



**Public Accounts Committee**  
**Quarterly Hearing**  
**Witness: Interim Chief Executive**

Monday, 13th September 2021

**Panel:**

Deputy I. Gardiner of St. Helier (Chair)  
Connétable K. Shenton-Stone of St. Martin (Vice-Chair)  
Connétable J.E. Le Maistre of Grouville  
Mr. G. Phipps  
Dr. H. Miles  
Mr. P. van Bodegom  
Mr. A. Lane

**Witnesses:**

Mr. P. Martin, Interim Chief Executive  
Mr. R. Bell, Treasurer of the States  
Mr. A. Scate, Director General, Infrastructure, Housing and Environment  
Mr. T. Walker, Director General, Strategic Policy, Planning and Performance

[13:30]

**Deputy I. Gardiner of St. Helier (Chair):**

Good afternoon and welcome to the public hearing of the Public Accounts Committee with the chief executive and the treasurer of the States. We see you are attending with the director general for Infrastructure, Housing and Environment and the director general of Strategic Policy, Planning and Performance to help with the questions around the performance. We will go around the States Chamber shortly and we will introduce ourselves. But before we will set out the question areas for today. They are public estate management, public sector performance management, mid-year Government Plan report, and if we will have some time we will follow up with the questions around

the published States annual report and accounts. We will also shortly launch our review into COVID and the public will see our terms and reference. We will be asking for submissions and initially we will forward to you some questions in writing, would that be okay?

**Interim Chief Executive:**

Yes.

**Deputy I. Gardiner:**

Thank you. Also for the benefit of the public we want to outline our objectives for this public hearing. We are primarily concerned with ensuring that the taxpayer money is used effectively for its intended purposes. We hold the senior officers of Government to account for implementing government policies, demonstrating value for money, effectiveness and efficiency. Let us go around the Chamber. Deputy Inna Gardiner of St. Helier 3 and 4, chair of the panel.

**Connétable K. Shenton Stone of St. Martin (Vice-Chair):**

Karen Stone, Constable of St. Martin and vice-chair of P.A.C. (Public Accounts Committee).

**Mr. G. Phipps:**

Graeme Phipps, independent lay member of P.A.C.

**Dr. H. Miles:**

Dr. Helen Miles, independent lay member.

**Mr. P. van Bodegom:**

Paul van Bodegom, independent lay member.

**Mr. A. Lane:**

Adrian Lane, independent lay member.

**Connétable J.E. Le Maistre of Grouville:**

John Le Maistre, Constable of Grouville, States Member of the panel.

**Interim Chief Executive:**

Paul Martin, interim chief executive.

**Treasurer of the States:**

Richard Bell, treasurer.

**Director General, Infrastructure, Housing and Environment:**

Andy Scate, director general for I.H.E. (Infrastructure, Housing and Environment).

**Director General, Strategic Policy, Planning and Performance:**

Tom Walker, director general for Strategic Policy, Planning and Performance.

**Deputy I. Gardiner:**

We will start with some questions around the management of the public estate. These questions are for you, Chief Executive, and probably the treasurer. Although of course you might want to look to the director of Infrastructure, Housing and Environment for some technical details. We are hoping to clarify who is in charge of managing the public estate, including rationalisation aspect, what is the process and supporting structure in place to implement the States strategy and how you prioritise competing priorities needs of all government department because we know there are so many needs and we have a limited estate. The first question: you are 6 months already in your job and you are familiar with public estates, which comprise of £1 billion of property, land and other assets. The States strategy was agreed by the Council of Ministers back in December last year and published in March this year. What is your take on the strengths and weaknesses of this strategy?

**Interim Chief Executive:**

Let us start with the strengths of the estate strategy. The strengths are, first of all, that it is a very readable strategy. I think it is coherent and accessible. That is important because if it is to be understood and implemented it must be capable of comprehension, and I think it certainly meets that test. I believe that it meets the aspiration of P.93/2005, when Jersey Properties Holdings was originally formed, which was to ensure a coherence in all government property activities. I think that was a far-sighted law in many ways because it foresaw a lot of the developments which we are now putting in place in the strategy. It allows for increasing efficiency of the operation commercially with a degree of consistency around estate management and it provides for better officer scrutiny of proposals coming forward around the estate. So there are many strengths. You asked about weaknesses as well. Possibly some may have hoped that the strategy would deal in greater sort of site-specific detail about individual sites within the property portfolio, so that possibly is a weakness for some readers that that level of detail is not in the strategy. Nor are there precise timescales for the implementation process. So perhaps in that way some might find the strategy lacking in a clear timescale for implementation.

**Deputy I. Gardiner:**

I appreciate your answer and, yes, as you described, the estate strategy does not contain a plan of implementation. We have been told it is a way of working and the implementation plan should come later. It also does not contain a strategy on what property is needed, a clear vision. What type of

property is needed in the short term and what is earmarked for disposal or any method of prioritising the property. We have now been told that the implementation plan will be ready in the beginning of 2022. Why such a delay?

**Interim Chief Executive:**

There is a chapter in the strategy, which I think is chapter 6, which deals with how the strategy will be delivered and the table on page 33 describes high-level actions. So there is something about implementation and strategy, but you are right in what you said there. I mean the reason for the delay in the implementation process is a lot to do with the impact of COVID. COVID certainly has meant that it has been more difficult for people to get into premises, to schools and offices, and medical facilities. There have been issues around shielding, as everybody will understand, around vulnerable individuals, and there have been other priorities over the last period during COVID around the management of tenants with rent demands, rent waivers, the erection and then taking down the Nightingale centre, test, track and trace. So there have been a variety of other things taking place which have contributed to the delay that you reference.

**Deputy I. Gardiner:**

I do appreciate that we did have COVID and I think one of the disappointments that was around not having greater details, as everybody was expecting this strategy published before COVID came to the Island in February 2019, but we are where we are now. I would like to check if the beginning of 2022 is still a target for delivering or has it slipped?

**Interim Chief Executive:**

It is still. I think it is the first quarter of 2022.

**Deputy I. Gardiner:**

First quarter. So the latest we will have the implementation plan is March?

**Interim Chief Executive:**

By the end of March. My colleague is nodding so I think that is correct.

**Deputy I. Gardiner:**

Have you assessed the major risks associated with the estate and what are they?

**Interim Chief Executive:**

There are metrics again in the strategy around risks, so there is some material in the strategy about that. There are self-evident risks in estate management around health and safety and compliance with statutory requirements, as you would expect. There are risks in delay as well, partly of course

that one of the pressing issues facing the Island is the lack of affordable housing, and of course one of our goals is to identify sites that can be used for housing purposes. The estate, I think it is widely acknowledged, is currently inefficient and evidently any delays in implementation will only increase the inefficiency of our existing arrangements. Without doubt there are risks in delay, which we are seeking to mitigate, with your help and the help of others, by accelerating our action.

**Deputy I. Gardiner:**

Regarding the risks, how many notices have been served to the States Employment Board for health and safety during the last year?

**Interim Chief Executive:**

How many notices of action?

**Deputy I. Gardiner:**

Regarding the risks around health and safety how many notices were served to the States Employment Board?

**Interim Chief Executive:**

I do not have that detail to hand. Maybe my colleague does.

**Director General, Infrastructure, Housing and Environment:**

Sorry, I do not have that detail to hand either. I know there have been on occasion some building related points around health and safety, so from a small level thing such as a gate to the school all the way through to an access point to a fire escape. But we can provide more detail in terms of the numbers and those different types of cases.

**Deputy I. Gardiner:**

No problem, thank you. We will follow it up.

**Interim Chief Executive:**

What I can just add to that is that I know, because I have been a party to it, that there has been health and safety advice and presence at States Employment Board meetings.

**Deputy I. Gardiner:**

I will go one more step back, reflecting on your answers about why it was delayed for the implementation, and we realise that COVID has a major delay. At the same time we have been told by the director general about the vacancies. Which one played the greater role in the delay of the implementation plan to be published?

**Interim Chief Executive:**

I think that both are relevant. Probably going forward the more relevant one, and you are correct to raise it, are the capacity issues we have in Jersey Property Holdings. So there is no question that going forward and looking throughout 2022 and beyond our capacity to recruit and retain the level of expertise we need for the ambitions that Jersey has, that is a major challenge and risk to Jersey Property Holdings.

**Deputy I. Gardiner:**

We will pick up on this later. The D.G. (director general) for Infrastructure, Housing and Environment told us that a set of K.P.I.s (key performance indicators) have been developed against each of the key actions for implementation, the strategy, which will form their feedback mechanism to understand how the strategy is performing. Have you seen these?

**Interim Chief Executive:**

There is a table in the strategy itself, page 52, which lists proposed K.P.I.s so I am not sure if those are the ones that the director general is referring to. It may be. He is nodding that those are the ...

**Deputy I. Gardiner:**

No, it was the K.P.I.s about implementation. It was not K.P.I.s for the strategy, it was about the implementation of the strategy. How we know that it does work, the implementation plan.

**Interim Chief Executive:**

I am not sure that I am familiar with those. Certainly I am with the ones in the strategy.

**Director General, Infrastructure, Housing and Environment:**

If I could add. I think we would refer back to page 33 of the strategy, which has the high-level indicators in terms of what the milestones are we are expecting at various points in time. I think the simple measure on the implementation plan is whether it is in existence or not. I think that if I had to pick on one headline measure as to are we producing an implementation plan it would be that. Do we have a plan per department working with that department as to what the estate strategy is for those services?

**Deputy I. Gardiner:**

So if I understand correctly, the moment the implementation plan will be published in 2022 we will have K.P.I.s against each of the actions of the implementation plan? Because this is what I am trying to read from the evidence that was given to the Public Accounts Committee. What is important

for us to understand, we have implementation plans and how we will measure that it is going according to the targets.

**Director General, Infrastructure, Housing and Environment:**

Yes, that is correct. Each implementation plan will set out for that service how it can be implemented and the key actions that are required around the estate for those services.

**Deputy I. Gardiner:**

So we can accept that once the implementation plan is published we will see the K.P.I.s for implementation?

**Director General, Infrastructure, Housing and Environment:**

Yes, and they will supplement the ones that are already in the strategy, that is correct.

**Deputy I. Gardiner:**

I will pass now to the Constable of Grouville.

**The Connétable of Grouville:**

We were told that the new target operating model structure will set out further clarity of responsibilities and roles for making property decisions under the new corporate landlord model. We were also told that the T.O.M.s (target operating models) are already in place. Can you explain and briefly outline your understanding of the corporate landlord model?

**Interim Chief Executive:**

There is a section in the strategy that describes the corporate landlord model, but just to describe my understanding of it and the benefits of the corporate landlord model. I think it is around the uniformity of structure and approach and the consistency that the States will be adopting towards its responsibility for estate management.

[13:45]

So that corporate landlord concept is one that is widely utilised internationally, probably if we look within our current arrangements in the Government of Jersey it is analogous perhaps to the arrangements we have got now in I.T. (information technology), in Modernisation and Digital, where what had previously been departmental responsibilities in teams are drawn in towards a corporate responsibility, which has these benefits or has among them these benefits. The benefit of an economy of scale in terms of capacity and procurement and expertise and the consistency of ensuring that departments are supported professionally. That advice given to them is well-informed,

expert and also sometimes the departments are challenged on what they believe to be their estate requirements. For example, on issues like levels of occupancy in offices, in that kind of area. In summary, the corporate landlord function I think has the benefit of professionalism, consistency and economy of scale.

**The Connétable of Grouville:**

How does it provide clarity in roles and responsibilities regarding property management and decisions?

**Interim Chief Executive:**

I think because the governance structure is unified in a corporate landlord model, so the line management and the governance structure over the corporate landlord means that States Members can have an assurance that decisions are being taken in a consistent and well-informed way.

**The Connétable of Grouville:**

How much has been spent to date on the target operating models, specifically in I.H.E. and J.P.H. (Jersey Property Holdings)?

**Interim Chief Executive:**

If it would help then particularly on J.P.H., I have the figures with me which I can provide with you now. The tiers 3 and 4 of the target operating model - tiers 3 and 4 are referring to our senior staff of course - is nearing the completion of consultation with the results being reported back to the relevant employees in the next 2 weeks. The subsequent tiers 5 and 6 will be dependent on the outcome of tiers 3 and 4, and will commence when tiers 3 and 4 are implemented. In terms of costs, which you asked about, the base budget is £3.64 million. The budget before the target operating model was £3.4 million so the total difference is £250,000, subject to the finalisation of the T.O.M. and there is a net growth of 3 posts as a consequence of the T.O.M.

**The Connétable of Grouville:**

What benefits have you seen in the T.O.M?

**Interim Chief Executive:**

Probably it would be premature of me to claim benefits because it is not yet fully implemented. I think I would be hesitant about doing that. The principal benefit that I can see at the moment is that the senior staff, the director general and his team, are very clear on what is being asked of them on the requirements of the Government of Jersey and therefore there is a clarity and a prioritisation being given to estate management.



**The Connétable of Grouville:**

We touched on the subject earlier, can you confirm how many vacancies there are in I.H.E. and J.P.H. and what proportion of a full complement would these represent?

**Interim Chief Executive:**

There are 15 vacancies, I am informed, currently. I do not know what proportion that is of the total staff group. But they are looking at the T.O.M. - I have got in front of me - these are in significant areas so I want the committee to be realistic and aware. We do have a significant level of vacancies in important areas. We cover those with agency staff or, in other words, with staff sourced from outside of the civil service, from the local market. We need to be careful about that as well because we need to be alert to any possible conflicts of interest that might exist in that regard. We are covering these vacancies but that represents - I do not know whether Mr. Scate would agree - I think probably the single biggest risk to the operationalising of the strategy.

**Director General, Infrastructure, Housing and Environment:**

The total staff complement for the new structure is 54 staff, so 15 of 54, so it is a significant percentage - high 20s - and that does vary. So that is one of our biggest operational risks at the moment that we have. We are carrying vacancies in the structure. The structure does give us clarity as to the roles and responsibilities across the 4 areas of property. So property strategy, which is the corporate landlord model, as well as I would call it a fairly heavy lifting team in property around leases and estate management but also maintenance. Also we have a project delivery arm as well within property. They are apparent across all of those areas but it is one of our biggest risks at the moment trying to attract people to come and do those roles for us.

**The Connétable of Grouville:**

The 15, that is in Property Holdings itself?

**Director General, Infrastructure, Housing and Environment:**

It is.

**The Connétable of Grouville:**

Could you tell us the equivalent figures for the whole of the I.H.E. Department?

**Director General, Infrastructure, Housing and Environment:**

So at the moment we are probably at about 20 to 25 per cent vacancy factor across I.H.E. Those do affect a number of professions. For instance, we are currently advertising for 60 engineering roles within our ops and transport directorate. We are out for jobs in Trading Standards, Environmental Health, Planning, but also we are seeing vacancies as well in the property field. We

are generally okay in some of the environmental field but some of the environmental specialists that we currently need, we are again out for specialist recruitment on those areas, especially around some of the animal health and the Brexit-related work that we now need to pick up in terms of borders, movement of products and animals.

**The Connétable of Grouville:**

Given those quite large amounts of vacancies, do you have the resources in place to implement a strategy?

**Director General, Infrastructure, Housing and Environment:**

I would say honestly that we have some resource. I would not say we have the full resource to implement the strategy fully so we are absolutely needing to get the target operating model in place, get the staff that we do have in their jobs confirmed. We are pretty much there on that. Then we have been to some specialist recruitment again. Again, we are undertaking some specialist recruitment campaigns across a number of our professions at the moment, whether it be regulatory or operational engineering, and I think property and property professionals will be one area where once the target operating model is in place we are seeking to attract by one way or another into the Island, into these roles. We are finding ourselves a bit behind the market at the moment in some of these jobs. We are looking at growing our own, attracting younger staff to train them up in post, a variety of methods.

**The Connétable of Grouville:**

What has to change in order to encourage people to be recruited? What sort of timescale are we looking at?

**Director General, Infrastructure, Housing and Environment:**

I think one of the things we are, and certainly adopted within I.H.E., is the sheer opportunity that exists to grow ... (a) to leave school and grow your career with the Government. I think we have huge opportunities from some of the lowest level jobs all the way through to the highest level jobs. Certainly within I.H.E. we can appoint 16 year-olds with very few qualifications all the way through to people with PhDs. So we have an amazing offer to offer people and Islanders to come and grow their career and get into a profession with us. I think that has to be our solution. Trying to attract specialists from off-Island is increasingly difficult with the cost-of-living issues, especially around housing, but we are looking again at specialist recruitment campaigns in certain areas. Engineering would be one of those. We are looking at places which have got direct airlinks into the Island. We are looking into France at the moment for someone to run our Energy from Waste plant because we have some retirements coming up in that facility. We are looking under every stone, so to speak.

**The Connétable of Grouville:**

Jersey Property Holdings was set up in 2007 to ensure the public gets maximum benefit from States-owned land and property. Do you think it has achieved this objective?

**Interim Chief Executive:**

Probably in part. In a sense, the amount of attention and interrogation that the committee is rightly investing in this, is a reflection of the fact that it deserves that attention, and the C. and A.G. (Comptroller and Auditor General) has initiated that as well in her various reports. There is no question that more needs to be done in this area. I think you have heard from the director general that there is a lot of activity and energy being applied towards this. The only thing I think I would add to what Mr. Scate said was the importance of us working with our colleagues in arm's length bodies, which seems to me to be an important element of this as well. We do not want to compete with ourselves, in effect, between government and our own arm's length bodies, state-owned entities so I think that we need a better, clearer and more integrated approach with our colleagues working in other government-owned agencies.

**The Connétable of Grouville:**

When do you think Jersey Property Holdings will achieve their goals, their objectives?

**Interim Chief Executive:**

That question does not lend itself to a pat answer really. I think that it will be a process and I think putting an end date against that process would not be a very straightforward thing to do. The important thing is for us to have a clear sense of destination and to measure our progress as we achieve it. But I think that this work and this level of concern and activity over asset management, it is probably a feature of all major public organisations. So maybe this is not the answer that you are looking for but perhaps there may be no end to the search for a more effective estate management strategy.

**The Connétable of Grouville:**

Thank you. Given what was said a little bit before, do you consider that J.P.H. have the right resources to undertake delivery of an estate strategy, given its already much delayed response and lack of progress so far?

**Interim Chief Executive:**

I think perhaps the resource in terms of the finances made available through the States Assembly is not inadequate. I do not think that the level of financial resourcing is the principal issue. The principal issue perhaps is access to skills and expertise, which comes back to the point that Mr. Scate was making just now.

**The Connétable of Grouville:**

How will you ensure they undertake and agree to an implementation strategy when there are several large capital projects to oversee?

**Interim Chief Executive:**

I think that the large capital projects are helpful in this context because they will ... I am thinking particularly of the single government office, the replacement for Cyril Le Marquand, but also the potential for the new hospital, subject to the States decision on that. But they will help provide a momentum and an imperative. In respect of the government office it is already doing that. So the fact that we are committed now to building a new single government office creates a level of clarity about work that must be done. In that sense, I believe that when you see the implementation plan in the first quarter of next year, which we talked about earlier, you will see these capital projects, which you are very familiar with, be the driver for the change that will take place over the coming years.

**Mr. A. Lane:**

I am just interested, when did you become aware that you may have an issue with staff numbers across I.H.E. and J.P.H.?

**Interim Chief Executive:**

I do not know that it was a single moment. Mr. Scate might want to speak for himself because he obviously has the history, that I do not have prior to March. But it is not a surprise to me that accessing those skills is difficult. It is challenging in the U.K. (United Kingdom) also and it is not a shock to me that it would be in Jersey; would you agree?

**Director General, Infrastructure, Housing and Environment:**

I would agree. I do not think there was a single point that suddenly we are struggling to recruit. I think trying to recruit has been a slow burn for us. We do attract people. I would say we get away with recruitment sometimes in terms of our specialist roles. We do find people to come and work for us. We are not always successful. Sometimes posts get delayed and then someone appears in the job market again. So I do think we see some pluses and minuses in our recruitment effort. I think it has become a little more stark over the last year or 2 in terms of the cost of living increases that we are seeing. So that certainly is something that is now apparent. We look at the house price index and things such as that, trying to attract staff from off-Island is increasingly difficult for us. But I do think when one door closes in that regard another door opens in terms of local talent and trying to attract people into Government who may not have necessarily thought that was their first career

choice. It does vary. In my experience and time here, I think we have always struggled in various professions to attract staff.

**Mr. A. Lane:**

You gave a response to written questions into the States last September which said 13 vacancies within J.P.H. to 15, I think you just told us now.

[14:00]

Did you feel last September that there was action that needed to be taken to try and fill those?

**Director General, Infrastructure, Housing and Environment:**

I think the first action we need to get into place is to finalise our property structure, which is where we are now. We have been on a journey with our staffing structure across I.H.E. so we have done that directorate by directorate and property and projects now are having that joy of their structure being advertised, consulted on and people slotted into roles. That is an important stepping point because people know where they are. They know what they are recruiting into and they know what sort of organisation we are expecting them to work in. So that is an important point. But I think recruitment is not one of those things we will never finish. We do lose staff as well as attract them.

**Mr. A. Lane:**

So what is your normalised vacancy factor that you would expect to run to and when do you think you will get there?

**Director General, Infrastructure, Housing and Environment:**

I would hope a normalised vacancy factor is in single percentage digits. Generally in my experience we have been probably hitting, in a good year, sort of 90 per cent staffing levels against 100 per cent staff base. Some of our savings efficiency factors are expecting not all jobs are always filled up at any one point in time. But at the moment, I think when we get into double digits that is where I start to get concerned about our ability to be able to deliver services.

**Mr. A. Lane:**

When do you think you will get back to 90 per cent?

**Director General, Infrastructure, Housing and Environment:**

I would love to be able to say next year but I cannot give that guarantee. I think for some of these professions we will only be successful when we have grown more school leavers into property surveyors and property professionals. We may be lucky to keep them for a few years before they

go elsewhere and go and work for other organisations. But as long as we have got a firm pipeline of people coming into the organisation then that is our solution longer term.

**Deputy I. Gardiner:**

A very quick follow-up. How many graduates and training opportunities have been provided this year? We are almost a year since we knew that we are really lacking in staff. How many graduates and training opportunities and engagements happened this year?

**Director General, Infrastructure, Housing and Environment:**

I do not have all those numbers in hand but across I.H.E. it has a lot of different opportunities to enter.

**Deputy I. Gardiner:**

J.P.H.?

**Director General, Infrastructure, Housing and Environment:**

Within property we have certainly tried for 2 or 3 graduates. I do not think we have attracted anyone at the moment. We have to look differently around sponsored degrees, bursaries, internships, a range of other opportunities to hook people earlier on in their journey to university or even at university. The problem is once they are property qualified in the U.K. trying to get them back to work for us is then quite hard. So I do think we are now starting to look at sponsored degrees and bursaries, and those sort of things because it is a way of keeping people interested in us. We do have some really positive news around other areas and other professions. Properties has struggled because, I will be really honest, the private sector property market is strong here and we are in direct competition with it. That is where we struggle to recruit.

**Mr. P. van Bodegom:**

Can I just follow on? Is it the Minister for I.H.E. who is overseeing?

**Deputy I. Gardiner:**

Who is your Minister? I know that you have 3 Ministers, is it making it more complicated to make decisions around your department?

**Director General, Infrastructure, Housing and Environment:**

We do not have a Minister for I.H.E., so we have a Minister for Infrastructure, the property portfolio sits under him, Deputy Lewis. We also have a Minister for the Environment, Minister for Housing and also we have a bit of the Minister for Economic Development, Tourism, Sport and Culture as well. But in this regard it is a singular relationship with the Minister for Infrastructure. Standing

Orders expect that Minister to make property decisions, so those are done in his name. It is probably harder for the officer team. We have to mark a number of Ministers around our service areas. But for property it is relatively straightforward. There is a single relationship with a single Minister.

**Mr. P. van Bodegom:**

The director general told us that changing the current culture of departmental property decisions, moving towards a new corporate landlord model, is the main challenge. But the establishment of C.A.M.B. (Corporate Asset Management Board) and the clear political direction for delivering the strategy has been a political force. Do you agree and if so can you give an example of this clear political direction and an example of C.A.M.B.'s effective decision-making?

**Interim Chief Executive:**

Could you just crystallise that last part again? An example of the ...?

**Mr. P. van Bodegom:**

Can you give us an example of clear political direction?

**Interim Chief Executive:**

I think that the political direction takes place through the Regeneration Steering Group, which was established, I think, in P.73/2010 and so established in law, in that sense. The officers, including the Corporate Asset Management Board, to which you refer, report in through to the Regeneration Steering Group. They advise the Regeneration Steering Group, which itself provides oversight and guidance particularly in relation to those, at least in my time here - in my 6 or 7 months that I have been here - particularly in relation to the activities of the States of Jersey Development Company and the various developments on the waterside there. I think I can certainly say that in that area, and indeed in Fort Regent as well very recently, the Regeneration Steering Group has provided a very clear sense of direction and aspirations of change.

**Mr. P. van Bodegom:**

Can you remind us who sits on the steering group?

**Interim Chief Executive:**

It is chaired by the Chief Minister, and I think it is probably better for me to provide by way of a written answer, but the membership includes a number of Ministers and indeed at least one Connétable.

**Mr. P. van Bodegom:**

Thank you. In a recent letter you told us that a review is being undertaken regarding the role of the S.o.J.D.C. (States of Jersey Development Company) in tandem with Jersey Property Holdings.

**Interim Chief Executive:**

Yes.

**Mr. P. van Bodegom:**

But this is not the same as the specific review of S.o.J.D.C. recommended by the C. and A.G. to establish whether it remains an appropriate vehicle to develop the public estate. Can you tell us why the S.o.J.D.C.-commissioned review has taken precedence over the review proposed by the C. and A.G.?

**Interim Chief Executive:**

The review, to which you are referring that is underway already, is a review that has been jointly commissioned by ourselves, and by ourselves I mean the civil service, I.H.E. and specifically Jersey Property Holdings, working with our colleagues in the States of Jersey Development Company. It is a combined commission. It was a tender process which was won by JLL, and that work is underway now. They are coming towards fruition and I have a meeting with the chief executive of S.o.J.D.C. and the director general tomorrow to discuss the emerging findings from that review. It is coming towards a conclusion. What that work is doing is looking from an operational perspective at the relationship between Jersey Property Holdings and S.o.J.D.C. It will inform a wider strategic evaluation of our relationship with S.o.J.D.C., and Andium I think is relevant to that, possibly to the Ports of Jersey as well. So the review that is underway I think will prove to be useful and informative and, in turn, will inform. So the sequence did not begin with our strategic evaluation of the relationship with J.D.C. as recommended by the C. and A.G., but that strategic review will be informed by the work that is taking place now. Specifically around the way in which the interface takes place between responsibilities and accountability for land holdings and the point at which we transfer land holdings to J.D.C. and, conceivably, to Andium as well. Sorry that was a slightly long answer, but in summary the strategic re-evaluation, which the Comptroller and Auditor General has recommended, will be taking place.

**Mr. P. van Bodegom:**

Thank you. Who paid for ...?

**Interim Chief Executive:**

The review that is taking place?

**Mr. P. van Bodegom:**

Yes.



**Interim Chief Executive:**

I believe it was J.D.C. and my colleague confirms that.

**Deputy I. Gardiner:**

How comfortable are you with S.o.J.D.C. paying the full amount when it was a joint decision between the department and S.o.J.D.C.?

**Interim Chief Executive:**

I am not sure I readily see a sort of conflict in that. I think that it's a joint piece of work, which is particularly focused on how we work with J.D.C. I am not sure I see that as a major problem. I do not know about you, Andy.

**Deputy I. Gardiner:**

May I ask the Treasurer to respond? The question, if I understand correct, the S.o.J.D.C. paying for the piece of work which will give them extra responsibilities and obviously extra funds. I am simplifying the answer. How comfortable are you with us not participating?

**Treasurer of the States:**

You are right to identify risk but as long as that risk is mitigated and addressed in terms of oversight of the piece of work. It often happens in other pieces of work we do. As long as you have that joint oversight of the project I do not see that there is a significant risk that would emerge.

**Mr. G. Phipps:**

One follow-up question. When will this report be completed? I do not think we have a date. I know you have alluded to it but when do you anticipate this JLL study to be completed?

**Director General, Infrastructure, Housing and Environment:**

It is effectively being finalised this month. We hope to be in a position to ... the final recommendations have now been made in draft and I think if it helps give some confidence in terms of governance of that piece of work the oversight is between myself and the property director, as well as the S.o.J.D.C. team. So it is very much a joint team overseeing the JLL work, the recommendations are coming to both organisations, and the wider stakeholder group that has been involved as well in terms of checking what these recommendations would be. It very much feels this is a government family piece of work, if I want to put it in those terms. So it certainly is not necessarily J.D.C. doing this alone, they are working very closely with us.

**Mr. G. Phipps:**

Could we have a copy of that report so we can incorporate the learnings with our broader study, when it is completed?

**Interim Chief Executive:**

Certainly, yes.

**Director General, Infrastructure, Housing and Environment:**

Yes.

**Mr. P. van Bodegom:**

We are concerned that the S.o.J.D.C. will take on extra responsibilities from J.P.H. before it is established whether they are the appropriate vehicle to do so. How do you ensure that this does not happen?

**Interim Chief Executive:**

I think that is a logical follow-on from your earlier question. As well as looking operationally and in partnership with S.o.J.D.C., which as you have heard we are doing, but we also need to, alone as a Government, take our own steely eye on the best interests of value for money and efficiency for the public purse. So I think the mitigation against the possibility, which I guess is the implication of what you have asked, the possibility that the tail could wag the dog I suppose, if you can put it that way, the mitigation is that ultimately the Government will determine for itself what is in the best interests of the public as a whole in Islanders, and that may well need some law changes. I would not rule out the possibility of that so that is something that could follow.

**Mr. P. van Bodegom:**

How are potentially conflicting roles and responsibilities between J.P.H. and S.o.J.D.C. resolved? When will there be further clarity on these roles and responsibilities?

**Interim Chief Executive:**

That probably links into our work with arm's length organisations and arm's length bodies more generally, including state-owned entities, which, as you know, the C. and A.G. has recommended at various times over a number of years the governance of the entire system. This is an issue not just in relation to S.o.J.D.C. but of a very wide range of organisations to ensure that the total ecosystem, if you like, of the Government of Jersey and the States of Jersey, that total ecosystem has incorporated in it best practice, value for money, the sufficient safeguards for conflicts of interests and so on, and so as a totality, as a piece of work, that is underway at the moment.

**Mr. G. Phipps:**

Sorry, when do you anticipate we will see something on that?

[14:15]

**Interim Chief Executive:**

On the wider review of arm's length bodies, as you know, that has been a recommendation from the Comptroller and Auditor General. In fact there have been a number of recommendations around arm's length bodies and we have set up an oversight board with yet another acronym, which I am afraid we might need to get used to, called A.L.B.O.B. (Arm's Length Body Oversight Board). That has met for the first time during the summer under my chairmanship and including a number of very senior colleagues. We have agreed our terms of reference and I believe, Chair, we have provided you with terms of reference and membership details and other relevant detail around the formation of that new board.

**Mr. G. Phipps:**

Thank you. I was not clear in my question maybe, so when do you anticipate that we will see some results that we can incorporate?

**Interim Chief Executive:**

I think it is perhaps premature for me to answer that with a date. We need to first have a work programme and a realistic timetable. I am hesitant in providing you with a date that subsequently I might not be able to meet.

**Mr. G. Phipps:**

How about directionally?

**Interim Chief Executive:**

Directional, it is a big piece of work for the rest of this year and 2022. I think that this is widely acknowledged to be an area that the Government of Jersey perhaps neglected. It has been drawn to our attention. There is a lot of cost and as well as capacity and expertise in our arm's length bodies. If I could just give you a few examples so that you can be reassured we are not just waiting and doing nothing on this, which we are certainly not. We have initiated a number of projects in relation to our commercial services and procurement team to be working with the arm's length organisations, which is one group within the wider arm's length bodies. The commercial services team already have a capacity to work on this. We have initiated a review of remuneration arrangements for arm's length bodies. This work already is underway and, as I think you would appreciate, it is very significant in its scale and complexity.

**Mr. P. van Bodegom:**

Thank you. Just talking about the Arm's Length Oversight Board, are you telling us that has been established? How long did it take to establish?

**Interim Chief Executive:**

It slightly predates me, so I cannot be certain in terms of the timescale. But it would have been in the pending tray for, I think, more than a year.

**Mr. P. van Bodegom:**

Thank you. You said some senior colleagues have been appointed, can you list the names of the people?

**Interim Chief Executive:**

They are in membership of the board itself and I have got them in front of me, if you want me to read them out, or I can provide it to you in a written answer.

**Mr. P. van Bodegom:**

Be interested, please. Is that okay, Chair?

**Interim Chief Executive:**

The membership is chaired by myself. The membership includes the director general of S.P.P.P. (Strategic Policy, Planning and Performance), who is sitting behind me, the treasurer sitting next to me, the chief of staff, the director general for the Economy, director general of Customer and Local Services and the Greffier of the States and we will also involve other colleagues as relevant.

**Mr. P. van Bodegom:**

Thank you. Can you tell me what the work programme is going forward?

**Interim Chief Executive:**

I do not think I am in a position to describe that yet but I expect I will be at the next quarterly hearing.

**Mr. P. van Bodegom:**

Thank you.

**Deputy I. Gardiner:**

Yes, very quickly, we are back to the JLL report, would this report be made public or it is only for internal confidential news?

**Interim Chief Executive:**

I do not know what the director general thinks about that.

**Director General, Infrastructure, Housing and Environment:**

I do not see any reason why not. I think at the moment I would say it is probably in sort of policy and development but there are indicators in there about how we can do our jobs better and how we can co-ordinate better across public authorities. I do not see why not, certainly I would be really happy to show the Public Accounts Committee because I think it does give some much-needed colour in terms of the conversations we have been having around capacity and then who does what in the property world for Government.

**Deputy I. Gardiner:**

Thank you. Yes, as you know we work ... transparency is the theme that is going across most of our conversation and to make it ... yes, good.

**Mr. G. Phipps:**

Yes, I would just like to follow up a little more on these role supports and governance in that domain, Chief Executive. We have been informed that the C.A.M.B. is made up of senior officers and is mandated to work out a comprehensive plan for the States estate, including determining the property needs of each development in the short to medium term that reports to the Regeneration Steering Committee, we understand, the political arm.

**Interim Chief Executive:**

Yes.

**Mr. G. Phipps:**

How has the remit of R.S.G. (Regeneration Steering Group) changed since 2010 when it was formed with the original purpose of a political oversight body for S.o.J.D.C. when developing the waterfront?

**Interim Chief Executive:**

The short answer is I think you have described well the respective relationships of the Corporate Asset Management Board, essentially a board of officials and professional staff advising the Regeneration Steering Group, which is the political co-ordination and direction in relation to property-related activities, including S.o.J.D.C. I am not certain that that remit has changed since 2010 in proposition 73. A few days ago in preparation for this meeting I read that proposition 73 and it seems to me that the role of the Regeneration Steering Group, as set out there, remains the role now, I believe.

**Mr. G. Phipps:**

How do you feel about that? Do you feel it is still appropriate or do you think it needs a re-look?

**Interim Chief Executive:**

I think everything merits a re-look. Yes, I do. I think that in well-run organisations we are constantly reviewing and re-evaluating and I am sure that should be the case there as well.

**Mr. G. Phipps:**

Okay. We are also trying to understand C.A.M.B.'s role and rationale underpinning prioritisation of competing needs for the use of buildings for their reuse, acquisition, disposition, et cetera. How does R.S.G. work with C.A.M.B. to do this? How is it working?

**Interim Chief Executive:**

In the sense that the Corporate Asset Management Board is a relatively new entity, is it not? Probably over the last year, it would have been during COVID I think it was formed for the first time. I should caveat my answer with that sense that this is still a relatively new arrangement. But the merit of the Corporate Asset Management Board, one of its merits is that it can provide an overview working with departments of departmental needs. In other words, it can be grounded in. What are the priorities of the departments in critical areas like the provision of primary schools would be a good example? The primary review: what are the departmental requirements and how should that inform the priorities of our approach to corporate asset management? In turn, that insight and expertise would advise the Regeneration Steering Group. Of course we must also acknowledge that all of this evidence-based gathering and analysis ultimately feeds into decisions of the States Assembly because in the Jersey system it is the States Assembly itself that takes the ultimate decisions about the transfer of assets and, potentially, the sale of assets.

**Mr. G. Phipps:**

Has C.A.M.B. to date put forward any propositions outside the St. Helier area or you have had to deal with conflicting priorities across the Island?

**Interim Chief Executive:**

Outside of St. Helier, in the wider capital programme it will have done. In areas like I'm thinking, Andy, of the sports strategy or the primary review, there would have been work that was outside of town.

**Mr. G. Phipps:**

Given the different priorities, would it be useful for the Government to provide some general guidelines or some ranking or some criteria for competing not just geographically but also utilise guidelines to help with these potentially conflicting areas?

**Interim Chief Executive:**

I think clarity about the outcomes we are seeking is always important, so, yes, that is helpful. It is helpful also to understand sort of in the hierarchy of the benefits that the States of Jersey would derive from better management of assets. There are a variety of potential beneficiaries of that process. I am thinking, for example, capital disposal is one option or investment in social housing or affordable housing or investment in new public service provision, investment in maybe with renewal in the street scene. I have described there a range of different potential benefits and this is very contested territory we are talking about here where people have strong and sometimes competing views about what the hierarchy should look like and what the most important priority is. I think that the single thing that is most helpful to officials is for a clear sense of longer-term strategic hierarchy of the need that we think most needs to be met. Is that fair?

**Director General, Infrastructure, Housing and Environment:**

Yes. If I can help and just add, in terms of different land uses, obviously the Island Plan that we produce sets the hierarchy in terms of sequential and spatial strategy for the Island. We, as a landowner, have to live within that as well as any other landowner. In terms of land use and change in our real estate, that is the primary document that is used by the land use regulations needed to make those decisions. I think it is important to say that most of our public estate is used. It is in a constant churn of public use. Most of our estate is being used to deliver public services from. There are some sites which are not used and we then go into a debate about whether they are disposed of, transferred or used for another public use. An out-of-town example of that would be the former Les Quennevais School. Obviously the school is no longer required there; we have built a new school for the secondary offering. But there is an out-of-town need or there is a real estate need for the account for the hospital project. That is an example where real estate gets repurposed for public use, as well as we see real estate being disposed of or transferred.

**Deputy I. Gardiner:**

Thank you. I am aware about the time and we are really stretched on the time. Very quick questions with very short answers if possible. If Les Quennevais was discussed at Regeneration Steering Group: yes or no?

**Director General, Infrastructure, Housing and Environment:**

I think I am going to say I do not know.

**Deputy I. Gardiner:**

Okay, it will be good to check. It is important because another quick question: if the public estate strategy has been discussed and was on the agenda of the Regeneration Steering Group during the last year?

**Director General, Infrastructure, Housing and Environment:**

Certainly they are aware of it. Again, I think that ...

**Deputy I. Gardiner:**

No, the question: if they have contributed in creating the agenda and the structure - not being aware. I am aware, we are all aware - have been a party to creating the structure that we see today in the public estate strategy?

**Director General, Infrastructure, Housing and Environment:**

I am going to say I think they have but I am going to need to check the minutes as to whether they have commented on it, as opposed to just received it as an item.

**Deputy I. Gardiner:**

Yes, because it would be very helpful that we will discuss these minutes because I think there is a big question mark and it is coming back if the remit of R.S.G. to developing St. Helier, together with S.o.J.D.C., has been changed to being a political lead overall estate strategy prioritisation for the Island. I am not sure if the remit has been changed and, if yes, where is it documented?

**Interim Chief Executive:**

If I can help on that, I mean not on that specific because some of that predates my arrival in Jersey. But I can say that I know that the Regeneration Steering Group is itself alert to the need to review its way of working and indeed I think initiated by, as I recall, the Constable of St. Helier is actively considering how that governance should work and plausible sub-committees that might attach to the Regeneration Steering Group. For certain the Regeneration Steering Group is currently itself re-evaluating its own way of working.

**Deputy I. Gardiner:**

Very helpful, thank you. Quickly, if the Minister for Infrastructure in the estate strategy - we are trying to understand the structure - can overrule the decision or suggestions from the Regeneration Steering Group, where does the decision lie?

**Interim Chief Executive:**

I am sure that the Minister is guided by the Regeneration Steering Group.



[14:30]

**Deputy I. Gardiner:**

Okay, thank you very much for your answers. It is helpful to have this clarity. Before we move to a different item, are there any other supplementary questions on estate management? Okay, thank you. We are moving now to the mid-year Government Plan report that was published.

**Dr. H. Miles:**

Thank you; that is me. Can you explain to us why the mid-year Government Plan, which takes us to the end of June 2021, had not been published until late August?

**Interim Chief Executive:**

As I understand it, the mid-year review, which last year was called the 6-month review, last year was the first 6-month review that was produced. This was the second year in which it was produced, as you say, covering the period until the end of June. I believe that the expectation was always that it would be published by the end of August. From our perspective as officials, because obviously it takes a little while to receive and collate the data, that will not be available until, at the very least, July and probably early in August, both financial information and service performance data. Therefore, the end of August probably is a realistic period and I think it was within the timescale we anticipated for the 6-month review.

**Dr. H. Miles:**

Thank you. Just picking up on the content of a couple of areas, on page 24 of the mid-year review it states that: "There are delays to the transfer of the technology functions from C.Y.P.E.S. (Children, Young People, Education and Skills) and H.C.S. (Health and Community Services) to Modernisation and Digital." Can you tell us anything else about the reasons for that and what the likely cost and other impacts of that delay will be?

**Interim Chief Executive:**

Yes, thank you for asking. As you rightly say, it refers to the transfer of technological functions from C.Y.P.E.S. and from H.C.S. The circumstances were different in the 2 departments. Starting with C.Y.P.E.S., the delay was a failure to agree the anticipated deadline for decision and the need for a memorandum of understanding between Modernisation and Digital and the department. That in itself generated additional costs but it is a one-year impact only and the efficiency that is identified in the Government Plan will be fully implemented from 2022. The situation is different in H.C.S. in that it appears that the original efficiency that was identified in the Government Plan did not have the benefit of adequate access to financial information and staff costs from Health and Community

Services and certain assumptions were made, which have proven to be inaccurate. What that means is that the efficiency that was envisaged, which includes £199,000 of staff costs and £129,000 of payroll costs cannot be put into the multifunctional roles envisaged in the T.O.M. and, therefore, in Modernisation and Digital. Whereas in C.Y.P.E.S. the saving will be made as envisaged, in the case of H.C.S. it will not be and the chief operating officer will need to find the savings through other means.

**Dr. H. Miles:**

Okay, thank you. Just remaining with H.C.S., the mid-term review also says that: “£6.6 million has been spent to support the implementation of the Jersey Care Model.” Are you able to break that down for us and really we just need to know what we have got to show for our money so far?

**Interim Chief Executive:**

Okay. I do not have the cost breakdown in front of me but the treasurer may have, I am not sure.

**Treasurer of the States:**

In terms of the costs for 2021 in terms of the budget, if that was the question, is proven on budget, just over £2 million service delivery of £4.5 million. Alongside that there is the programme in terms of the digital initiative alongside with a budget of £1.3 million.

**Dr. H. Miles:**

Is the digital budget the same costs that are associated with moving the Modernisation to moving the costs of the I.T. to ... the digital costs that the chief executive referred to earlier, the savings that are not going to be made, are they wrapped up in the Jersey Care Model or is that a separate budget?

**Treasurer of the States:**

I believe they are separate budgets.

**Dr. H. Miles:**

Yes, okay, thank you. In terms of the Jersey Care Model then, the 5-year programme was due to start in January 2021, where are we with the Independent Oversight Board? Have the chair and the members been appointed?

**Interim Chief Executive:**

They are in the process of being appointed, I believe, and they have not yet been appointed.

**Dr. H. Miles:**

Why is that taking so long?

**Interim Chief Executive:**

I think it is simply diary scheduling. At least during my time here that is what I have understood to be the delay.

**Dr. H. Miles:**

The money is being spent without that Independent Oversight Board being in place?

**Interim Chief Executive:**

Yes. Obviously there are other accountability mechanisms in place, ministerially and so forth but, yes, that is right. I think that the Jersey Care Model in terms of the benefits of the Jersey Care Model, obviously it is States policy and it has been adopted by the States Assembly. But I recognise the model, if you like, internationally around what health systems are working towards. I think in many parts of the world, that is to say investment in preventative services, both in physical and mental health services and a support to community-based services out of hospital and also emphasis on reablement, that is to say helping people who are vulnerable be as active and independent as they can. I think that these are significant aspirations and goals for Jersey and they are ones that it is believed in Jersey, according to my colleagues, that ultimately will deliver efficiencies and that is, again, a sort of a model that is adopted elsewhere in the world. In other words, I believe that if we can help support and enable people for their health to be supported at home; that is a less costly outcome than being in hospital. But it is also most likely better for them because it enables them to be active and enjoy a full and long life.

**Dr. H. Miles:**

In the mid-year report there is also a £5.8 million growth investment in healthcare services, including service redesign. How is that different to the Jersey Care Model?

**Interim Chief Executive:**

I am not sure I can answer that.

**Treasurer of the States:**

I will jump in. Historically there has always been the need for evolution of health services on a more tactical level. Costs to the health service generally run higher than they do most other departments. There has historically been a 2 per cent above inflation growth in their budgets. What also tends to happen is that the world moves on in health very quickly and they need to invest in new technology on an annual or 3-yearly basis in different parts of the organisation through changes, new drugs come online and new treatments come online and that, historically, has been the source of funding

from which that is delivered, as opposed to, if you like, this more strategic-level change in the entire system. It is often the £5.8 million generally applied at a service level. The Jersey Care Model is looking at the overall system of care in Jersey.

**Dr. H. Miles:**

Okay, thank you. I will hand you over to Adrian.

**Mr. A. Lane:**

The mid-year review also talks about future changes in facilities management as part of the enterprise asset management project within the I.T.S. (Integrated Technology Solution) programme. Can you tell us why restructuring facilities management is dependent on I.T.S.?

**Interim Chief Executive:**

I think this cross-reference is to the States management strategy we talked about earlier and that in order to fully implement the States management strategy and the corporate landlord function there needs to be a sort of comprehensive and modern payment supplier management and accounting system and that will be provided through I.T.S., I believe.

**Mr. A. Lane:**

What does that mean for Concerto, your asset management database?

**Director General, Infrastructure, Housing and Environment:**

That means that the Concerto asset management database is then subsumed into the new product through I.T.S., so it stops being used at a point in time in the future.

**Mr. A. Lane:**

Probably one for the Treasurer then, does that cause you to have a write-off of the investment in that system? Will you have to write off the investment in Concerto as a result?

**Treasurer of the States:**

Can you repeat the question?

**Mr. A. Lane:**

Will you have to write off the investment in Concerto as a result?

**Treasurer of the States:**

If at that point it is replaced and there is a remaining balance in our books then that would be. If on the other hand it is integrated - I am not 100 per cent certain is the ambition, maybe Andrew is - then, no, it would remain on our books.

**Mr. A. Lane:**

Have you been planning within I.T.S. about where the future investment goes? The point I am trying to get to: are you continuing to invest in a platform which is becoming defunct?

**Director General, Infrastructure, Housing and Environment:**

I can answer that. I think it is absolutely vital that we move as many of our functions into Concerto at this point in time to get that consistency of working across both our property assets as well as our more softer assets. I do not think the investment in the way of working is going to be lost because if we then move into a different product in terms of a future release of I.T.S., which then is a different system for asset management, we are well placed to then use that product. The big journey for Concerto at the moment and asset management is to get consistency of behaviour.

**Interim Chief Executive:**

I think that is right and, in addition, we need the data to populate any information system. With a new system in I.T.S. it will need to be populated with data from Concerto. The most disadvantageous position to be in is where one does not have the data to transfer.

**Mr. A. Lane:**

Okay, thank you. You further make reference to that within the mid-year review to delays in the I.T.S. programme caused by lack of capacity in some of the work streams. What is the impact of the delay or that capacity constraint on the overall timetable for implementation?

**Interim Chief Executive:**

Thank you for the question and you are right, it was referenced in the mid-year review. But in practice the work of our C.P.M.O. (chief project management officer) has enabled sort of that to be mitigated, such that although there was a delay initially it is not having a material impact on the overall timetabling programme. I think it was associated with the availability of expertise at the beginning of the programme but it has been mitigated and now ...

**Mr. A. Lane:**

How did you mitigate, was that through cost investment or a change of scope?

**Interim Chief Executive:**

My understanding is that it was the C.P.M.O. being able to relocate expertise to fill the capacity gap, as it were, emerging without a cost to the programme.

**Mr. A. Lane:**

Was there a cost to the divisions, for example?

**Interim Chief Executive:**

I am not aware of that.

**Mr. A. Lane:**

Okay, thank you.

**Deputy I. Gardiner:**

Thank you. Before we will move to performance management, I would like to check if there are any supplementary questions request from the panel on this part.

**Dr. H. Miles:**

Just going back to the £6.6 million around the Jersey Care Model, I know you said that you did not have a breakdown but one of the questions was: what have we got to show for the money so far? I just wondered if you wanted to expand on that a little bit more.

**Interim Chief Executive:**

Very briefly, there has been an investment in mental health nursing training. There has been work, I think, on intermediate care, to improve intermediate care and overnight care in the community, the introduction of overnight nursing care. I think there has been work with the Jersey Doctors on Call service and the Jersey Ambulance Service to support people receiving care at home overnight and avoiding unnecessary visits to the Emergency Department.

[14:45]

Obviously an investment in capacity as well in developing a new public health service and intermediary service more generally; I think that the investment is already providing benefits.

**Deputy I. Gardiner:**

Quickly from me, it is not for now for that but it would be really helpful to get a bit of breakdown between £6.6 million for the Care Model and £5.8 million for gross investment just in general terms, follow up with the written question what we got for almost £12 million that we spent up until now.

Yes, thank you. We are going to move to the question around the performance management of the public sector.

**The Connétable of St. Martin:**

Chief Executive, the P.A.C. made several recommendations for improving the performance management process of the chief executive, such as succession planning, long-term illness cover, deputising responsibilities and emergency contingency planning. We at P.A.C. really expected these improvements to be embedded before the new chief executive was announced. Were you as surprised as we were to see the media reports about the new chief executive to be appointed?

**Interim Chief Executive:**

I think that the recommendations that your committee has been considering and has made are all in the process of being implemented. To use one example that I am aware of, the requirement for a disciplinary framework for the chief executive, which I know it is something that you were concerned about, I know for sure that that disciplinary code is being developed because as the current post-holder I was consulted on its content and was able to give some feedback to it. I am certain and confident that my colleagues are working on all of the recommendations that you have made that are good practice in relation to the chief executive recruitment, as well as disciplining and performance management. In respect of the recruitment of the permanent chief executive, that is not a process that I have had any involvement in, so I cannot comment on that.

**The Connétable of St. Martin:**

You were probably as surprised as we were to see the announcement. What will you do to ensure a seamless handover?

**Interim Chief Executive:**

Thank you for the question. I have been the recipient of a handover, as you know, just 6 or 7 months ago and indeed you commented, I think, on the importance of clarity in the arrangements for the P.A.O. (principal accountable officer), one of the recommendations that you made. I think that we will be well placed to incorporate good practice to ensure that the handover is professional and seamless and that the interests of the States, particularly around the P.A.O. role, is secured in a way that you are confident in.

**The Connétable of St. Martin:**

Thank you. You have been in this role for 6 months.

**Interim Chief Executive:**

Yes.

**The Connétable of St. Martin:**

Do you have confidence that your colleagues know what good performance looks like and can you give us an example, please?

**Interim Chief Executive:**

Of good performance?

**The Connétable of St. Martin:**

Yes.

**Interim Chief Executive:**

That is a very big question: what does good performance look like? It would be very good to talk about that for some time. I think that there are many features of good performance. Some of the factors, I think, that are essential in a high-performing organisation we start, for example, with the role of your committee, high standards of governance is a critical part of the high-performing public service organisation. Of course, with the treasurer sitting next to me I would say resource management and high standards in resource management and prioritisation and accounting. I think that the use of feedback and data, both customer feedback and the use of data to inform, our understanding of customer services and equality of public services; these are all essential. The performance management of staff, clarity about roles and expertise and making sure that we are recruiting particularly at senior levels but at all levels in the organisation, that we are recruiting to key roles where people have competence and expertise in the area that they are appointed to and that the staff work within an organisational culture that is supportive and encouraging and it is most likely to drive high levels of performance. These are all characteristics of a high-performing public service organisation and perhaps, most of all, I would say particularly in this forum, that accountability is essential and that at every level in the organisation but particularly at the most senior levels, that there are clear and transparent arrangements for services and senior staff to be held to account. These strike me as some of the most important characteristics of high-performing organisations. Yes, I think within the States we are fortunate we have experienced and very motivated and capable colleagues who would all recognise exactly what I have said and almost certainly would say - and in addition to what you have said - there are other things that are very important as well. The challenges around us being as high performance of public services as we can are frequently about the legacies and the systems inherent that we have here in front of us, technology being an example, the use of data, which I mentioned, is a critical part of good performance, knowing what is going on. This is absolutely crucial in any endeavour. Having high-performing senior staff does not necessarily mean that it automatically translates into high-performing services. But I think that we have got senior officials who strive to achieve to get to that



point. Maybe if you wanted me to I could give some examples of areas that are a work in progress on that, it depends on how much time you have got and ...

**The Connétable of St. Martin:**

Yes. Do you want some examples? I am just aware of the time. Thank you for a very comprehensive answer. How do you benchmark, monitor and improve against other comparative jurisdictions?

**Interim Chief Executive:**

Yes, that was easier in my earlier career in U.K. local government than it is in Jersey. It was easier in U.K. local government because we were able to compare ourselves with similar local authorities, with family benchmarks that would enable us a very ready comparison and value for money and outcomes, costs and efficiency; that is more challenging in a Jersey context. But I do not think it is impossible and there certainly are individual services that would be able to do that very readily. For example, my colleagues in Health and Community Services can quickly compare with other health systems and especially the U.K. and they will be able to compare, for example, theatre utilisation in N.H.S. (National Health Service) Trust relative to Jersey or unscheduled care treatment commencing within 60 minutes in Jersey relative to the U.K. and to the N.H.S. There are some areas that can be used by way of comparison. It does not necessarily mean and it should never mean really that we are seeking to emulate another jurisdiction. I do not think that is the intention but it can highlight and illuminate our current performance. Something that interests me, and I have thought a little bit about since I have been here, is the sort of peer review model. I know that in terms of the work of the Public Accounts Committee you are active, I think the chair is active in some international settings in terms of looking at what this P.A.C. does relative to others. That can be a very useful process because it provides a checklist of where we might be innovative and doing well and other areas where we are underdeveloped and need to do more. The peer review model is one where we might work with jurisdictions comparable to Jersey and seek their costing and sort of a slide rule over what is going on here as a sort of check for good ideas and innovation. I think there are things that could be done in international comparisons but it is not easy, not least because I believe that Jersey is more advanced and transparent in its use of performance data and in areas like the mid-year review. I think that that does compare well with other comparable jurisdictions, although we are very aware of where we need to make progress. I think it is also important that we should acknowledge where we have made an awful lot of progress, and specifically in relation to the annual review and the 6-month review. I think we have got a level of transparency and detail about performance which then leads to accountability, which compares extremely well with other jurisdictions.

**The Connétable of St. Martin:**

Do you use Guernsey as an example; that is our closest jurisdiction?

**Interim Chief Executive:**

Guernsey is certainly a very good comparison to use because obviously as a neighbouring Channel Island that is a very good starting point, and I am sure there are others.

**The Connétable of St. Martin:**

Thank you. Being aware of the time my last question to you is: what are your top 3 challenges to improving performance?

**Interim Chief Executive:**

Do you mean the top 3 areas that need improvement?

**The Connétable of St. Martin:**

Yes.

**Interim Chief Executive:**

I think that it is important that we keep our eye on the services that are most important to Islanders and also where most are at risk where the stakes are highest. Many areas are important in our public services but I would choose an example in terms of housing because housing is perhaps the greatest challenge facing many Islanders currently. The cost of housing, the availability of housing, both in the rented and the owner-occupied sectors. We need to build more homes. We need to build more affordable homes. We need more turnover in our housing stock. We need to incentivise right-sizing. I think it would be complacent to say that we have done everything that we need to do in that area and so I think housing is one really critical area. The second would be around health, our biggest department, and sort of interrogating the data and understanding what more we need to do on health, particularly after the pandemic. We have significant waiting lists in the Island. I believe about 10 per cent of Jersey is currently on a waiting list; that is a lot of people. The director general in Health and Community Services advises me true as that is, and that is a major challenge for her, there is not necessarily high pressure on beds. We have got 70 per cent occupancy level on beds and I think theatre utilisation, which is 70 per cent. In other words, there is capacity in our system to do better with the waiting lists, so that strikes me as a second important area. I think a third, our first strategic priority in the C.S.P. (Common Strategic Policy) is children and so I think for a chief executive it is always essential to keep focused on risks to children. If I give an example of where data might look good but we just need to make sure that we understand it. Currently referrals to children's social care are very low and they were high up to March 2020 and they dropped after that during the pandemic. That might not be a problem but it might be a problem. It might be that we are not identifying need sufficiently well, that we are not picking up harm. That is an example of

where the data is not necessarily telling us that there is a problem but there may be, and we need to interrogate the data and get underneath it and really to understand what is going on there. I think on the children's side corporate parenting is very important. We have a Corporate Parenting Board which has not met since June 2020; that is a weakness that we need to address. I think generally Children's Services is an area that needs constant vigilance on the part of the chief executive and States Members.

**The Connétable of St. Martin:**

Thank you very much.

**Mr. G. Phipps:**

Just to follow up a little bit more on performance. I would like to address the recommendations factor here. There will be a few questions together in this. As you are aware, there have been performance tracking recommendations made by the C. and A.G. and P.A.C., and determine whether they have been implemented or not.

[15:00]

My questions are: are they still to be implemented, in what areas, what are your targets for completion and, more importantly, are you satisfied with the progress made to date? what do you say about that?

**Interim Chief Executive:**

Thank you. I think the tracker is universally acknowledged as being good practice, incorporating, as it does, the recommendations made from various places and enabling a comprehensive and transparent accountability for the progress that we are making. It is a really good system. Towards the end of last year, but prior to my arrival, we had over 600 open recommendations which dated back to 2015. Work at the end of last year and the beginning of this year prior to my arrival closed down 300 of those. The initial sort of list has shrunk a lot but I cannot claim any credit for that because much of that great work took place before my arrival. But it does mean that the tracker has very many fewer recommendations than it had. There are currently, I believe, as we sit here now, 253 open recommendations, of which 42 are pending closure, so that would be 211 when we get to the point of closing those recommendations; 211. In the quarter that I arrived it was 246 open recommendations. I think in practice though we are working to close the recommendations and close them off because action is completed and then at the top end it is like painting the Forth Bridge, more recommendations are pouring in. Almost as quickly as my colleagues are implementing them in more come and that is probably the way the system should work. But it does mean that we are always going to have a significant number of recommendations in the hopper, as it were. I do not

know what the optimum number is for that reason. My sort of sense would be ideally the optimum number would be more like 2 figures than 3 figures; that is the sort of sense I would have. I do not have any particular science behind that. I can see the Comptroller and Auditor General in the room, you could help us a little by making fewer recommendations and then you might help me ...

**Mr. G. Phipps:**

Maybe another way of managing this is how long they are in there.

**Interim Chief Executive:**

Exactly.

**Mr. G. Phipps:**

Also, when you make commitments to fill them, whether the commitments are made. I think those are probably 2 areas that might ... let me go on because ...

**Interim Chief Executive:**

Can I just nail that point because I think that is very important? That we should be thinking about the length of time that they are there and I think that it is success and not simply about the number.

**Mr. G. Phipps:**

The other area of concern that is out there in the public, clearly the COVID pandemic has had an impact on performance, you have alluded to that, but, more importantly, on staff morale and in the Health Department and elsewhere. What are you doing to improve and address these areas, particularly the morale and the feeling of your staff in general?

**Interim Chief Executive:**

Yes. It has been an incredibly difficult and even a traumatic period for many colleagues, and I completely recognise that. It has affected different teams in different ways. I think it is important to recognise that there have been some positive things to have come from the pandemic in terms of new ways of working, of agile and remote working. If we look at the Be Heard survey you will see, I think, the most positive finding in the whole survey was a question around: "Do you feel able to work more autonomously and in a more agile way or words to that effect?" has a very high response rate from our colleagues, and so I think we have done a lot more during the pandemic to advance agile and flexible working. It is possible that there have been some changes in the way that some people have seen the work within their lives. What I am getting at really is I think we hear more staff saying that they are coming here, they are joining us because they want to work somewhere that is aligned with their values; that they want to work somewhere where their work has meaning and improves and contributes towards quality of life. I think these are all really important and positive

things, giving back something to the community, that is certainly the motivation possibly more than it has been prior to the pandemic. We are working hard, I think, to make sure that we are a good employer, which is the most important thing that we can do for our staff. In many cases that has meant - and indeed I think in Mr. Walker's department behind me - there has been some great work to staff impacted by COVID in a structured way for them to - I am going to use rather colloquial language - download, to share what they have gone through, the experience that they have gone through in the pandemic and what they found hard and difficult. That has been done with external professional civilisation, that is really good practice I think now. I do not know whether Tom wants to add to what I have said. We do take very seriously the impact that the pandemic has had on our staff and my belief is that the best way, as an employer in the Government of Jersey, that we can learn and utilise that experience is to re-double our efforts to be a good employer for all of our employees.

**Mr. G. Phipps:**

Thank you. The area of performance tracker and doing what we said we are going to do, the morale of the staff because they are both important. There is one last area and that is the basic recovery plan for Jersey to recover from the financial problems we have had. What enhancements to financial management have you had to implement as a result of these last few years and how will you embody these on a go forward basis?

**Interim Chief Executive:**

For the treasurer I think.

**Treasurer of the States:**

In terms of financial recovery, the States finances, the latest position where we presented - once I turn my mic on - in the Government Plan. There is indication of where we are in the half-yearly report and it includes the revised forecast for 2021, which is considerably improved upon a long way from over a year ago and considerably above that performance 6 months ago, the forecasted increase off the backlog, the delivery or the outturn for 2020, as well as the revised Fiscal Policy Panel assumptions, which point to better evidence out there in the economy overall. I stress "overall" because there are some sectors who are obviously under more stress than others. Jersey has benefited very well from having a concentration in financial services, which did not see the impact that other industries did elsewhere or other sectors did elsewhere. Hence, also because a lot of our income is derived from financial services in Jersey ... much higher proportions of our income are derived from financial services and that has also emerged in the financial position that we find ourselves in for the States of Jersey. Income forecasted improved, you will see off the back of the Fiscal Policy Panel that they predict that the economy would come back into balance earlier than they had previously said, so really 2023, 2024, rather than 2024, 2025, not inconsistent with some

economies elsewhere. But how much better that has been will be revealed within the Government Plan in the next week or 2 in terms of the latest financial forecast.

**Mr. G. Phipps:**

Thank you. We will stay tuned and I will pass it on.

**Dr. H. Miles:**

A quick one of overall performance: how are you assessing the effectiveness of all the target operating models in improving performance management?

**Interim Chief Executive:**

Yes. I think that the overall assessment must be around its contribution to the effects of delivery of quality services and value for money. I think that that in a rounded sense, it is our capacity and ability to deliver on the States-approved Government Plan. Within that I think that the model of change probably will adapt a little bit as we go forward in the sense that the OneGov programme and the associated T.O.M.s sort of implied that each department was moving from one stable state to another stable state in a new target operating model, whereas I think that often in organisations they develop and evolve through incremental adaptations. People can see there are more things to be done, we can work better, that maybe there is an investment in technology which can help better ways of working or sometimes with staff turnover or leadership turnover it generates opportunities or different options and acting in the light of experience. I think that what I am trying to say, in summary, is that although the States has gone through a very big change over the last few years, I think that going forward it may be that we will have sort of more gradual incremental change that builds on the experience of the last few years and adapts and modifies, especially in line with customer feedback and the feedback from our own staff.

**Dr. H. Miles:**

Okay, thank you. I will hand you over to ...

**Mr. A. Lane:**

Chief Executive, I just wanted to go back to your earlier response when we talked about the process for the recruitment of the new chief executive, clearly not the decision of the S.E.B. (States Employment Board) but the process. We made 8 recommendations to the S.E.B. back in the middle of July and you referred to one of them around the disciplinary procedure where you have been consulted. The people that are doing the work, the officers that support the S.E.B., are all in your structure. How are you getting confidence that they are implementing the other recommendations on the S.E.B.'s behalf before that process concludes?

**Interim Chief Executive:**

The way in which I have got a line of sight on that is the paperwork and recommendations that the director for people in Corporate Services makes to the States Employment Board. In that sense I can see the work that they are doing to act on the feedback that they received, although, as I have previously said, I have not had actual involvement in the recruitment process itself. You look slightly uncertain at my answer. In summary, I can see what it is that my colleagues are doing to ensure that all of the recommendations that have been made are being acted upon.

**Mr. A. Lane:**

Okay, thank you.

**Deputy I. Gardiner:**

As I promised we are finishing not later than quarter past and I will check with the committee quickly if there are any other questions before we will conclude the hearing.

**Mr. P. van Bodegom:**

Chief Executive, just a general question, you have been chief executive of Richmond and Wandsworth County Councils, when you came to Jersey what was the one big headline item that jumped out at you, that made you think I can do something different here?

**Interim Chief Executive:**

That is a very interesting question. I think that the organisation had gone through an enormous amount of change and turbulence and I thought that I would be able to add some coherence and structure and high levels of motivation to the situation that we came to.

**Mr. P. van Bodegom:**

Thank you. What would be your one piece of advice to the new chief executive as you hand over?

**Interim Chief Executive:**

I think that all chief executives will want to establish a situation, understanding of the position for themselves. I am slightly hesitant at giving advice because every chief executive will want to find their own way of determining what is going on. Probably the most crucial thing I think or the advice I was given when I arrived, and I asked many, many people for advice - I am going to say something about this at the speech to the Chamber on Wednesday - and the thing that I heard most was the importance of listening and I think that that is wise. The Bailiff in fact, his advice to me which I thought was especially interesting, was to take care not to impose my own agenda too much.

**Mr. P. van Bodegom:**

Thank you.

**Deputy I. Gardiner:**

Thank you. We still have 6 months of this to go, so we will meet several times and I am grateful for all your answers today. Mr. Walker, I know that, as the director general, we will meet on 4th October, it will be also attended by the director general of Customer and Local Services and we will go deeper into performance framework, recommendation tracker, implementation, target operating model, strategic and complaints. Thank you very much and the hearing is closed.

**Interim Chief Executive:**

Thank you for your questions.

[15:15]