

Chief Minister



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Deputy Sam Mézec
Chair, Corporate Services Scrutiny Panel

BY EMAIL

20 July 2023

Dear Chair,

Future Chief Executive Officer Advisory Group Minutes

Thank you for your letter of 13 July 2023.

I have attached the paper that was written by John Mills, in his capacity as an advisory member of the Group, provided on 5 April. As you note, the paper outlines his understanding of the options and ideas in relation to the role of the future Chief Executive Officer, which we discussed at the meeting.

I am content to make this paper public.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Kristina Moore".

Deputy Kristina Moore
Chief Minister

CONFIDENTIAL

'Redefinition' of CEO Role

Introduction

1. It was agreed at the meeting on 24 March that I would prepare an options paper for the next round of discussion on 'redefinition'. This is that paper. Its aim is to help the group come to a view at a fairly high level about what might best comprise 'redefinition' – the role itself and the organisation around and in support of it. I have tried to be 'bold', in that 'redefinition' certainly creates an expectation of change, but also realistic. The wheel does not have to be reinvented, but the existing one oiled well and given new tyres.

2. **The option presented is indicative** – it will need further refinement – **but aims to set a direction of travel for 'redefinition' that can command general assent.** The main aim is to give the new CEO a bigger and better set of levers to make things work well in support of the Council of Ministers – which is the Government, it should not be forgotten – and building in flexibility to lead and manage the chief officers as a group in order to deliver corporate objectives. Redefined chief officers roles and behaviours are part of the solution, too.

3. But, for now, it is the direction of travel that matters, and **if there is any substantive disagreement or reservation that must be resolved straightaway** because a statement by the Chief Minister cannot be delayed beyond the week after next and she will want to clear lines with other colleagues

4. **Putting the agreed approach in place**, under the direct authority of the Council of Ministers, **will be a prime task during the interim period**, with no backsliding. Things must be up and running by the time the new CEO arrives.

Summary

5. The proposed direction of travel in essence:

- affirmation of the role of a single CEO as head of service (which the law mandates) along with overt development of the Cabinet Office model. Intensified focus on the Head of Service leadership role, which is a clear expectation of staff and stakeholders
- significant strengthening of the direct support available to the CEO
- a small and well-supported Corporate Management Board (CMB) – no more than five or six members – with a clear remit to focus on corporate leadership. This would replace the structure which is currently known as the ELT
- flexibility for the CEO to draw on the whole chief officer and senior level cadre for 'corporate' and cross-cutting work, as required and in varying permutation
- no reduction in 'direct reports' as a matter of principle but new arrangements for managing those (and the dynamics of this will alter to the extent there are new forms of governance in the operational departments). The current titles of 'Assistant Chief Executive' are thus dropped

- a new senior post within the new CMB, under the CEO but also with responsibility direct to ministers, supporting the latter on strategy and policy development, and bridging the ‘gap’ between the political and civil service sides. This is crucial if the Cabinet Office model is to be successful
- a firmer focus on performance management at the senior level
- renewed emphasis on ‘culture, values and behaviour’, set (as ever) by the ‘tone from the top’, which for this purpose is the whole senior group. There must be an ambitious vision for improvement of the whole Service, backed by Ministers, must be communicated along with a realistic and practicable programme to deliver it
- and getting on as soon as possible with the new recruitment

Immediate Requirement

6. A decision is needed on this paper to inform, first, what the Chief Minister will have to say about ‘redefinition’, probably when the States next meets on 18 April, and, secondly, the preparations for the recruitment. Thirdly, a clear implementation remit must be developed for whoever takes on the interim role.

Broader Context

7. The main issue here is getting the new Cabinet Office model clearly defined and bedded in. ‘Redefinition’ is integral to that. There has been progress on the model but it’s unfinished business and it is evident that there remains some uncertainty about exactly what the Cabinet Office is to be – particularly at the interface between political objectives and decision-making, and civil service activity.

8. A senior resignation is always likely to provoke controversy and soul-searching, and the Government has plenty of armchair critics keen to stir the pot. There should not be overreaction to this:

- resignations happen all the time and the latest, while regretted, needs to be presented as in no way at all a ‘crisis’ (as critics like to portray such things). Sticking to this line is tremendously important, not least for the morale of the whole Service
- on the other hand, it is also entirely natural and proper for those in charge to pause for a while before starting the search for a successor to see whether anything should be changed or done differently. That is perfectly normal and there’s no need to be defensive about it

But the best way to disarm criticism is to have a well-considered plan and clear commitment to implementing it, and the means to do so. That must be the tenor of the statement.

Starting Points

9. It would be good to start with everyone affirming the points below, since they will guide next steps. Any major disagreement needs to be exposed now and worked through. Five decision points are in **bold**:

(i) there is never one single right answer to the question how an organisation should be structured or a senior role defined. There never was and one shouldn't pretend otherwise. And, whatever structure is written down on paper, it is how the people involved behave, and the 'tone from the top' on 'culture' that will matter most. Flexibility and adaptability are key, along with resilience against the unexpected. The core of the civil service must be smart, and be seen to be so. In a government environment, though, the arrangements governing the interaction between the political and official sides do need to be laid out clearly, with mechanisms to ensure ministers can have the assurance they need about delivery and policy implementation. It's important that basic points like these are repeated over and over

(ii) the main task of the civil service leadership must also be emphasised: to implement and support the programme of the government of the day – the Council of Ministers – and to manage and govern the complexities of public service delivery in line with ministerial priorities. Senior officials also have a vital role in developing policy, advising ministers and supporting them in all aspects of their role. The CEO has the further, wider, task as the Head of Service to get out and about around the whole organisation – visible leadership. Ministers govern rather than 'run' but they must be able to be assured that their plans, programmes and decisions are being delivered in an effectual and timely way, in keeping with political commitments made. And they must be truly well supported across the whole range of their responsibilities, in big and small things. Again, points like these, even if obvious, bear repetition

(iii) the proposal on the table is for the Chief Minister to make **a statement on the outcome of 'redefinition when the Assembly next meets on 18 April**. She will have to be able to confirm the interim arrangements at that point, and when they will start. In practice her statement can't – or shouldn't – otherwise go into too much detail but it must evidence that ministers are on the case and that all necessary work is in train ahead of a recruitment exercise for the permanent role. **The statement must certainly be robust and positive enough to head off pressure for an 'independent inquiry'**, which would not only delay things but cause a lot of palaver for absolutely no gain

(iv) the new CEO role description and the recruitment materials must be very honest and transparent about all the challenges and complexities, and how we've got to where we are. It must not just be said what a great place to work Jersey is. Public sector professionals who may be interested will have got to know about Jersey's track record on CEOs. The challenge this poses should not be underestimated

(v) **work on a draft CEO contract needs to be put in hand directly**. It is essential to consider the position on individual liability as part of this (as raised by Suzanne)

(vi) **work needs to be put in hand speedily on all the practicalities of the recruitment process** and, crucially, decisions taken on the parameters of the main contractual arrangements) so that the process can start as soon as possible – say, the beginning of May

(vii) **a view must be taken on whether it is important actively to aim for a 'local' appointment** and, if so, how that might be brought into scope without undermining the principle of appointment on merit

(viii) **the Appointments Commission needs to be brought into the picture quickly and a view taken about the composition of the selection board** (which it, JAC, is required to chair). Its guidelines on this are arguably somewhat unhelpful: the JAC chair plus two other Commissioners, one independent ('a UK local authority CEO or equivalent') and the Chief Minister. Given where we are, it seems **vital to broaden this out** to include at least, say, two more serious, 'local', independents. **This is truly important to get right** not least to ensure a high sense of local legitimacy around the appointment and avert the process itself becoming a focal point for criticism. The Chief Minister needs to be protected from the risk arising from being the only 'insider' on the panel – safety in numbers

(ix) it should be entirely possible to start the recruitment process early in May, with a best case aim of an appointment's being made by the time of the summer break. The new CEO would hopefully be able to start before the end of the year. But it could well be later, depending on notice periods and so forth, or perhaps rather sooner if he or she was 'local'

(x) **the interim appointment may thus be needed until around the end of the year**. The main objectives for this need to be established but a key element will be to take the lead on implementing 'redefinition'. Another will be to step up work on 'culture' and 'values' etc (but as a continuum with what has gone before under Suzanne's leadership – the page is certainly not blank). The tone on these things, though, has to be set from the top and it's not quick fix territory. This whole area of experience will need to feature in the recruitment process

Main Issues and Questions

10. The following main issues and questions – eight of them - have emerged so far (but only so far – there are bound to be more). Are there any major areas of disagreement, or has anything been omitted but which matters right now?

(i) **Is the CEO role too large for one person?** If it is, is that because, objectively, it simply is, or is it because the CEO hasn't got the support necessary to deliver the full scope of the role? A CEO role is a big role by definition, which has to look out beyond the organisation as well as within it. To be manageable it has to depend not only on strong leadership skills but also on good lieutenants, a senior leadership team that can work collectively with, and in support of, the CEO, and effective delegation matched with good accountabilities. These are all challenging but certainly not out of reach. **Care is needed not to jump to conclusions on scope and size of the role. They could turn out to be hostages to fortune.** It is also important to note that this was not the reason given by Suzanne in her resignation letter, although it was perfectly sensible to say that the hiatus offered the opportunity to take stock of the role.

Some main considerations on this particular point:

- introducing, say, **a deputy and/or reducing direct reports**, while perhaps seemingly quick fixes, **both have the potential to impact the corporate structure adversely**:
 - resistance if ‘second tier’ people are in practice dropped to being third (or perceive that)
 - could look like recreation of the COO post only just removed
 - potential impact on the CEO’s statutory duty to lead the chief officers, whose corollary is direct access by the latter to the former
 - a deputy post opened up to internal competition would create one winner but maybe several ‘losers’. Might this be destabilising?
 - evidently mixed views among the senior team about the case a deputy CEO
- a new senior role to support ministers and take a lead on strategy and policy development and advice – which seems to be agreed by all – could or would of itself have a significant positive impact on the ‘scope’ problem
- the same goes from having a stronger CEO support team – again, in principle seemingly agreed by all
- and the other key piece of the jigsaw is slimming down what is now called the ELT into a smaller corporate management board to drive leadership of the Service under the CEO’s leadership

It seems best in this whole area to focus first on **better support for the CEO** and a **more effective way of bringing chief officers into the corporate management frame**. If there is, then, still a case for a deputy or something similar it is best that this is a decision left to the new CEO. The worst of all worlds would be to appoint someone now, in a vacuum so to speak, without involvement of the new boss

(ii) **a change in the law on the CEO role** (Art.3, ESJE 2005) to help achieve or embed redefinition has been mooted. This has, though, gone into the mix without an actual proposal. Art.3 says five main things:

- CEO leads chief officers in the administration and general management of the public service – a duty
- And in the implementation of corporate and strategic policies – ditto a duty
- With the power to require chief officers to account for the same in her or his area
- And to direct her or him as to the duties to be undertaken – both powers
- With a saving for statutory duties and things delegated to chief officers by ministers

It is very hard to see what benefit could be gained by seeking to change any of this. The language covers well enough whatever ground is occupied by ‘redefinition’. In any case, a law change (through regulations) would be a perfect excuse for procrastination, filibustering and delay.

It is anyway agreed that there should be **no change in the Principal Accountable Officer rules**, which go hand in hand with the CEO's Head of Service role. That does not, however, rule out change in the way the PAO role is undertaken, and that should be examined in the interim period.

Any law change looks to be entirely unnecessary and would simply bring delay and fresh risk to the situation with no obvious benefit

(iii) the case for a **new senior post** – 'Director of Cabinet Office', or whatever the title is – **to focus on strategy and policy development, and the needs of Ministers and how they relate to the organisation** seems to be widely agreed. This would be the way to give better traction to the notion of a joined-up Cabinet Office. This person should be a member of the Corporate Management Board reporting to the CEO, thus being wholly part of the organisation, but with a line of responsibility to ministers, too, both individually and collectively

The heart of the role would be to ensure a 'two-way linkage' between the ministers and the organisation, and to support them on strategic thinking, policy development and horizon scanning especially on the big issues that inevitably cross organisational boundaries. This includes ensuring that ministerial plans and priorities actually get into the 'system' for action and delivery, and that ministers can be assured that things happen and get done, and that they know what the problems are when roadblocks are in view.

It needs to be considered alongside this whether any change is needed to the present ministerial support arrangements – another task for the interim.

This also seems to be a good way of helping to define what exactly the Cabinet Office is to be, and do. **Some confusion on this is apparent** at the moment

(iv) it also seems to be **essential to strengthen the direct support available for the Chief Minister**. It may be that the post outlined above, or other changes to ministerial support, leads to this but the issue is clearly a priority and mustn't be shelved. The Chief Minister is the fountain-head of government and needs to be able to call readily on the very best support

(v) following on from that, an issue to be resolved is **whether it would be desirable for there to be overt co-location between the ministers generally, but the Chief Minister in particular, and the CEO's team**, allowing resource sharing and (as suggested) a stronger two-way linkage between the political and official sides, better joint working etc. This needs to be resolved within the plans already laid for the new building but is there any desire to give out a signal in principle now? Good if so, but it would be prudent in any pronouncement to leave some room for manoeuvre. The better linkage implied by the proposed new role and other measures to strengthen support may do the trick

(vi) to the extent that support for the political side is stepped up, **the CEO's role as Head of the Public Service is able to become more prominent**. That's not about the CEO not continuing to be Ministers' principal adviser across the whole range but about ordering the policy and advice side better to give **more headroom for what is required to deliver leadership of the service**. Tangible movement on values, behaviours and culture will depend heavily on this. It is important that this is not crowded out, so to speak, by immediate pressures all the time – as it so often seems to be

(vii) the view has been quite widely expressed that this is a good moment to have a **fresh look at the role of the SEB**, and how it works in practice given in particular the CEO's head of service role. This needs care, but one immediate thought is that the SEB meetings should not normally need to involve the Chief Minister, even if she remains titular chair. Her time is precious, just like the CEO's

(viii) the need for a **General Counsel to support the CEO with in-house legal advice** and support seems also to be widely agreed, and, indeed, a recommendation on the same for SEB's consideration is understood to be ready for submission. Such a role is the norm in an English local authority, even the smallest. This post would become a key senior component of the CEO's strengthened direct support team. The Counsel's advice, it goes without saying, would also be available to ministers.

Is there anything else that should be on this list purely as far as 'redefinition' is concerned?

The 'Redefinition' Option

11. What follows is put forward as a central option. There are several moving parts which could be set differently but I think it reflects the points made above, and above all is realistic. It builds on work already in train but for which there is now the necessity to conclude things more quickly. If, though, there is disagreement on any main element, resolution will be needed by the weekend so that there is time without rush to get agreement and prepare for a statement on the 18th:

- **no formal change to the role as prescribed in law.** The CEO is, and must remain, the Head of the Public Service and the Principal Accountable Officer. Flowing from those, he or she must also be CE to the Council of Ministers, which means being principal adviser to Ministers (but not having to advise on everything personally). What matters is the resources, systems and structures to enable her or him to undertake the role effectually and be held to account for things over which he or she has direct influence or control. In the last period the availability of these support mechanisms has been wanting, for various reasons, and the outgoing CEO has had to spend a lot of her time and energy on working to build them back into place. This process must now be intensified – a key task for the interim period
- **good government requires effective support for ministers** both individually and, especially, collectively. The right level of support for the Chief Minister is particularly critical. This is about, on the one hand, advice on strategy and policy so that decision-making is timely and well-informed, with risks carefully analysed, and on the other, ensuring that ministers are 'plugged in' to the system and are able to be assured about delivery of plans and programmes. This becomes the more important as the Government of Jersey has to confront ever more complex and challenging issues, which are inevitably cross-cutting, and on which ministers need to engage collectively. To date, support systems have been nothing like as strong as they should have been. This is a key driver behind the Cabinet Office concept
- The CEO's support team should be strengthened, at the least by (i) **the post described already to take the lead on strategy, advice and support for ministers** (ii) **a private secretary** to act, *inter alia*, as the CEO's liaison

person with the whole organisation and who can screen and manage things so that they come before the CEO in an orderly way; and (iii) **a new senior post of General Counsel**, as already in train. The **Delivery Unit needs to remain part of the CEO's team** and there would be benefit from a clearer understanding of its precise role and purpose; it is potentially a powerful tool for corporate management and assurance for Ministers

- The way the ELT interacts with the CEO must be put on to a more rigorous footing. The sense is that this is not being achieved at present, perhaps because meetings are just too big, reporting to ELT is variable, and membership is not, for whatever reasons, seen by all as a priority and a core function of senior leadership. Some ELT members may have sought to step away, so to speak, from corporate involvement. This is not satisfactory. The ELT structure should be replaced by **a smaller, tighter, corporate management board (CMB)**. This board must have clear terms of reference and operate in a clearly mandated, and strict, way to support the CEO across her or his corporate leadership role. **The CMB should probably comprise no more than five or six persons:**
 - the CEO
 - the Treasurer
 - the new 'Cabinet Office Director' (or whatever name is given to the new post already described)
 - say, two other Chief Officers
 - and, in attendance, the General Counsel and the CEO's Private Secretary as secretary of the CMB; and others as requisite for the business. The latter would probably regularly include the HR and the Comms Directors

Other direct reports to the CEO should be managed bilaterally or in other ways such as policy review meetings, with right of access to the CEO assured for all Chief Officers. Just because there are a given number of direct reports does not mean that everyone needs to sit round a management board table for hours every week. **There is no point in having an executive board too big to work smartly and maybe with an unclear remit.** All new arrangements will be pursuant to Art.3(3)-(4) of the ESJE 2005 – that is important, for all concerned, including for public assurance.

At the heart of this is flexibility for the CEO to bring the chief officers (and, indeed, other senior staff) into the frame of business in an adaptable way. The new CEO will have her or his views on how best to manage this. They, the chief officers, are equally an integral part of 'redefinition' and it is absolutely necessary that, as a team, they step up to the mark (and held accountable accordingly) even though they won't all be playing in the same position.

This model does not require two of the Chief Officers to be 'Assistant Chief Executives' but that title could be given to the two chief officers who would be on the CMB if that was to be of benefit. It follows that this model does not provide for a division of responsibilities under those two Chief Officers, as presently provided for in the new Cabinet Office structure.

A new CMB will need carefully prepared terms of reference and a strict propriety code, including effectual performance management which is critical if it is to work well. Corporate risk management should be a standing item. This must be put in hand in the interim period as a matter of priority.

A leading task which must be owned by all Chief Officers will be to drive improvement in culture, values and behaviour – in all ways - across the whole Public Service – leading by example from the top

A key element of the interim period will need to be structured action, authorised by the Chief Minister, to ensure that the Chief Officers are absolutely at one with ‘redefinition’ and the new arrangements it will comprise. They all have important roles to play as part of the whole team of government but must follow the corporate rules.

Details of this need to be developed but the main instant point for ‘redefinition’ purposes is that **the CEO needs to be supported much better and in a structured way that is understood across the whole Service, backed up by authoritative corporate governance arrangements.** The recruitment must be premised on such a package and it needs to be seen as the key element of ‘redefinition’.

This model does not involve a Deputy CEO but a broader and stronger support structure for the CEO in which all her or his direct reports continue to have the access to the top and which enables the CEO to keep her or his finger on the pulse across all activities – which is what any CEO must always strive to do – and direct the top level resources of the organisation in the way needed at any particular time.

12. Other proposed or possible component parts of change, such as a Health Board, are part of the overall solution but not further addressed for the moment. There are also other important considerations for good government such as the relationship with ALBs and the publicly-owned companies, but these are also left aside for now. The CEO role and the structure of the ‘centre’ immediately around the CEO is a big enough agenda for the time being but those wider issues and plans must be advanced concretely during the interim period.

13. The recruitment must begin as soon as possible but the interim period is nevertheless crucial. The new CEO must know that he or she will be joining an organisation which has established a satisfactory structure and is consciously working to improve and getting to know what ‘good’ looks like.

JFM

03/04/23