



States Greffe: Scrutiny

Chief Operating Officer
Chief of Staff
BY EMAIL

16th April 2021

Dear John and Catherine,

Follow up questions from the Public Accounts Committee's [Public Hearing Monday, 29th March 2021](#)

Further to the recent public hearing, the PAC has several follow up questions as below:

- 1) Page 4 of the latest Chief Ministers' Report on the Use of Consultants refers to the inability to maintain a central record of procurement information. At the public hearing the Head of Business support told us that it was not possible to determine how many new (consultant) contracts were awarded, what was the total value and how many continued from 2019. She stated that the ITS system would make it easier to 'pull' that information.
 - a. When will the ITS system be in place to do that (which phase)?
 - b. How soon after will you be able to collate the necessary information?
 - c. Should the next Chief Minister's report contain an advisory note as to the accuracy of its contents and what responsibility does the Treasurer or Minister for Treasury and Resources have to ensure that accuracy?
 - d. Could you please commit to (by collating the data manually if necessary) establishing the number of new contracts awarded and needs assessments undertaken prior to publishing the next 6-month report?
- 2) Treasury states that there must be a needs assessment for each consultancy procurement over £25,000, yet in the report there is no common definition of a needs' assessment. The Head of Business Support indicated that work was being undertaken on Structural Needs Assessments being given a common definition and making sure they are standardised across the Government.
 - a. Can you indicate when this work will be complete?
- 3) We asked if departments have not carried out a needs' assessment, are they required to obtain an exemption and, if so, are you aware of how many exemptions have been made since January 2019? The Head of Business Support replied that this was not her area.
 - a. Can you advise how many exemptions have been made since January 2019 and whose responsibility it is to check overall (we understand it is each DG's responsibility to obtain exemptions for their department).
- 4) Given that of the 118 contracts that are mentioned, 42 are marked as complete but only 6 had a post-consultancy analysis undertaken, how and when will you ensure greater compliance with and improvements to the 'procurement of consultants toolkit'?

- 5) The Chief of Staff advised that a piece of work to 'track' that the reports and the recommendations developed by consultants are implemented in the way that they should have been would start in May this year. She also indicated that when the proposed briefing was developed it could be shared for the PAC to make comments.
 - a. When is the draft likely to be made available to PAC?
 - b. Will you be in a position to update us on its progress at the Quarterly public hearing on 27th September?

- 6) You indicated that in order to comply with Recommendation 1 of the C&AG's Report on the Use of Consultants , that is to implement a corporate framework to record current skills within the States workforce and ensure those skills are identified as needed as the organisation changed, you would need the ITS system in place. The Group Director, People and Corporate Services told us that the workforce planning and resource gathering will be done in 2021, and the frameworks early in 2022.
 - a. Can you give us a date when this framework will be in place?
 - b. How have you mitigated against further slippage of the timetable?
 - c. Are you confident you have the necessary funding?

- 7) You were referred to Recommendation 4 of the PAC's 2018 Report on Financial Management and accepted that it was under your responsibility to develop clarification and additional guidance documentation for the process of engaging with consultants. All consultants and interims would be supported by a clear business case and supporting evidence. The Chief Operating Officer indicated this should be complete by July 2021.
 - a. Will the draft guidance be made available to PAC?
 - b. Will you be in a position to update us on its progress at the Quarterly public hearing on 27th September?

- 8) At the public hearing, the PAC asked you about the original contract with DMW, in the sum of £1,497,875. The contract was extended and increased to £4.3m. The Group Director, ITS Procurement told the PAC about taking soundings from the market and from the reference sites to hone the Government's requirements.
 - a. Did you carry out and report on appropriately extensive evaluation of the performance of DMW before extending the original contract?
 - b. The £1.6 million was a variation of the contract, bigger than the original contract - what did you do to be sure there is value for money to make this variation apart from discussing with DMW and its core team in the UK?
 - c. Of the meetings held with DMW, you indicated you could share 'packs' with the PAC on a confidential basis relating to their performance evaluations?

- 9) The PAC asked what comparisons for upgraded similar size government jurisdictions have been done? On which scale is the spending on I.T. (information technology) within the government system?
 - a. The Chief Operating Officer indicated no comparison work of this type had been undertaken – can you confirm this?

- 10) We understand the IT system will be upgraded to a modern system within 3 years but there were indications that there may be further work (not just continuing upgrades) needed – can you indicate your best estimate of further IT spending needed, and in which areas?

- 11) How are you incorporating new technologies and ensuring you are obtaining the most flexible and efficient systems (i.e. future proofing)?

- 12) The Chief Operating Officer indicated he had worked with 'much bigger but simpler' organisations than (the States) – what changes would he suggest that have not been implemented, which would rationalise and further simplify the systems?

We would be grateful to receive your answers by 1st May 2021.

We look forward to hearing from you.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Inna Gardiner', with a horizontal line extending to the right.

Deputy Inna Gardiner
Chair
Public Accounts Committee

Cc:

Mr. M. Grimley, Group Director, People and Corporate Services

Ms. J. Spybey, Head of Business Support

Ms. C. Black, Group Director, ITS Procurement

Mr P. Martin, Interim CEO