The Chief Minister:

How do you mean?

Senator K.L. Moore:

How much has been spent on achieving the savings, because there has been a significant amount of investment in the One Government process to drive savings?

States of Jersey Chief Executive:

To be fair I would have to come back with ... because I am not sure that the 2 necessarily equate. So by way of example, we have just been talking about the cultural change programme. Part of One Government is we have invested in that; that will shift a whole series of behaviours, leadership and values. It would not necessarily directly contribute per se to an efficiency programme, but it will help people handle the management of that, because that is quite different. So we would need to come back and do some analysis.

The Chief Minister:

It is also a balance between a one-off spend, if you like - investment, Senator, as you have referred to - versus the ongoing revenue consequences which would then turn into whether it is better cash management, whether it savings or efficiencies, whichever one you wish to use.

Senator K.L. Moore:

Is there not a tally being kept, however, or a spreadsheet perhaps to capture the total spend on transformation throughout the organisation?

States of Jersey Chief Executive:

So what has been committed to is that there will be a proposal that will be brought forward as to how the £30 million target that has been set in 2019 will be delivered. Within that clearly there are some invest-to- save issues so, by way of example, we just talked earlier about technology; we are going to have to deal with that. There will inevitably be investment that will take place over a number of years, as well as in one year. I do not quite see that there is a tally of investments which will affect the £30 million in the way that you have identified. What I can say is we will bring back to you in correspondence some of the investment that does do that to date.

Senator K.L. Moore:

Thank you, we would be grateful. Moving on because we are really running short of time now. Earlier this year it was agreed in P.1 that the Council of Ministers would become a single legal entity. When will this be implemented?

The Chief Minister:

I think we are still waiting. As I have understood it - but again the Chief Executive can comment - is there are various regulations and things that have to be produced to deal with the detail, there are a couple of detail issues coming out of this as well, and then it has to go back up to the Council of Ministers.

States of Jersey Chief Executive:

Yes, so I think we are talking about January as being when we are likely to see the next set of arrangements for that. Is that correct?

Head of Decision Support, States of Jersey:

January is certainly when we are talking about bringing the new budget into place to implement that part of P.1 - sorry, Kevin Hemmings, Head of Decision Support, Treasury. We will need an Appointed Day Act to be brought back to the States for those arrangements and there is a working group that is dealing with that at the moment.

The Chief Minister:

Some of that detail will go to C.O.M. (Council of Ministers) first.

Senator K.L. Moore:

Yes, and you do support this change, Chief Minister?

The Chief Minister:

I think there are elements of the change which we still need to understand, and that is around Jersey Ministers and how that statutorily will stack up, but as a general principle of what has gone through, my take at the moment is the Council of Ministers is fully behind it.

The Connétable of St. Peter:

In July you appointed a U.K. consultancy firm to work on changing the culture within the States. What are the problems with the culture in the States that you have identified?

The Chief Minister:

I would have said that is what the conversation for the previous probably half hour has been about. So, yes, I think that in short it is around silos, it is around the bullying culture, it is around motivation; it is all those kind of areas. I am going to look at Jacquie particularly if she wants to comment further, but I will just say that the Council of Ministers as a whole was very enthused about the project and we are all participating in it. In fact myself and the Deputy Chief Minister had a proper meeting with them last month, just going through what we think the problems are. Jacquie, do you wish to add? Or Charlie?

States of Jersey Chief Executive:

There is a whole host of issues around performance, about the way in which we collaborate and work with partners, what we do with regard to the relationship with citizens, Islanders, as well as the way in which we work internally in the organisation. So I think there is a sense that we have tended

to look very in as a public service to tell people how we think it should be done, to not hold people to account, to not have the fiscal management frameworks that you would expect in a large organisation of this size to be adhering to; as well as the way in which we treat and work with staff, partners, and, dare I say it, Members of the Assembly as well as Islanders. So there is a raft of activity which culturally we need to start to make big inroads in. I think the bullying and harassment is part of that, but there is also this other side which is about holding people to account properly. I do not think we have done that and we have tended to shy away from difficult conversations - or we are calling them courageous conversations - which are about making sure that people do things because that is what is expected and laid out and they are held to some sort of - as I said earlier - performance framework, which we do not have at the moment.

[13:30]

So there is a very important long-term shift in the way in which the public services are seen to be public and serving.

Deputy S.M. Ahier:

If we can move on to policy development boards. Chief Minister, how many policy development boards are you looking at creating?

The Chief Minister:

The first tranche at the moment ... so obviously the hospital one is in place and is due to report or is trying to finalise its report. The other side is terms of reference at the moment, early learning I think is near enough in play, digital and population terms of reference are coming together, and identity is also going to be coming into play. On top of that we know there is housing, and that is kind of the initial first tranche.

Deputy S.M. Ahier:

Then how will you ensure that the work of the boards is transparent and will you ensure a transparent appointment process for the boards?

The Chief Minister:

I will certainly do my very best. I mean, the point is that the first couple we have just got to get them going and there will no doubt be some wrinkles in the road along there, but as the system beds down, yes, we will be trying to make sure that process is a bit more refined.

Deputy S.M. Ahier:

Will be you be inviting members of the public to join policy boards, following a similar model to the Public Accounts Committee?

The Chief Minister:

There is scope under the policy development boards for non-Members of the States, so for members of the public to participate, yes.

Deputy S.M. Ahier:

What funding has been made available to the policy development boards and where is this coming from?

The Chief Minister:

Well, at the end of the day they are not hugely different to the principle of a ministerial oversight group, it is just a slightly wider membership in terms of work being done. So I am not expecting it to require significant ... it will be part of the normal development of policy process that takes place.

Senator K.L. Moore:

We noted in the minutes for the hospital policy development board that they had a budget allocated to them of £150,000, and indeed they were looking to find some more money; so where was that money found and allocated and is it providing value for money?

The Chief Minister:

I think the reality is they have spent £5,000 or something. They are very much at the low end of that and so from that point of view I think it was a sum of money that was put aside in the beginning in anticipation.

Senator K.L. Moore:

Given that that is almost the entire budget of scrutiny, is it right for a policy development board to have and why did a policy development board have such a significant sum allocated to it?

The Chief Minister:

I think the question at that point was whether they were going to need external advisors or not, and at the end of the day we concluded it was probably better value for money not to because it was felt that a lot of information was readily available.

Senator K.L. Moore:

As I am sure you recall, scrutiny also has an ability to use external advisors as well within their budget, so ...

The Chief Minister:

I think the budget for scrutiny is about around £400,000. Anyway, sorry ...

Senator K.L. Moore:

No, it is £250,000 or even £215,000 now. I think we will move on to Deputy Ahier who has got a question.

Deputy S.M. Ahier:

Who will be monitoring and ensuring that the boards act within the terms of reference agreed at their inception?

The Chief Minister:

The relevant officer and chairman assigned to that board. I mean, obviously if there was a problem they would have to ultimately come to me but, yes.

Senator K.L. Moore:

We have one final section which we will endeavour to complete very quickly before we break and then meet again on the Damages Law.

The Connétable of St. Martin:

It is about joint working with Guernsey. So in June the Channel Islands Political Oversight Board was established. What work has been undertaken since then?

The Chief Minister:

Right, so obviously it falls between the political group and the kind of office group, so I think the Chief Executive can update at the officer level. As you know, we have only had one political group although the next one is due after the budget so it must be December, and at that point we will get the update. Although obviously there are some informal conversations that do take place; I saw the Chief Minister for Guernsey in London this week as part of the A.P.P.G. (All-Party Parliamentary Group) and obviously through the British-Irish Council we encounter each other as well, so there are some informal discussions happening at various times.

States of Jersey Chief Executive:

Just to put a bit in context; Guernsey, as you know, have just recently announced interestingly a very large scale reorganisation of the public services with a significant target which I think probably puts in context the type of issues that we are facing across the Channel Islands. That has encouraged, I think, a greater degree of collaboration and it is also built on some of the good working practices that are being established on the Brexit Working Group where we have done a lot of joint work, whether that is at the legislation level, whether that is individual initiatives, which I think have been a good example of collaboration. Just to give you a better set of details. So there are a number of areas where the joint work has started, first of with health and social care. We are about to sign a memorandum of understanding between our health services about how we are going to work in the future, and there is a joint strategic partnership board operating between 2 health departments, and that needs to then be ratified ultimately - if we go into more formal arrangements - by the Assembly. Clearly you will have seen there is an intent to create a health board for both ourselves and Guernsey, and bring Alderney on behalf of ... Guernsey are obviously acting in part on that. We have got a range of procurement and contracts which we are looking at now jointly, whereas previously I think that was seen to be sometimes a more competitive environment, so we are moving forward there. With the policing and criminal justice, both police forces have agreed a programme of projects looking at sharing of expertise, resources, and some joint arrangements including the introduction of the Tetra police radio project, which will now be set up under joint auspices rather than single. We have got memorandums of understanding at departmental level being set up so, by way of example, Jacquie has had to go another meeting. We are looking at where we can get shared graduate programme, what we can do about secondments across both Guernsey and Jersey to help with career progression and give people opportunities to work in slightly different environments. We are looking at different ways in which we can develop joint initiatives where we use regulators once, so we have had the Information Commissioner issue where we have both ended up with separate Information Commissioners but there is now an acknowledgement that they are time limited so that we will come together with a single Information Commissioner; and the list goes on.

The Chief Minister:

Joint Emergency Officer, as well.

States of Jersey Chief Executive:

Yes, and that Joint Emergency Planning Officer is another product of recent work. The other big area is around cyber security and we are looking to generate a joint cyber security framework and then what that will lead to around information technology storage and other arrangements as well. So there will be an update report which will go to the next political oversight board. Again, if that is

felt that there is some opportunity for further scrutiny then I think we would be very happy to bring that forward for members of this committee to consider.

The Connétable of St. Martin:

Thank you. Leading on from that, do you expect that this work will result in savings when delivering public services more economically?

States of Jersey Chief Executive:

I think long term there are opportunities for savings. I think the first bit is that there is definitely an opportunity for more efficient ways of working and a better sense of collaboration building on, as I said earlier, the Brexit. I do not think you will see it in 2019 but I do think in the period of the government plan of 2020 to 2023 you will see that.

The Chief Minister:

There is a certainly a will from my end and I think from Guernsey's end at a political level to make sure that we work better.

Senator K.L. Moore:

Thank you all very much, we have covered a lot of ground this morning. We are going to break I think for a few minutes to allow glasses and the table to be changed because we are going to continue with a separate sitting looking at the Damages Law.

[13:39]