



# Corporate Services Scrutiny Panel

## Government Plan

### Witnesses: Trade Unions

Friday, 18th October 2019

**Panel:**

Senator K.L. Moore (Chair)  
Deputy S.M. Ahier of St. Helier (Vice-Chair)  
Deputy J.H. Perchard of St. Saviour  
Connétable K. Shenton-Stone of St. Martin

**Witnesses:**

Mr. T. Renouf, Local Branch Chair, Jersey Civil Service Association Prospect  
Mr. G. Davies, Vice-President, Jersey Civil Service Association Prospect  
Ms. L. Feltham, Chair, Civil Service Branch, Unite the Union  
Mr. T. Querns, Unite the Union Representative  
Ms. M. Mauger, National Association of Schoolmasters Union of Women Teachers Representative

[12:05]

**Senator K.L. Moore (Chair):**

We will get started; we are a little delayed already. Welcome and thank you all very much for making the time to come and talk to us today. We will just start with the necessary introductions. If you could all just confirm that you are familiar with the notice in front of you that describes the privilege that we enjoy in these meetings and hearings, which hopefully you are all familiar with. I am Senator Moore. I am the Chair of this panel.

**Deputy S.M. Ahier of St. Helier (Vice-Chair):**

Deputy Steve Ahier, Vice-Chair.

**Deputy J.H. Perchard of St. Saviour:**

Deputy Jess Perchard, member of the panel.

**Connétable K. Shenton-Stone of St. Martin:**

Karen Shenton-Stone, a member of the panel.

**Local Branch Chair, Jersey Civil Service Association Prospect:**

Terry Renouf, Local Branch Chair of J.C.S.A. (Jersey Civil Service Association) Prospect.

**Vice-President, Jersey Civil Service Association Prospect:**

Gary Davies, J.C.S.A. Vice-President.

**Chair, Civil Service Branch, Unite the Union:**

Lyndsay Feltham, Branch Chair of Civil Service Unite.

**Unite the Union Representative:**

Tommy Querns, Convenor, Unite.

**Senator K.L. Moore:**

Sorry, could you just repeat that?

**Unite the Union Representative:**

Tommy Querns.

**Senator K.L. Moore:**

Querns. Thank you very much, great. So if we could go back to the beginning of this process of developing the Government Plan, we were interested to understand what consultation there had been with the Government prior to them publishing their Government Plan.

**Local Branch Chair, Jersey Civil Service Association Prospect:**

Basically there has been no consultation at all with employee representative groups via the unions.

**Senator K.L. Moore:**

You are all in ...

**Vice-President, Jersey Civil Service Association Prospect:**

Yes.

**Local Branch Chair, Jersey Civil Service Association Prospect:**

We are all together.

**Senator K.L. Moore:**

Okay, that removes the next question.

**Local Branch Chair, Jersey Civil Service Association Prospect:**

Sorry about that.

**Senator K.L. Moore:**

That is okay. Do you feel that it might have been helpful? Now that you have seen the Government Plan published and its contents, given particularly your experiences over the last couple of years in negotiations, do you feel it would have been helpful to have been consulted?

**Chair, Civil Service Branch, Unite the Union:**

Absolutely. I think the unions, for all pay groups, are key stakeholders in all of this and should have been consulted.

**Senator K.L. Moore:**

What would you have wanted to say to the Government at that point?

**Chair, Civil Service Branch, Unite the Union:**

Obviously learning from what happened with the M.T.F.P. (Medium Term Financial Plan) and the resulting industrial action, we would have wanted to have said that there needs to be something in the Government Plan around public sector pay in particular. Also considering the impact of efficiencies on departmental budgets, what the impact of those efficiencies would be on staff and also on the staff's ability to conduct their work. Also the impact currently of the organisational change programme and that that should be considered within what is within the Government Plan and what is feasible to achieve within the time limits, given the fact that people are very unsettled at the moment, staff morale is at an all-time low, and I do not think that that has been considered. That is something that very much the unions would have been able to input on.

**Vice-President, Jersey Civil Service Association Prospect:**

I think also adding on that point, industrial relations between the employer and the unions are at an all-time low, certainly not on our half. We are happy to enter into dialogue about anything, but certainly the employer, when it does not suit them, does not involve us, keeps us shut out. As Lyndsay said, the result of that is staff morale is at an all-time low. The staff turnover, a number of sections are now struggling to recruit, especially in key areas, so what is that leading to? You had

perfectly capable people have now left, whether that is they have retired early, whether they have found things in the private sector. Those sort of roles I would suggest now will probably have to be filled by people off-Island, whereas before we had the on-Island skill. They have driven those people away. That is the general thoughts of the majority of the workforce.

**Local Branch Chair, Jersey Civil Service Association Prospect:**

I think the Government Plan had an ideal opportunity to rebuild bridges, but I have not been able to find anything in there that sets a Government priority to rebuild the trust of staff and to re-engage properly in employee relations to rebuild the damage that has been done over recent years.

**Vice-President, Jersey Civil Service Association Prospect:**

To pick up one point on that, as far as employee relations, we have been asking for over 6 months for a Joint Council meeting, of which there has not been one for 18 months, 2 years. That is our forum to discuss issues in an open forum with the employer. We have been asking since March - in fact, we had been asking before that - and we raised a collective dispute on that matter. That has gone quiet. We were told: "Yes, we will organise one." Six months later we are still waiting and the last indication we had is we were told by a senior H.R. (human resources) director that the Joint Council no longer exists. We have not been formally told that; that was an informal comment. On hearing that, we wrote to the Chief Minister about a month ago and we are still awaiting a response to that letter. That is the sort of ... you know, what does it take to answer that? It is a yes or no. The Chief Minister, as Chairman of the S.E.B. (States Employment Board), will not even reply to us on that subject. That sort of sets the tone of where industrial relations are and that is obviously starting at the top of the organisation.

**Deputy J.H. Perchard:**

You alluded to a range of concerns and we will seek to address the issue of morale a bit later, but I would like just to return to the issue of public sector pay. We note that in both the proposition and the accompanying report to the Government Plan that the term "public sector pay" does not appear throughout either document. What in particular would you have liked to see in the Government Plan in relation specifically to public sector pay?

**Unite the Union Representative:**

I think it is the norm that there is money set aside. As you say, there is nothing in the plan to suggest there is anything put aside.

**Senator K.L. Moore:**

There is one line that we are told ... “centrally held resources.” It is in one of the tables at the back, which is about £34 million. Does that give you any form of confidence? Have you had any discussions or any formal acknowledgement of that line of “centrally held reserves”?

**Chair, Civil Service Branch, Unite the Union:**

No. When we have asked representatives of the employer, we have been told that there is not anything within the Government Plan that would ...

**National Association of Schoolmasters Union of Women Teachers Representative:**

Hi. Sorry, I am late.

**Chair, Civil Service Branch, Unite the Union:**

Obviously what we would like for our members is cost of living wage increases and some kind of commitment towards that. We have been told that that is not what Government are planning on doing, but that is an informal conversation only, so the only conversations we have been able to have are very informal conversations. When I went along to the public meeting that was held recently at the town hall around the Government Plan and asked about what the Ministers there were planning to do around avoiding potential industrial action in the out years, considering we need to negotiate for 2021 and beyond, I really did not get a satisfactory answer around that.

**Senator K.L. Moore:**

We have received an announcement that was sent out today at 11.40 a.m. I am not sure if any of you have had an opportunity to see ...

**Unite the Union Representative:**

The 2.7 pay rise?

**Senator K.L. Moore:**

Yes.

**Unite the Union Representative:**

Yes, we did see that.

**Senator K.L. Moore:**

With the R.P.I. (Retail Prices Index) and that confirmation. So that was unexpected?

**Unite the Union Representative:**

No, that was.

**Senator K.L. Moore:**

That was expected?

**Vice-President, Jersey Civil Service Association Prospect:**

It is lower than expected.

**National Association of Schoolmasters Union of Women Teachers Representative:**

It is lower than expected. We expected a minimum of 3.1.

**Senator K.L. Moore:**

Sorry, could you just introduce yourself?

**National Association of Schoolmasters Union of Women Teachers Representative:**

Sorry, I am Marina Mauger, N.A.S.U.W.T. (National Association of Schoolmasters Union of Women Teachers).

**Senator K.L. Moore:**

Thank you.

**National Association of Schoolmasters Union of Women Teachers Representative:**

I was at another meeting and it ran late.

**Senator K.L. Moore:**

Go on then, please.

**National Association of Schoolmasters Union of Women Teachers Representative:**

Yes, we expected it to be 3.1 at the minimum, because that was the forecast.

**Senator K.L. Moore:**

Right. I guess if the R.P.I. is slightly lower than it was anticipated, that is a good thing.

**Vice-President, Jersey Civil Service Association Prospect:**

Or is it one of those things that always seems to be lower there and the rest of Europe could be 3.5? But it is what it is. It is at least an acknowledged benchmark of reasonability, shall we say, that has got some science behind it. The concern we have as far as money being set aside for pay awards is with the backdrop of over the last 10 years, our salaries have been significantly less than R.P.I., so you might go: "You cannot expect R.P.I. here." We have not had, on average, R.P.I. at all over

the last 10 years, so there has got to be a point where we go: "Come on, let us enter into a reasonable phase." Civil servants and obviously other unions, we are not unreasonable people. We are not putting in pay demands of 10 per cent or 20 per cent, we are just saying: "Look, we want to preserve our standard of living." You have also got to take the backdrop of all the other things that are increasing: long-term care costs; I think Social Security contribution costs are going up; our employees' pension costs obviously are going up 1 per cent a year for the next 3 years, so they started at 5 per cent, 6 per cent this year, 7 per cent, so that is another 1 per cent off. So almost whatever pay award we have got, the actual take-home pay will not have kept up with inflation. It is a backdrop of we are not being unreasonable. There are inflationary pressures on us.

[12:15]

**Deputy S.M. Ahier:**

Do you think that this will be the new norm, that all pay negotiations will revolve around the R.P.I. plus a percentage?

**Local Branch Chair, Jersey Civil Service Association Prospect:**

We have always tried to aim on R.P.I. in the past with R.P.I. plus, because of the historic legacy, whereby they have always been well behind the cost of living. I think staff would be comfortable knowing that there was a set position going forward that was based on R.P.I., but there is no certainty on that at all. There is no certainty of any pay awards at all, based on what we have been able to find in this Government Plan.

**Deputy S.M. Ahier:**

But from your negotiating perspective, would you try to implement ...

**Local Branch Chair, Jersey Civil Service Association Prospect:**

We try to maintain our members' standard of living, so that is cost of living.

**Vice-President, Jersey Civil Service Association Prospect:**

But you talk about negotiations. I have been in so-called negotiations. I would not say there has been any negotiations particularly on pay at all. The employer's style is not a negotiating one. Taking it back to the 2018-19 award, I remember a year or so ago, having waited and not really got anything, it was like: "Here is your final offer." Hang on, where is the negotiations on it? There were no negotiations, there was no talk of anything. We suggested 18 months ago that maybe we need to have a negotiation and talk about some gainshare type opportunities. It is only late in the day that they are being mentioned. The horse has kind of bolted. The opportunities that would have

been around there and what staff would have feeling there, and you have eroded their morale down to such a low level now they are going: "You know what, I am sick to death with it."

**Chair, Civil Service Branch, Unite the Union:**

Gainshare is a very contentious issue within the staff. It is something that is talked about within the Government Plan, but it has been part of the offers that our members have rejected. It is divisive or it can be divisive and I think people feel quite worried about that.

**Local Branch Chair, Jersey Civil Service Association Prospect:**

Also the gainshare proposal from the employer set exceedingly tight timescales without a set starting point. They wanted discussions on that to be concluded by the end of November, but the Government Plan does not start the debate in the States until 24th November, so until such time as that is agreed by the House, there is no starting point.

**Senator K.L. Moore:**

Would it not have been the case that the gainshare discussion should have happened before the efficiencies were identified in the Government Plan? We all know that the Council of Ministers yesterday signed off the efficiencies or the final part of the efficiencies programme for the Government Plan, so that appears to be now in course without negotiation.

**Chair, Civil Service Branch, Unite the Union:**

That is part of the problem around gainshare, that we do not know what the benchmark is and also we have been told that it needs to be above and beyond the efficiencies that are within that already found by Government. So putting it bluntly, if the highest-paid, brightest minds within Government are finding it hard to find where the efficiencies go, how do they expect a group of union officials to find even more?

**National Association of Schoolmasters Union of Women Teachers Representative:**

Teachers have already started a programme of looking for the 0.8 that we have been required to find in savings. To be honest, it is impossible in education because we are looking very closely at the moment at non-people costs, because really that is all we can consider. But the time allocated for us to do this just is not enough. There just are not bodies to put on the seats with teachers, because teachers are teaching, to complete this piece of work. We are not seeing a firm commitment from the Government that they are going to adequately resource it either.

**Senator K.L. Moore:**

Last time we met we heard that recruitment and retention was an issue, particularly in education, and you have referred to it also today. Do you see that position as having changed since we last met?

**National Association of Schoolmasters Union of Women Teachers Representative:**

It has got worse, definitely got worse. We have got - Deputy Perchard will know this - a critical shortage of supply teachers, so we are now looking at introducing what we call high-level teaching assistants who may be able to cover at short-term notice for a teacher, just for a brief period of time, because you cannot ring people on the supply list now, because they are all already on contracts. We are seeing jobs advertised. There is a science job advertised at the moment and they had told me last week they have not had a single applicant, which is one of the key subjects. It is really quite frightening.

**Vice-President, Jersey Civil Service Association Prospect:**

Picking up on the teaching assistants, this is another example where the employer has not engaged with us. The employer unilaterally decided that the teaching assistants would be brought out into their own group, which they called the Teaching Assistant Framework, and obviously had criteria there that evaluated. There was absolutely no negotiation on that, no discussion of it, even to the point that the pay offer that they have been offered, which mirrors what the teachers have been offered, we were not even in the negotiations. We were not even invited in terms of the negotiations. As part of the teaching reform, we are in on those consultations, but as far as the actual negotiations, to even take those civil servants and now call it Teaching Assistant Framework and pay them differently to other civil servants, there was absolutely no consultation on that, no discussion. We have even raised that as a collective dispute. That again is being ignored. It is the whole breakdown. We are not in disagreement with it, because a lot of it we do not know. We have had no detailed discussions about it; we had no consultation to even air any concerns we might have had on it. It is an example of where we are very reasonable and if they had come to us and sat us down and said: "Here is our thing on it" and we could have had our input on it, we could have a collective agreement on that, that: "Yes, that is fair enough" and we see the benefits of it, to children's education and everything else, but it is the key point that was implemented with no discussion. Is that acceptable? Is that the way the Government, the S.E.B. want to conduct business? If they do, how in the Government Plan can they say: "We are looking at forging better relationships with unions"? Well, cut that behaviour out, start listening to our concerns when we say: "Hang on, you have implemented that. Where is our dialogue? Where is our agreement?"

**National Association of Schoolmasters Union of Women Teachers Representative:**

It is going to be very, very difficult at the beginning of next year when there are other civil servants in schools who are not teaching assistants, but do equally key work, and they see teaching

assistants get a 4.8 per cent pay rise, while I think with your 1.3 per cent it will be 4 per cent. You think 0.8 is not a big difference, but to a lot of people it is.

**Local Branch Chair, Jersey Civil Service Association Prospect:**

Particularly as these people are generally in the lowest-paid groups of all States employees, who have been ignored by the S.E.B. They made a very clear statement when they awarded higher pay awards to other groups that they had targeted the lowest-paid with the highest pay awards, but they have totally chosen to ignore them. There are several hundred civil servants that are in health, that are in education, that are the lowest-paid of any States employee and have just been left out to dry. It just does not encourage these people to be co-operative on anything. Just to pick up the point on the senior teaching assistants, the forum for that to have been discussed is the Joint Council, which we have been pushing for and have been refused. That is the official forum for it to be discussed and agreed through.

**Unite the Union Representative:**

I think it is also important to point out what Terry was saying there, part of the lowest-paid in the civil service, the bottom grade, it is below the living wage, the £9.75. I believe it changes in 2020, but it was below.

**National Association of Schoolmasters Union of Women Teachers Representative:**

Yet the States has committed to being a living wage employer.

**Vice-President, Jersey Civil Service Association Prospect:**

Granted there are not many people in those positions, but you should not even have a grade ...

**Unite the Union Representative:**

It should not be on the scale.

**Vice-President, Jersey Civil Service Association Prospect:**

It should not even be on the scale if we are making that statement.

**Unite the Union Representative:**

1.0 civil servant.

**Senator K.L. Moore:**

Sorry, would you be able to provide us with some statistics and figures to show how many people might fall into that category, please?

**Unite the Union Representative:**

I do not know where we would get them from.

**Vice-President, Jersey Civil Service Association Prospect:**

To be fair, as far as the ones who are, it is mainly a student training type grade, so there probably are very few, to be honest, they are probably not permanent, but it is just the concept of having a grade that you could put somebody in that does not meet that, so again ...

**Unite the Union Representative:**

It does not meet policy.

**Vice-President, Jersey Civil Service Association Prospect:**

If you are not going to put anybody into it, scrap that grade and you do not have that grade would be the better policy. That is grade 1. Grades 2 to 4 civil servants, of which there are ...

**Local Branch Chair, Jersey Civil Service Association Prospect:**

Several hundred.

**Vice-President, Jersey Civil Service Association Prospect:**

... in the hundreds, earn less than a grade 1 manual worker. I do not begrudge anybody their pay rise because none of them are excessive, but when the statement was made: "We are targeting it at the lowest earners" that is why manual workers got what they got awarded and there is a big raft of civil servants that did not get an equivalent rise to the manual workers. So a grade 1 manual worker ... and there are not many of those, are there, Tommy?

**Unite the Union Representative:**

Yes, there are quite a few.

**Vice-President, Jersey Civil Service Association Prospect:**

Yes, mainly cleaners and ...

**Unite the Union Representative:**

About 80 or 90, I would guess.

**Vice-President, Jersey Civil Service Association Prospect:**

Okay, but as I say, grades 1 to 4, there are a couple of hundred civil servants there and they are even lower than the grade 1 manual worker, the lowest manual worker grade. If the pay offer had at least addressed them, you could at least think there is some fairness to it, there is some rationale.

There was no rationale to it. Likewise, with the teaching assistants, their pay award. Again, I do not begrudge them that pay award, but they are still civil servants, their jobs are assessed in the same way as other civil servants and yet they are on a different pay scale now to other civil servants. It is not in parity; it is not a fair system. You have got some teaching assistants that may reject it, because we have not even balloted our teaching assistants on that, because we are still waiting for information on what the offer includes because we were not involved in the negotiations. We have been waiting for 3 weeks for that information.

**National Association of Schoolmasters Union of Women Teachers Representative:**

Yes, that is because there has not been any meaningful discussion about how you will qualify as a higher-level teaching assistant. Now, in order to stand in for a teacher, I would say that you would at least have to have initial teacher training because presumably these high-level teaching assistants will be paid at a higher grade because they will have more responsibility, but the framework for qualifying these people has not been agreed yet.

**Vice-President, Jersey Civil Service Association Prospect:**

That is a great point, really. So how can we put it to our members? They will go: "What do I need to do to be an advanced teaching assistant?" "I do not know." "Well, the unions do not even know. It is a perfectly reasonable question and you do not even know the answers." Well, we do not know the answer because the employer has not given it to us.

**Deputy S.M. Ahier:**

Do you expect there to be any changes in the way negotiations are organised for the 2020 pay negotiations? Do you think there will be any change?

**Local Branch Chair, Jersey Civil Service Association Prospect:**

So far there has been an imposed 2020 pay award.

**Vice-President, Jersey Civil Service Association Prospect:**

For 2021 you mean?

**Deputy S.M. Ahier:**

Yes, in 2020 for 2021.

**Unite the Union Representative:**

The figure you have given there of £34 million, none of us knew about that in the Government Plan.

**Local Branch Chair, Jersey Civil Service Association Prospect:**

I have struggled to find it.

**Deputy S.M. Ahier:**

It is tricky to find.

**National Association of Schoolmasters Union of Women Teachers Representative:**

Sorry, what was that on the ...

**Unite the Union Representative:**

It was said just before you came in, Marina. We brought up that we did not know there was anything set aside in the Government Plan and it was brought to our attention there was £34 million put aside.

**Vice-President, Jersey Civil Service Association Prospect:**

Hidden away. I mean, it is not very obvious.

**National Association of Schoolmasters Union of Women Teachers Representative:**

For public sector pay?

**Unite the Union Representative:**

Yes, apparently so.

**Senator K.L. Moore:**

We are told, yes.

**Unite the Union Representative:**

So it sounds again like there is probably not going to be a negotiation. It sounds like it is going to be fixed: "That is what you are getting." That is less than 10 per cent of the wage bill, I believe. I believe the States wage bill is about £365 million per year.

**Vice-President, Jersey Civil Service Association Prospect:**

That is presumably £34 million over 3 years.

**Unite the Union Representative:**

Over 3 years.

**Senator K.L. Moore:**

I do not have the right version with me, but I believe it is an annual amount.

**Deputy S.M. Ahier:**

It will be reappraised each year, because obviously during each Government Plan it will be for the whole ...

**Local Branch Chair, Jersey Civil Service Association Prospect:**

So is it £34 million per year?

**Senator K.L. Moore:**

Let me just completely clarify, but I do believe so.

**Unite the Union Representative:**

I doubt it very much. That is about 8 per cent or 9 per cent.

**Senator K.L. Moore:**

But it could be for other items as well. It is something that we have sought. It is on page 197 of this glossy version: "Reserve for centrally held items." So this covers 2020 and then 2021, so it increases. In 2020 it is £33.5 million and in 2021 £58.205 million. But it is literally titled: "Reserve for centrally held items" so it may be one of a number of things.

**Local Branch Chair, Jersey Civil Service Association Prospect:**

So that can be spent on anything.

**Unite the Union Representative:**

£33 million is 9 per cent of the wage bill. I would doubt very much if that is a ...

**Vice-President, Jersey Civil Service Association Prospect:**

What we have historically seen, I forget which year it was, was it 2016 or 2017 when there was 2 per cent in the budget for pay awards and 1 per cent or 1.5 per cent just disappeared? What year was that? Terry, you are probably more familiar on that.

**Local Branch Chair, Jersey Civil Service Association Prospect:**

That was 2017.

**Vice-President, Jersey Civil Service Association Prospect:**

That kind of is our concern, so when a budget figure has been put in, it is: "We will just rob that one."

**Unite the Union Representative:**

I think it is worth noting as well that even in the years when they do not have a pay rise, it usually costs about £5 million extra because of incremental rises, so we lose £5 million on that.

**Chair, Civil Service Branch, Unite the Union:**

I think informally as well, we have been told by senior representatives of the S.E.B. in an informal manner that the aim is to bring the wage bill back down and bring that back down to 2017 levels.

**Senator K.L. Moore:**

Which as we have seen, the number of people employed has increased by 100 in the last year across the organisation.

**Local Branch Chair, Jersey Civil Service Association Prospect:**

Does that figure include all the consultants and interims that have been brought in to replace the permanent staff that have left or is that purely and solely permanent staff?

[12:30]

**Senator K.L. Moore:**

It would perhaps need a bit more questioning around that, but if I remember correctly, the term used is “number of people employed.”

**Local Branch Chair, Jersey Civil Service Association Prospect:**

So that would include consultants.

**Senator K.L. Moore:**

It was a figure that released by the Statistics Department maybe last week.

**Local Branch Chair, Jersey Civil Service Association Prospect:**

Yes, because what we are seeing is large numbers of highly qualified and skilled specialist skilled staff leaving the organisation and we are having to import from agencies to fill those roles and pay significantly more than it would do to recruit permanently or to have retained the original people.

**Senator K.L. Moore:**

That is an interesting point of discussion, because in terms of efficiencies that the Council of Ministers are discussing, one part of that is reducing - and they have been talking about this for some time - the number of agency staff employed in the organisation. Do you think that is achievable as an aspiration in the Government Plan, given the circumstances we are currently in?

**Vice-President, Jersey Civil Service Association Prospect:**

Just picking one example, I know there are huge recruitment issues, picking on social workers and the whole protection of very vulnerable people. I think it is - do not quote me on a figure - something like 70 per cent of that department are agency staff. Why? Because the agency staff get more than the full-timers. Why would you take a permanent job on when you can earn twice as much and get your travel paid back every weekend? That is an area where you want consistency, you want low staff turnover so those vulnerable people see the same person each week. Those are civil servants, social workers, and there are other departments as well that are doing key areas. You look at the likes of finance and I.T. (information technology). I know there are some very senior positions there that are being held by interims because they cannot ... they have demoralised the staff, they have left, found better places. Obviously in finance, it is a very transferable skill, but that is a ticking time-bomb, people just waiting, just sitting out their time until they can get something outside the States, whereas historically those people would have stayed within the States and kept that knowledge in, so we are not having that. I think there is a ticking time-bomb, a knowledge time-bomb. Interims can hold the fort for a certain time, but it will mount up and suddenly they will go: "Oh, I did not realise that, that, that" but the person that had gone, either driven out, resigned, whatever, they were aware of all those things. We have got to be aware - we alluded to it in our submission - that that transition phase, you have lost a lot of knowledge and how is that going to be replaced?

**National Association of Schoolmasters Union of Women Teachers Representative:**

Apparently in their contracts they are all required to do some succession planning during their period here as interims, or a lot of them are no longer interim, they have been made contractors for 5-year contracts or whatever, and apparently their contracts say that there has to be a measure of succession planning so that when they leave we have got locally qualified staff. But I have yet to speak to anybody who is aware of any succession planning.

**Local Branch Chair, Jersey Civil Service Association Prospect:**

The difficulty with that will be that the States is not an employer of choice now. People do not want to come and work for the organisation anymore. They see the treatment that existing staff are getting and they see the large number of staff that are leaving. They are not interested. We struggle to recruit now into any position.

**Vice-President, Jersey Civil Service Association Prospect:**

I know from Tommy from the manual worker ones, the technicians' point of view, we have a booming building industry. How are we going to recruit electricians and such like that into very specialist jobs when the private sector cannot get them for love nor money? So we are trying to compete with those markets. We think we have already had a couple leave in the last month or 2 that are going: "You know what, I will go on the sites and earn twice as much."

**The Connétable of St. Martin:**

That is a really serious concern. In the submissions to the panel made by J.C.S.A. Prospect and Unite, 4 serious concerns were outlined and I will just read them out in case anybody is listening to this public hearing. (1) was: "Unidentified efficiencies and unknown impact on departmental budgets; (2) the impact of the organisational change programme on staff and workload; (3) the absence of any commitments to provide public sector workers with fair pay awards during the term of the plan; (4) the absence of any information that indicates that adequate resource planning has been undertaken to ensure that actions are achievable within the given timeframe." What work do you believe should have been undertaken by the Government to avoid these concerns?

**Vice-President, Jersey Civil Service Association Prospect:**

Picking up the first point, the efficiencies, you are pretty well as in the dark as we are. The employer has obviously had some ideas of where they are going to make some efficiencies. They have chosen not to discuss those with us, release that to us, or we might have come up with something better, but they are obviously relying on their consultants and interims to identify those. We can all question how well somebody from a U.K. (United Kingdom) local authority is going to understand the Jersey context. I appreciate there is some overlap there, but we do have some unique problems here. Certainly that is an area that should have been upfront, of: "Let us be open and honest. This is how we are going to make efficiencies." If they had gone down that route, they probably could make more efficiencies. We are in the dark. To my way of thinking, a lot of efficiencies could be done with better technology, better ways of doing it, but we have not been involved in how that could really work in a team effort to work through those problems. We are Islanders as well. It is in our interests to have decent facilities where we do not have to go down, we can just get online, 3 clicks, that is that done, and get the buy-in there. They do not seem keen on wanting to involve us in those.

**The Connétable of St. Martin:**

Yes, that is interesting.

**Vice-President, Jersey Civil Service Association Prospect:**

It is almost just a: "We have decided. We will present what we have decided."

**Senator K.L. Moore:**

In the past, is that the nature of discussion that would have taken place in the Joint Council?

**Vice-President, Jersey Civil Service Association Prospect:**

No.

**Senator K.L. Moore:**

No, okay.

**Vice-President, Jersey Civil Service Association Prospect:**

But it could do. If you had opened that up, that would have been a useful forum to say: "Here is what we think" and bounce it around the table, but we have not even had any of those for 2 years.

**The Connétable of St. Martin:**

I was just going to say, when you mention teamwork, this is a big part of this Government. They have got Team Jersey and they want everyone to work as a team and you are feeling like you are completely disenfranchised.

**Chair, Civil Service Branch, Unite the Union:**

I believe there is a big assumption been made that public sector staff do not go into their jobs thinking: "I am going to work efficiently." Everybody within the public sector has chosen to work within the public sector ...

**The Connétable of St. Martin:**

Of course, yes.

**Chair, Civil Service Branch, Unite the Union:**

... and wants to work in an efficient manner. We are all taxpayers. We do not go into our day-to-day jobs saying: "Let us waste some money today." Also there have been longer-term programmes previously from the bottom up looking at how efficiencies can be made. A number of staff have been through Lean training and looked at how they can make day-to-day changes within their work processes. People working within the public sector have very much been involved in searching for efficiencies and looking at how they can do things better and to achieve more with the funds that we have. That is part of being a public servant. But this top-down approach to finding cuts, there is a very different view between being given a budget and working under budget, because you have achieved that because you have worked efficiently, to having a kind of salami-slice approach to cuts, where you do not get the budget in the first place. I think one of the risks around not knowing what the efficiencies are at the moment is we do not know where out of these budgets that are before us any changes are going to happen as a result of those efficiencies.

**Local Branch Chair, Jersey Civil Service Association Prospect:**

I think a great opportunity is being missed. There are still a large number - a majority - of staff within the organisation that are dedicated to what they do, they care about what they do, and the opportunity for the employer to gain from that and discuss: "How can we make savings that will

benefit the Island while still maintaining the level of services?" has been completely and totally lost or ignored.

**Senator K.L. Moore:**

There is a section in the Government Plan which talks about the productivity improvements. What is your feeling towards those productivity improvements?

**National Association of Schoolmasters Union of Women Teachers Representative:**

I do not think you can apply that to education because you cannot make classes any bigger than they are, but I get hugely concerned when I get a call like I had the day before yesterday from a primary school teacher telling me a rat has run across her feet and that they had called in the rat people and been told that the school is infested, there are silverfish on the floor through damp and tiles falling off in the staff toilets and the head is saying to them: "There is no money." What are you going to do? Were I a different type of person, I could have picked up the phone and said to the *J.E.P. (Jersey Evening Post)*: "Get into that school and have a look." But I know it is not the Education Department's fault.

**Senator K.L. Moore:**

We had a very interesting session yesterday with the representative of the N.A.H.T. (National Association of Head Teachers) who talked about some of the pressures that they are experiencing in different schools.

**Vice-President, Jersey Civil Service Association Prospect:**

I think we have got to take some of these things back. As civil servants, I think we feel pretty demoralised when we are told: "Oh, you are all inefficient" and whatever. I think with the tools we have; we are very resourceful. If we have got rubbish I.T. and outdated financial systems, that is not civil servants' fault. We are very adaptable to try and tie things into that. That is a strategic level that should identify that and improve it. The fact that we have had that outdated system for 15, 20 years, that is not our fault, but we are very resourceful, as I say, and build on that resource. So when you bring a new system in, do not do it in isolation because there is a lot of good thought that will come into it. The other point, sorry, is if you look at the whole finance set-up, where you have an annual budget and there is no carryover, now, I know there was talk a while ago about having a 3-year rolling budget, but it never really happened. I run a large section with a large budget and essentially if you order something in December, if it does not arrive by 31st December, you lose that money and it has got to come out of next year's budget, so November/December, you almost go: "Well, I cannot make the decision because I am playing a gambling game. If the ferry is delayed, I am then over budget next year and I will have an underspend this year, but that is gone." That is fundamentally you would not run a business like that. If you want to make changes, run the States

financially like you would a business or it could be a case of if you spend a bit more this year and you will save it next year by putting that upfront investment in. We do not have those tools to be able to do it, or not enough. I know there is a very small amount of carryover, but as far as individual budget-holders, it is lost to them. To allow those individual budget-holders to have that, where you are going: “Okay, I am going to spend some more this year. I will go over, but I will not spend it next year because I will save, because I have spent it upfront now” and justify it with business cases and suchlike. So it is a whole fundamental how finances are set up, which I am afraid passes to ... it is a Government thing that needs to sort that out.

**National Association of Schoolmasters Union of Women Teachers Representative:**

Yes. A private business could not function if it had to use Supply Jersey. It just could not. You would not be able to run a business using Supply Jersey.

**Senator K.L. Moore:**

May I just track back to the point you raise about lack of I.T. and infrastructure and that area? There is £100 million proposed to be spent and invested in changing the I.T. of the organisation over the Government Plan period. Do you support that?

**Vice-President, Jersey Civil Service Association Prospect:**

Absolutely, absolutely.

**Local Branch Chair, Jersey Civil Service Association Prospect:**

With reservations.

**National Association of Schoolmasters Union of Women Teachers Representative:**

If it is done properly.

**Vice-President, Jersey Civil Service Association Prospect:**

It has obviously got to be done properly and I do see examples of where historic I.T. projects have been done in isolation, which have then tied you further on down the line, so it is having that adaptability. It needs to get right back to the stakeholders to feed in what is needed. You cannot do it in isolation and then the end user ... I will give you an example. I was at a meeting and a new I.T. system was coming out and it was presented as: “Here, you can put your staff rosters in there and people can apply for their holidays online and everything else and they can report their overtime and everything.” I asked at this meeting, I said: “So where do they put the job numbers in?” “Job numbers? What job numbers?” That is what in our sort of thing ... so say like support services have supplied a service to other parts of the department, so mechanical electrical, they come and do an electrical job, they book against that particular department, whether that is a building or a plant or

anything else and that gets back-charged so you can see: "Right, that is where the costs are held." So somebody put this system in with no consideration of that. We are still doing paper timesheets, which is inefficient.

**Chair, Civil Service Branch, Unite the Union:**

In some departments.

**Vice-President, Jersey Civil Service Association Prospect:**

I know, but in those departments that are booking, I am talking Growth, Housing and Environment, where we have people that are doing lots of booking. A lot of people just have a standard, but do not do a timesheet because they are just doing it standard, it is not getting booked, but within ours, a lot of parts of that every hour is accounted for, booking to different jobs, but the inefficiency on that ...

**Chair, Civil Service Branch, Unite the Union:**

I think it is important for us to acknowledge the work that our colleagues within Modernisation and Digital do and we all acknowledge that an investment in that area is really important. I think where the danger comes in is an assumption that further automation or further technology will create an awful lot of efficiency and save money ...

**National Association of Schoolmasters Union of Women Teachers Representative:**

When it will not.

**Chair, Civil Service Branch, Unite the Union:**

... we have to be aware of economies of scale and the fact that we are an Island, and also the impact of potential automated decision-making and things like that. I think people or the public still value being able to see public servants in a face-to-face environment.

[12:45]

So yes, very supportive, like Terry said earlier, with reservations.

**Local Branch Chair, Jersey Civil Service Association Prospect:**

With reservations. If the intention is to spend £100 million on putting systems in, it is not going to work because you need the backup to maintain and monitor those systems and currently we do not have the I.T. staff and Modernisation and Digital are stretched exceedingly thin, because large numbers of really experienced people that knew the States system inside out have left and they have gone to other organisations, taking all their skills and experience with them. The staff that are

remaining were never involved in those so they are having to start from scratch and trying to learn it. We are not getting the correct people applying to come and work for the organisation because (a) we do not pay enough; and (b) they see the way that staff in the organisation are currently being treated. We are not an employer of choice. It is a fact, I am afraid.

**Chair, Civil Service Branch, Unite the Union:**

We are very reliant on a few key individuals with a lot of knowledge. If those people were to walk out of the door ...

**Local Branch Chair, Jersey Civil Service Association Prospect:**

We have a large number of them.

**National Association of Schoolmasters Union of Women Teachers Representative:**

It has happened just recently, has it not, where you cannot now ring employment relations because their 2 senior members of staff have left? Who is going to answer that question? Well, what is the answer?

**Deputy S.M. Ahier:**

Your submission stated that it was: "not possible for the unions to have confidence that the proposed efficiencies are achievable or workable." Given the absence of details with the proposed plan, do you expect the Government's efficiencies programme to unsuccessful?

**Local Branch Chair, Jersey Civil Service Association Prospect:**

We do not know what it is. It is a complete and total lack of knowledge of what it is, Deputy. If we had information on it, we would be able to give a more detailed response and a more informed response. The document that we have seen just says: "We are going to make £100 million worth of savings" and no information as to how it is going to be done.

**Deputy S.M. Ahier:**

You have had no consultation or negotiation at all with them?

**Local Branch Chair, Jersey Civil Service Association Prospect:**

No, absolutely nothing on it.

**National Association of Schoolmasters Union of Women Teachers Representative:**

We have had limited consultation in education.

**Unite the Union Representative:**

Even yourselves, as Members of the Government, you did ...

**Deputy J.H. Perchard:**

Assembly.

**Unite the Union Representative:**

The Assembly, sorry.

**Senator K.L. Moore:**

Yes, not Members of the Government. It is not our plan.

**Unite the Union Representative:**

Of the Assembly.

**Vice-President, Jersey Civil Service Association Prospect:**

You do get a vote though.

**Senator K.L. Moore:**

Sorry, continue.

**Unite the Union Representative:**

Yes. There was one line you showed us in the Government Plan and it is really unclear what that money is for. You are saying: "We think that is a pay rise" but it does not sound like it is.

**Local Branch Chair, Jersey Civil Service Association Prospect:**

I suspect a large proportion of that is going to be taken up in incremental increases.

**Unite the Union Representative:**

It is £33.5 million for next year.

**Local Branch Chair, Jersey Civil Service Association Prospect:**

Yes, but how much of that is going to be in incremental increases as opposed to pay awards?

**Unite the Union Representative:**

Only about £4 million or £5 million, so there is £28 million.

**Vice-President, Jersey Civil Service Association Prospect:**

What was that described as?

**Senator K.L. Moore:**

No: "Centrally held reserves."

**Vice-President, Jersey Civil Service Association Prospect:**

Centrally held reserves? Well ...

**National Association of Schoolmasters Union of Women Teachers Representative:**

It could be for anything.

**Vice-President, Jersey Civil Service Association Prospect:**

... that is contingencies, that is for anything, that is the seawall falls down and we need a couple of million for that, so let us not get wrapped up and say we have got £34 million for pay rises.

**Unite the Union Representative:**

Yes, exactly right.

**Vice-President, Jersey Civil Service Association Prospect:**

It will not, because we know what happens when it gets down to pay negotiations. The classic line - it is a repeating record - "Oh, there is no more money." We have had that in the past and then you go to the accounts for the previous years and £20 million, £30 million, £40 million found under the sofa.

**National Association of Schoolmasters Union of Women Teachers Representative:**

Cyril Le Marquand House is sitting empty and we are spending all that money on rent for States employees.

**Vice-President, Jersey Civil Service Association Prospect:**

That is a big concern, where we are told there is no money and yet we are seeing £3.4 million being spent on external things. I appreciate the new Chief Executive wanted to make a change, make a change of office environment, but why that could not have been achieved at Cyril Le Marquand House. You have to maintain any building. If you have got a house and the paint starts peeling off and you leave and think: "Oh, I will just get a new one. I will just knock that down and build." You do not, you maintain it. It grates me to see the money spent, both in rent and the refurbishments of Broad Street, when the same thing could have been done a lot cheaper at Cyril Le Marquand House. You could still have the same open plan offices and flexible working.

**National Association of Schoolmasters Union of Women Teachers Representative:**

The work had already started on Cyril Le Marquand House. It was just brought to a halt. They were working on the roof.

**Vice-President, Jersey Civil Service Association Prospect:**

So certainly from a union point of view, when we are told there is no more money and we see there is money being haemorrhaged out ... I do not think it is a good use of money.

**Deputy S.M. Ahier:**

You go to on state that you do believe it is not possible to estimate whether the actions outlined within the plan are achievable in the given timeframe. Should the Government Plan have provided some projects with timeframes longer than 4 years?

**Chair, Civil Service Branch, Unite the Union:**

Potentially. It would be good to see what was a longer-term project. There is a lot of pressure, I think, within Government. I have been a public servant here and elsewhere for quite a long time and there is a lot of pressure around election cycles and getting things done within that cycle. Again, when it comes down to pressure on public servants for delivering things, that comes across. You are dependent on where you are in an election cycle. But I think longer term and also backward-looking. One thing within the Government Plan is there is no comparison with previous years on the budgets. It is really difficult to tell if something is a realistic budget for the out years when you cannot compare it to an actual expenditure for 2018 or an estimated expenditure for 2019. There are some really simple things that could have been done with the Government Plan to make it more understandable. It is like wading through. Yes, and business cases and level of detail of the business cases are quite slim. We have mentioned within our submission the amount of time that has been taken to undertake and do this Government Plan. To me personally, it reads more like a manifesto than a plan because there does not appear to have been the work done around resource planning, timeframes and is this indeed achievable or realistic. For our members, that has the potential to put our members under an increased amount of stress as they are expected to deliver something (a) potentially without the right amount of budget to enable delivery and buy in whatever they need to buy in; and (b) without the potential resource, as in H.R. and staff able to deliver these things. It would be really useful to almost have a timeline about where the priorities are, what is going to start first. It is very broad within what we can see here.

**National Association of Schoolmasters Union of Women Teachers Representative:**

I have got to say, Lyndsay, I agree with you. Those business cases, I was laughing when I read them. My husband is a local businessman. If we took a business case like that to the bank and said: "This is our business case. Give us however much money" they would say: "Forget it." The

risks are not properly analysed, there is not enough solid planning there. It just seems something that has been fired off at the last minute to try and get this Government Plan through.

**Senator K.L. Moore:**

We are told that they are very confident that they can be delivered. If I could pick up on a comment I think a couple of you have made today about the States of Jersey no longer being an employer of choice, given your understanding of the Government Plan and the negotiations you have been through and the process to date, do you think you and your members can see the vision for the future of the employer and are they supportive of the direction of travel?

**Unite the Union Representative:**

I would say just about everyone is. There is not enough detail. People do not really know what to expect.

**National Association of Schoolmasters Union of Women Teachers Representative:**

No, they do not understand it.

**Chair, Civil Service Branch, Unite the Union:**

At a time of unprecedented change as well, that is having ... it impacts on morale even more, so this uncertainty around the lack of detail, uncertainty around efficiencies, uncertainty around the Target Operating Model, the impact that it is going to have on individuals and their friends and potentially their family as well, that is why the morale is at an all-time low. Our members working within the civil service right now are probably not recommending the Government of Jersey as an employer of choice.

**Vice-President, Jersey Civil Service Association Prospect:**

Just picking up on that Target Operating Model or the whole process for it, I can only describe it as brutal. Obviously some departments are further down the line than others and some have still got it to come. Tommy, at the end, I think you are going to have some turbulent times to come, but it is essentially a process that basically makes people apply for their own job, apply for a pay cut. That is essentially what people have been forced into. When I say "apply for a pay cut", people have been told: "If you do not apply for that lower-graded job, you are making yourself redundant." That is the case. Some people have taken the pay cut, some people have found other roles, some people have said: "I am not engaging in that, I will resign." So you have had people resign on that whole process. Now, that I do not think is a fair way to treat staff. Fair enough, change, changing roles and everything else, where somebody is not financially losing, but when you are having people that are taking a 2 grade drop as civil servants, so that can be a £15,000 to £20,000 pay cut, they are told: "You have to apply for that" ...

**Senator K.L. Moore:**

When we have questioned on that area, we have been told: “Yes. It is a very generous system and there is 3 years of pay protection” so within that 3-year period, that individual will be able to work themselves up to a point where they have a job and a role that equals their pay.

**National Association of Schoolmasters Union of Women Teachers Representative:**

The current guarantee, we have not seen that.

**Vice-President, Jersey Civil Service Association Prospect:**

In those positions, if you have taken a 2-grade drop, the chances are in a lot of those things, you are in quite a specialist role, so where you work, that job has gone or has now been taken over, there is not a succession plan, there is not something you can ... if there is one role above and there is somebody already in it, so it is dead man’s shoes. If that person goes, there is not the opportunity. It is not simple. It is the spin. We hear the spin as far as the pay protection. Well, the pay protection is a pay freeze, so in real terms that is a real-terms pay cut every year. Now, that has a significant effect on somebody’s pension, which is final salary. That is not recognised in any shape or form. Essentially somebody going on pay protection could see, in real terms, a 10 per cent cut in their pension. That is something I fought vigorously for and that is not something they are prepared to treat people fairly. I am sure any other private sector thing that wants to do a reorganisation, if they are telling somebody they had to have a pay cut, would also be saying: “Or there is a redundancy package” and probably in the private sector a very generous thing, because that is the way ... you are going: “Well, we have got to change”, take the cut or take your wedge of cash and potentially find something elsewhere. That is not being offered, so our staff or our members are being told: “Apply for a pay cut.”

**Senator K.L. Moore:**

Sorry, is the voluntary redundancy scheme still open?

**Unite the Union Representative:**

No, it is not. It is closed until January.

**Chair, Civil Service Branch, Unite the Union:**

I think a point worth making is the organisational change policies, it almost supersedes the redundancy policy, so somebody does not go into a redundancy cycle, so their job may well not exist, they may be offered something at a different grade, which to me is a different job. However, they are not being told: “Your job is redundant, therefore we are going to put you through the redundancy process”, they are being asked to go through a selection process.

**Vice-President, Jersey Civil Service Association Prospect:**

Or they are told, and they are being told if they do not engage in that process they essentially are terminating their own contract. You mentioned voluntary redundancy. They are not even being offered compulsory redundancy, which is inferior to the voluntary redundancy. Some people have got voluntary redundancy. To be quite honest, that tends to be people that it appears the organisation wants to get rid of, so it is almost those people that have worked hard and are still useful to the organisation: "We want to keep you, but not on what you are currently on and we are not even going to offer you a thing of going: 'Well, if you do not like it, there is a package that you can go on'." You are being told: "No, you have one option, apply for a pay cut." The stress of having to apply for a lesser-paid job with no ... I think that is not how you treat people. I fundamentally think that is unfair on the staff. It is not about change; staff are happy to. I do not think we have ever had a thing where somebody goes: "Oh no, I am not happy to do that new role" or whatever. People are very adaptable. That is not the issue. But at the end of the day, we live on an expensive Island and somebody taking a grade or 2 grades, which could be a 7 per cent, 15 per cent, 20 per cent pay drop, is then impacting on: "Can I afford to live on this Island?" Okay, you have got 3 years' pay protection, which is a 3-year pay freeze, so it is not saying you maintain that. I do not subscribe to ... it would be interesting to see in 3 years' time, those people on pay protection, how many manage to get up to their equivalent grade. I think it is a relatively low number, especially the higher you go up the food chain. It is a case of treating people fairly. As a union, that is all we are after, fairness. We can accept change; we accept changes in working practices.

[13:00]

There is not a dispute on that as long as it is done in a fair and consistent way and it is not being done like that at the moment. From our point of view, we see senior members of staff getting those big packages to go and then we are being told our members have to apply for a pay cut. Where is the consistency on that? You will be aware of some of the figures that some very senior people went. Clearly their face did not fit and they were wanted out of the organisation, but those people that have given their life and soul and they are going: "I cannot take a pay cut." "Well, you have got a choice, take the pay cut or walk." Where is the fairness in it?

**Senator K.L. Moore:**

Thank you. We have come to the end of our hour. Does anybody have any final questions? I think we have got everything that we were proposing to ask. No. Do you all feel that you have adequately approached the subject? I really thank you all for your very full and helpful answers, thank you. I will close the hearing.

[13:01]