



Government Plan Efficiencies Review Panel

Efficiencies Programme

Witness: The Chief Minister

Thursday, 12th November 2020

Panel:

Deputy G.P. Southern of St. Helier (Chair)

Deputy M.R. Higgins of St. Helier

Connétable R. Vibert of St. Peter

Witnesses:

Senator J.A.N. Le Fondré, The Chief Minister

Mr. J. Williams, Director, Business Change

Mr. S Mair, Group Director, Treasury and Exchequer

[13:01]

Deputy G.P. Southern of St. Helier (Chair):

Normal hearing standards apply so there is a document in front of you about the conditions involved here. The hearing will be recorded now that we have got the microphones working. If you would like to introduce your team and we will introduce ourselves just for the recording.

The Chief Minister:

Senator John Le Fondré, Chief Minister.

Director, Business Change:

Jonathan Williams, director of Business Change.

Group Director, Treasury and Exchequer:

Stephen Mair, group director in Treasury and Exchequer.

Deputy G.P. Southern:

I am Geoff Southern, chairman of the Efficiencies Board.

Connétable R. Vibert of St. Peter:

Richard Vibert, member of the Efficiencies Board Panel.

Deputy M.R. Higgins of St. Helier:

Mike Higgins, a member of the panel.

Deputy G.P. Southern:

If I can kick us off with a basic question. You set out to make £40 million of efficiencies in your target for 2019, how much of that £40 million target has been delivered and which measures have not been met?

The Chief Minister:

The short answer is all of the £40 million has been delivered but that splits into 2. One is what is being delivered on a recurring basis, which is around £28 million, which I think is what we have said previously. Then a balance of £12 million, which will be a mix of things but basically are a number of one-off things to get us across the board. Part of that will have been the impact of COVID but we are always clear that there was a ... we refer to it as plan A, B, C essentially. So plan A was to achieve the recurring efficiencies and this was laid out in the report that identified the efficiencies that was attached to the Government Plan last year. B was an alternative measure and C was something else that basically got us across the line as a one-off because sometimes there are things that needed slightly longer to embed. The intention is still to achieve the £40 million recurring but we have banked about £28 million.

Deputy G.P. Southern:

So the follow-up question I must ask is when will they be delivered? You are talking about £12 million, is that a risk? Will that be delivered this year, next year or is plan C just to postpone everything, including the cuts?

The Chief Minister:

The £12 million intention is that, as in the one-off items, will get us across the line this year, so £40 million will be achieved this year. But the intention then is to get the recurring items or replacements, if something has changed, but a recurring item that will add up to that extra £12 million will need to be achieved such that by the end of the whole Government Plan process we have got for 2020 £40 million has been banked and recurring.

Deputy G.P. Southern:

As part of the process, was it not the case that the £12 million was removed from budget anyway and alternative plans, other than those which were carefully thought out previously, have been put in place to make up the money?

The Chief Minister:

Sorry, say that again.

Deputy G.P. Southern:

How much of that has been taken away from the base budget and said: "Get on with it. If you cannot deliver these savings then make your own up"? Is that not the case?

The Chief Minister:

No, I think we might be talking at odds there.

Director, Business Change:

£40 million was removed from the base budget of the Government, you are correct, at the outset of this plan. The majority of that came out of departmental budgets but there are a couple of smaller items that were held centrally. As the Chief Minister, has set out, the intention was always to deliver per plan A or B but it was important to have a backstop in the event that some of those efficiencies could not be delivered in the period of time that was set out. Those are the one-off items which will be carried forward into 2021 to deliver.

Deputy G.P. Southern:

My question is then: what percentage of the total package is made up of these backstop measures, last-minute measures?

Director, Business Change:

£12 million out of the £40 million

Deputy G.P. Southern:

So £12 million out of the £40 million, okay.

Group Director, Treasury and Exchequer:

If I may just add to that. That figure might change slightly by the end of the year, but we will have the accounts out shortly, because clearly it fluctuates as we go through but that is the position. £20-

odd million, as the same recurrent £12 million at the moment, will be a one-off that will be recurrent next year.

Deputy M.R. Higgins:

I would like to refer to page 26 of the efficiencies plan, which is to do with voluntary redundancy, overtime management, reduction in agency staff, fixed-term contracts, et cetera. You stated in your letter that efficiencies or rebalancing measures will not have an impact on working conditions. How are you so confident of that and what steps are you taking to measure, monitor, track any impact?

The Chief Minister:

I am just checking. Are you talking the letter of 30th October?

Deputy M.R. Higgins:

Yes.

The Chief Minister:

Can you just tell me what paragraph that was in?

Director, Business Change:

It is question 4, I believe.

Scrutiny Officer:

It is page 26 of the efficiencies plan as well.

The Chief Minister:

Okay, thanks, I was working from the letter. Just to use an example, if we use agency staff; somebody from an agency is getting more expensive than potentially a member of staff, so if you can replace that agency member of staff with a normal - when I say "normal", a normally employed member of staff - you made a saving but you have not changed your working conditions.

Deputy M.R. Higgins:

I understand that in principle but in fact how are you going to replace the people? Because in many cases the agency staff are filling in gaps to provide the service so unless you have another member of staff you can conjure up and put in their place you are not going to make that saving.

The Chief Minister:

You are talking recruitment here. You are talking numbers increasing, which ...

Deputy M.R. Higgins:

No, I will answer that in a moment. But I am saying though, if you are saying you are going to make efficiencies in this area, and you are saying, for example, you will use less agency staff, but the work still has to be done by someone. That is the point I am trying to make. How confident are you that you are going to be able to still carry on and provide those functions if you get rid of your agency staff?

The Chief Minister:

One of these guys can take this but what I was going to say, my take would be - all this depends on the nature of the work - if the work with the agency staff is important you are not going to get rid of them until you have a person in place. So you are doing recruitment and then over time you will then finish that agency contract because you may redeploy them somewhere else and obviously at the moment there are lots of people being pulled everywhere to deal with things like extra swab testing and tracing and things like that. You may just redeploy people while their contract is worked through. It depends on the circumstances but the general principle was that you are recruiting more people into the permanent position, but that is cheaper than having agency.

Group Director, Treasury and Exchequer:

There is a real live example of that just happening in Treasury at the moment. We had about 6 agency staff in the finance business partnering world, precisely as the Chief Minister has described, costing quite a lot. We have done a recruitment drive and we have secured 4 so far on-Island people, because of the circumstances I imagine on the Island, and they have either started or they start by December/January time. That will contribute to that. The other thing I could add is that in the scale of the government's staffing budget we make savings on vacancies anyway because you get natural churn. Somebody leaves, somebody does not start, as I am sure we all appreciate, the same day, so you will generate quite a level of savings simply because of natural turnover.

Deputy G.P. Southern:

To what extent is that vacancy management involved and adding to what you claim to be a saving? Because it is the biggest element.

The Chief Minister:

While Steve is thinking of a response to that, if you look at the context - we were talking about that earlier just to reinforce my understanding - if you say vacancies are around 10 per cent, I think they are slightly more than that, then it gives you a range conservatively of between £30 million and £40 million a year of a chunk of money that is always in department budgets because they always budget to have the full staffing level. But you know there is an element there that is just never there. The

queries either get ... what you have to watch out for, sometimes the departments put it back into the centre at the end or sometimes they just spend it on other areas which they were not planning for.

Deputy G.P. Southern:

Does not the shortage of staff impact the service that you can deliver?

The Chief Minister:

So your vacancy management then is trying to manage that part of the money. But your staff side goes back to that point, it goes down through what the terms and conditions are like, what the culture of the organisation is like, is it regarded as something that is changing and is a good place to work, all those slightly non-financial elements as to why someone would want to work for us. That is where we have got this whole point about changing the culture, changing the way we do things, which then makes it attractive. Also being quite honest as well. If you go back to, and somebody else can definitely talk to this, things like social workers that were being recruited before COVID kicked off, that was an active thing we are saying, because we were under resourced in that area.

Group Director, Treasury and Exchequer:

We always have a level of vacancies so it is not like we have got additional vacancies. An organisation of this size will always carry a degree of vacancies. Again because of the natural turnover point.

Deputy G.P. Southern:

My question still remains: what percentage of that natural churn ends up in what you are describing as savings because we have not appointed? You look at the Health Department, it is something like 194 vacancies last year, the year before, and that has not changed. Does that all help to say that we are making savings?

Group Director, Treasury and Exchequer:

The vacancies, we have added about ...

The Chief Minister:

People come through Health like nobody's business.

Group Director, Treasury and Exchequer:

That helps balance the budget on a recurrent basis pre any efficiencies programme. What we are saying is a more active positive management all achieve ... your vacancy you can increase slightly by people focusing, like Z.B.B. (zero-based budget), for example, by encouraging people to robustly manage their budgets. None of this is impacted on the services because of the quantum of people

that we have. We can deliver the services we have by simply finessing the vacancy management. It is a bit like looking at cash-limited budgets. It encourages people to do good housekeeping, it makes them think twice not to damage the service in any way whatsoever. It is to reflect on: "Do I need this no?" If the post gets filled a month later, I say one-twelfth of that, people can still deliver the service and none of this impacts adversely on the services.

Deputy M.R. Higgins:

How can you say that in terms of Health though? For example, we know that nurses and others they are using a large number of agency staff. You cannot just conjure up health workers in a moment. We know that worldwide there is a shortage and everybody is competing for them so, in that example, how can you make savings on agency staff?

The Chief Minister:

I think this is Steve's territory because he has been all the way through this but do not forget separately, I have to say because I have been focusing on COVID I am not quite sure where we are, but there was a whole programme about encouraging locals to go into nursing. There was the nursing graduation scheme which did have ... there were a reasonable number of people that were recruited and I cannot remember the number but we can get it back to you. But there was a programme of actively bringing people in.

Deputy G.P. Southern:

Nonetheless we are still functioning with a large number of agency nurses and bank nurses, so overtime rates, which then again illustrates where we are.

The Chief Minister:

Do not forget this is all an estimation process. We are not saying: "If you do this this will achieve X. If you cannot achieve it, the change in service, you have to go to plan B or plan C" but the principle is that rather than having this amount of agency nurses your goal should be to make them not agency nurses.

Deputy G.P. Southern:

Richard, would you like to take this one for a moment.

[13:45]

The Connétable of St. Peter:

It fits in quite well. You have stated that the more efficient use of funds has not resulted in any cuts or reductions to services but if we look at page 132 of the annexe to the Government Plan we can

see there is an impact on the workforce in implementing the 1 per cent vacancy factor in the police force. I can read what it says: "Customer services. There may be some impact on the services received by customers dependent on where the vacancy is held. The senior team will seek to mitigate any external impact where possible." On the workforce: "There will be some impact on the workforce as this proposal assumes there will be a natural level of vacancies in departments whereas the budget usually assumes all roles are filled throughout the year." The annexe is saying there will be impact on services and the workforce. How do you reconcile those 2 statements? Because we have said that it will not result in any cuts or reductions in services.

Group Director, Treasury and Exchequer:

We have had a lot of engagement with the chief of police precisely on this and other issues, and the chief of police has been positive and helpful. During a peer review process that we went through, he said he could achieve more efficiencies and is actively managing the vacancies and other things as well. He has been positive about this. His view, and obviously you would have to check with him, but in the conversations we have had is he can manage that. The service will not be impacted on and indeed he said he could achieve further efficiencies across the piece on this.

The Connétable of St. Peter:

It is the statement in the annexe that is incorrect?

Group Director, Treasury and Exchequer:

His view, and we have had the conversation, is he can manage on the monies he has, yes.

The Connétable of St. Peter:

But that is not what it says here.

Deputy G.P. Southern:

To mitigate what has been going on, is that not what you are talking about? Talking about amending what you are delivering in some way or other to mitigate the impact but there will be an impact.

Director, Business Change:

If I may, what is intended by this statement is that the author is saying there is a risk of, and so it is highlighting the fact that there is a risk as a consequence of this change but that risk will be actively managed and mitigated. Yes, there is a risk but this will be managed and mitigated to make sure that risk does not become an issue. That is the intention, in which case it is ...

The Chief Minister:

Because you are not going out to do it, there is a risk there, but you put the measures in place so hopefully it will offset that risk.

Group Director, Treasury and Exchequer:

There is also a positive side to this as well. If you do have a vacancy, which again has happened within the police, I believe he has acted somebody up, so it gives somebody a development opportunity, which they would probably grab with both hands to help themselves and help their career. So it can work positively as well.

Deputy G.P. Southern:

You state clearly there would be no public sector pay cuts to ensure the delivery of efficiency targets. Do you have under consideration perhaps freezing pay, especially at the top end, or do you have any consideration of below inflation offers? What is going to happen to pay?

The Chief Minister:

I think at this stage, as I have always been saying, everything is being kept on the table and nothing is off the table, that is not the expectation at the moment, but S.E.B. (States Employment Board) are still meeting and talking so I cannot really comment. That does not mean, yes, we have got something tucked away in the back pocket that we are going to suddenly produce on 1st January. No, negotiations for pay are carrying on. We are on the ... when I say we are on the front foot, there might be individuals in front of you who will disagree but if you look at where we were at the beginning of last year when I think we were basically having disputes over definitely 2018, I think it was 2017 and definitely 2019 pay, and the issue at the time was because of the constraints of the M.T.F.P. (Medium Term Financial Plan). Then by making it, I think it was a 3-year deal in the end we did, was it not, looking at Steve, from memory - apologies it has been slightly wiped because of COVID and obviously the events of the last 10 days - we could effectively spread that package across 3 years and if you look ... anyway, that got resolved. Instead of being in a position in 2020 when we were talking about pay in 2018, 2019 and 2020, now we are talking about pay in 2021. That is what I mean by being on the front foot.

Deputy G.P. Southern:

We will not see a repetition of what happened last time where you went in to negotiate when saying there is no more money in the pot?

The Chief Minister:

I would say the point being is that you always are going to have constraints about money and the other point I would say, when we were looking at 2018 and 2019, there was not money in the pot because you were constrained by when the M.T.F.P. ran out at that time. It was only from 2020

onwards that we could bring some money forward, which we did. But do not forget we also regularised a whole range of things. We got into gain share negotiations, we have the issues ...

Deputy G.P. Southern:

Which is a horrible thing. To give up some of your service in order to get a pay rise. That is a really good thing to say to teachers; not.

The Chief Minister:

The unions did go for that and ...

Deputy G.P. Southern:

No, one union did.

The Chief Minister:

Well, they signed up to it. The point was as well, we also have the sorted out areas like the A.H.P.s (allied health professionals) which was a ...

Deputy G.P. Southern:

Sorry, what was that?

The Chief Minister:

The allied health professionals, which if you recall was another legacy issue where there had been some serious issues around how people have been categorised in their pay.

Deputy G.P. Southern:

Okay, I think I have got an answer to that.

The Chief Minister:

What I was trying to say is we have been grappling with dealing with a whole range of legacy issues around the pay side. I have to say my impression from that is that therefore there are less legacy issues to deal with going forward and that makes things a bit better.

Deputy G.P. Southern:

I certainly hope so. But moving on, I am aware that we have a lot of questions to ask and not very much time.

The Connétable of St. Peter:

Last year you identified efficiencies to be made by each department, then the money was taken from the budget but when the department could not make the efficiencies it had previously agreed due to changing circumstances, including COVID, they were told to find them in any way they could. Instead of simply agreeing to such a huge change with the Council of Ministers, why did you not bring the decision back to the States for approval?

The Chief Minister:

I think the point is, is that the target that had been set by the States was a sum of money, if that makes sense. Therefore that was the target that was set out to be achieved. We were not saying we are not going to make the target, we are just saying we are going to be doing it in a different way, which was laid out in the plan. It was what we call A, B, C. So plan C in that case was measures to get it over the line.

Deputy G.P. Southern:

Is plan C just defer it until a year down the line or 2 years?

The Chief Minister:

No, what I was trying to say, so if we go back to the £40 million.

Deputy G.P. Southern:

What is plan C then?

The Chief Minister:

The point is we set out the various measures that we thought could be achieved to achieve recurring savings of £40 million, that was plan A. Plan B was basically there might be some things, there are a couple of things where Ministers had expressed views at the time, okay, fine but in which case you have then got a plan B or a plan C. Plan B was to replace that element of the recurring expenditure that was going to be saved with another element of recurring expenditure. Then plan C was for whatever circumstances we are not going to achieve that but we do think we can ... there is something here, which is a one-off, which will achieve the budget that we have to achieve this year.

The Connétable of St. Peter:

Is that not just a sort of smash-and-grab way of cutting budgets?

The Chief Minister:

No, it is all very much under ministerial control. I do not like the words “smash and grab” at the end of the day.

Deputy M.R. Higgins:

I think some of your Ministers may dispute that.

The Chief Minister:

The point is we were saying, and we had agreed. bearing in mind what is ... some of the driving force behind the efficiencies is to fund some of the other, I will use the word "investment". I know various people take the view but if you look and say we have to do improvements in services in certain places those efficiencies go towards part of you funding that. There is this trade-off in there about what you are trying to achieve and sometimes you are looking, well, there is this part of business that the department does and the Minister where, for the sake of argument, what Steve said earlier, we know that we are not going to recruit a particular post, it is going to be one month later, therefore that one-twelfth of expenditure can go into our efficiencies pot and we make that active decision.

The Connétable of St. Peter:

Would you continue doing that in future years? You did that in the last financial year.

The Chief Minister:

From my perspective, and this is where it is down to the teams at the end of the day, we know that you are better off getting the recurring efficiencies banked and in and, at the end of the day, the intention is the majority of them. Fine, if 5 per cent are not achieved and they have to make it up somewhere I would prefer not. Obviously if it was a 50 per cent issue then they have to go and have a look and a rethink essentially. But if it was at the margins and they just need to do some stuff to get it over the line and they are always going to be able to do that, that is a separate discussion within the team at an operational level. I do not get into that level of detail.

Group Director, Treasury and Exchequer:

Just to add to that, if I may. Part of the reason that the £40 million has not all arrived on a recurrent basis, because people's attention has been diverted, as you will appreciate, because of COVID. That equally has an impact on some of their investment, they have not quite been able to spend all their investment because they have had to address the issues that we have all faced. So naturally we will make some savings on some of the investment, which will naturally offset some of the reductions in the efficiencies. But there will be in the budget in 2021 and we absolutely need to make them as recurrent as we possibly can, that is the intention.

The Connétable of St. Peter:

How do you track these efficiencies that are, in effect, replacement of efficiencies that have not been achieved?

Director, Business Change:

I will give it the first go. There is a detailed monthly budget monitor process led by Steve's team so I will give it the first description, but that goes down to individual line items of each efficiency, so we can spot what somebody has committed to in terms of the description of what they are intending to do, which helps you with the line item in the accounts and also the value attributed to that. We can spot therefore at quite a detailed level where things have been successful and things have not been successful in the terms of the plan A. Those items will be then lifted and brought forward into 2021 because in many cases the efficiencies plan is for a good plan, it is just it has not been delivered in 2020. For example, there were some intentions to undertake some activity in Health and Community Services, still a great plan, they have been diverted and will just be delivered in 2021.

The Connétable of St. Peter:

That sort of covers plan A but what if it is a plan B or plan C item? Those efficiencies that have replaced other efficiencies in plan A, and unintentional efficiencies, how do you track those? There will be unintentional efficiencies due to COVID so how do we track those? Do we record them and track them in the same way?

Group Director, Treasury and Exchequer:

Exactly the same way as Jonathan describes. We do the budget monitor, we do it every month end with the exception of November because we close the accounts a few weeks later, and with the exception of January because we are dealing with the auditors. We have a tracker that not only identifies every efficiency, it identifies all the growth and it identifies precisely what you have described. So if that one is not happening what is compensating for that that? That goes to the executive leadership team, it goes to each individual Minister each month for an individual briefing and challenge session, and it goes to the whole Council of Ministers every quarter, and a report comes out every 6 months. So we have it to a granular level and we are very robust in doing that. Equally going forward, it is not just financial management. We also have high performance management people looking at the outputs and the outcomes and that will develop over the next year or so. So you will get financial management brought together with service management, you get a holistic view of what is going on. It is driven by finance but it is also driven by the services and you get everything brought together. We do track it all.

Deputy G.P. Southern:

The Chief Minister just said that whereas 5 per cent of plan B or C was acceptable ...

The Chief Minister:

Illustrative.

Deputy G.P. Southern:

Might be acceptable, the 50 per cent, we would look at that. Where does £12 million on £40 million come on that spectrum?

The Chief Minister:

I have been illustrative. I think the Connétable of St. Peter was suggesting that if you do a one-off bit here in 2020 and you do another one-off bit in 2021, how long does that continue? What I was trying to illustrate this year has been an exceptional year and we also know that you are going through a ... it is that culture change bit and with everything that has been going on, there were exceptions, there will be some things slide sometimes, particularly in the middle of a pandemic. Whereas what I am trying to say is that is fine if it is a 5 per cent issue and it happens at the peripheries and that keeps going, but obviously if a department is doing that every year and not getting the recurring expenditure sorted out on significant bits, for me, that would be an issue. So the £12 million, in the first year, on the basis that part of that has been the delays of COVID and that is going to be achieved on a recurring basis going forward next year - I think this is all subject to COVID by the way - then that is fine. So it is a one-off event, that is fine.

[14:00]

If it was £500,000 of that £40 million and that happened to trickle over each year I would probably be relatively relaxed on the type of budgets we are dealing with.

Deputy G.P. Southern:

Are you suggesting that that first year is a one-off and that it gets easier from now on or not?

The Chief Minister:

The point is that the measures were - I think Steve can probably talk - but the original measures were all identified but some of them have been impacted through COVID. So the intention is that those original measures that we all went through as Ministers would still take place next year when we get back to something that resembles normal, but in the meantime they found one-off events to get them across the line which is, if you like, what we have referred to as plan C.

Deputy M.R. Higgins:

Can I ask just a very quick question before I move on to the next one? Have all the Ministers bought into it? You mentioned the granular details and the constant reporting. They are almost having to

respond, I would imagine, every month on whether they have achieved their targets. Have they bought into that?

Group Director, Treasury and Exchequer:

They respond absolutely to the financial management and it is on every management team and every Minister's briefing every month. There is a challenge process, colleagues and Ministers will ask questions. But, yes, we will balance this year's budget and the Chief Minister, we are just doing the October numbers now. I will get it in a day or so then go to the Chief Minister and, as of October, the budget will balance, allowing for COVID, et cetera. It is a challenge process, which is absolutely fine because we then get challenged on any proposals.

The Chief Minister:

Quite how aware all the Ministers are at this stage because of ... you look at the volume of hours that have been going on just dealing with the pandemic sometimes I think normal business as usual had to go on the back foot slightly. But, yes, that should be the process. Sorry, also obviously in the actual efficiency plan there were some notes if the Minister had expressed a reservation.

Deputy M.R. Higgins:

How do you identify the new efficiencies for the recovery plan? When we asked you what expert advice you relied on to continue with the efficiencies you stated in your letter that you had specific support on development of business support models. I would like to know who carried out that work for you and can we, as a panel, see it?

Director, Business Change:

I can take that one certainly. We had retained the services of a couple of people from EY to work on business support models and they will continue through, I think, until February next year; just one individual helping with the development and the proposal to the director general and the Minister for a model within the non-education part of C.Y.P.E.S. (Children, Young People, Education and Skills). That is being developed at the moment. I think from memory that is due for first view towards the middle of December.

Deputy M.R. Higgins:

You said that was the non-education side.

Director, Business Change:

Yes.

Deputy M.R. Higgins:

Who has been looking at the education side?

Director, Business Change:

There is a proposed investment within the Government Plan but it is of a whole host of matters as it relates to education, and I understand that consideration of how best to create support models within the education side of C.Y.P.E.S. will be considered in that process. Initially it is predicated on the approval of the funding but I believe it is within that scope. It will be started at some point early next year.

Deputy M.R. Higgins:

When we ask you about public engagement or consultation to inform the continued efficiencies or recovery programme, specifically for the Government Plan 2021 to 2024, you said your approach is described on page 28, "Listening to Islanders". When we look at page 28: children, education, well-being, mental and physical health, economy and skills, nowhere does it say spend an enormous amount on a new office space for the government. How would you like to respond to that? How do you reconcile the priority of office space for government and then also in the education field?

The Chief Minister:

Sorry, did you say it is not mentioned under the education side?

Deputy G.P. Southern:

I have just marked pages 28 and 29 on this consultation process and it is basically 15 items rated as over 50 per cent that the public were looking for. It did not mention new property for the States to house itself, for the government to house itself, at all anywhere in those 2 pages. How do you reconcile what your intention is?

Deputy M.R. Higgins:

It is reconciling the planning of what your intentions are ...

Deputy G.P. Southern:

Compared to the consultation process, which was full of well-being issues.

The Chief Minister:

I would have said it would have been covered under what I call the overall target proficiencies, would have been the main thing, and about organisational change, which is certainly referenced elsewhere in the plan. Sorry, you threw me because I thought you tied it into education, which is why I was slightly puzzled.

Deputy M.R. Higgins:

Competing priorities.

The Chief Minister:

There are always competing priorities and this is why funding is quite important. But if we go back to the principles, at least 2 of you will probably recall this from days gone by, the principle is still the same. We have a very old estate. It is, bluntly, poorly maintained, which is expensive, it is inefficient, which basically means you have got lots of space being used and not very many people, which means you have to heat it, clean it, whatever. Also on top of that, the actual working conditions depending, where you are, are not particularly great. That is your staff well-being side. The numbers that have come out of that to date, I am waiting for updates, are that we believe, and what we proposing, that we can achieve around - I think it is capital receipts - around £28 million-odd. That in terms of annual savings we believe it is around £7 million absolutely cashable, and I will come back to that, annual recurring, by the way. I think that might be before finance costs, I cannot remember, but let us stick with the £7 million. That is excluding productivity savings. You put all that lot together and it is absolutely well worth doing because it is part of that change. We have actively been seeing whether we can improve some facilities for States Members in there as well, by the way. But the productivity side, now this is a piece of work I have asked for because from my memory, as you will recall I used to Property Holdings end of 2005 to the beginning of 2011. At that point what I was told was that the productivity savings are up to about 3 times as much as what I call the cashable savings. So in those days our cashable savings were about £3 million to £4 million a year. That has now shifted up to £7 million. That means a range of savings back in 2009, 2010, were potentially as high £60 million a year. I used to work on £10 million a year to be conservative. Those numbers I think have gone up quite significantly; potentially up to, if that rule of thumb, i.e. the 3 times as much is valid, still you are in the £15 million, £20 million territory. I do not put that out because that just sounds so ridiculous but if I say it is £7 million to £10 million I think I am being very conservative there, but that is what I am hoping is coming through in the final business case that we are going to see.

Group Director, Treasury and Exchequer:

The £7 million will more than offset the costs of financing the capital expenditure so it is not costing, it is generating a saving, is this proposal, subject obviously to commercial ...

The Chief Minister:

So the intention then is you are replacing old estate, you are going to release brownfield sites, which then goes into the housing. You are going to save money and you are going to have better conditions for staff. That then also starts a silo mentality. For me, it is an important thing to do because I know it could be broadcast or branded as a wider time of crisis, are we building a spanking

new office block type of thing, but equally, if you were going to make an investment and it was going to give you at least a 7 per cent return - at least - then you should be doing it, particularly of the outcomes that come out of that.

Deputy M.R. Higgins:

But in terms of other estates ... sorry I have moved on to the estate questions we had. For example, we have a very large estate. The States owns a lot of properties. A lot of them are in disrepair and they are not ...

The Chief Minister:

That is the point.

Deputy M.R. Higgins:

Yes, I know, I accept that. But a lot of them are in disrepair and we are not repairing them and eventually they are either going to be pulled down or sold or whatever; is that an efficient way of treating the estate? I accept what you are saying about the office building but the rest of it. You are talking about other ... I can see where you are coming from where you say the savings are coming but what about the other properties and trying to stop the constant drain on expenditure on those?

The Chief Minister:

If you want my opinion, no, it is not because this again, this whole point about short-term savings - I always used to use the windowsills in old Granite Block in the hospital. You used to go up between Gwyneth Huelin, up to the Parade, you always go down, and every year and every time I went down there the windowsills were slowly - never been painted - rotting away. That frankly used to apply across a lot of our estate, is that the cuts, the savings that were being made in the past, were basically cut the maintenance budget and sometimes really pushing the health and safety side as well, and yes, you can do it for a year or you can do it for 2 years potentially, but 10 years down the line you have a problem.

Deputy M.R. Higgins:

As was the case with the housing estate where we had to borrow in the end to ...

The Chief Minister:

You are storing up massive problems for the future. Sometimes there would be something you would put back 6 months or put back a year, that you can probably cope with. When I first came into Property Holdings and particularly when the new chief officer came in at that time, they had done a full review of the estate and some of the photographs I was shown at that point were horrific and there were cracks you could put your fist in down the side of some buildings. There were

pictures of water tanks and stuff which were in an appalling state. Where they were very good at that point was things like legionella testing and things like that, but even that at various points seems to have slipped. So, no, I am quite clear that if you do not do that maintenance then you are storing up problems for the future.

Deputy G.P. Southern:

If I may come in there because there is a perfect quote that fits exactly what you are talking about there on page 135 of the annexe to the plan, which talks about £4 million being transferred from Infrastructure to Health and says: "The building maintenance budget will be reduced below a level which allows J.P.H. (Jersey Property Holdings) to improve the current condition of the property estates. While some areas are in relatively good condition some properties are in need of extensive works to ensure they remain functional for building users."

The Chief Minister:

I am going to hand this to Steve because I think that is a specific one-off, if it is the one I am thinking of.

Group Director, Treasury and Exchequer:

The issue with that is we had put £5 million specifically into the Health budget to maintain the hospital and related areas, and that is £4 million. It would have been a double provision if we had not taken it out. So it was taken out of there but it is more than offset by the monies that are then put in to maintain Health.

Deputy G.P. Southern:

But it is not an efficiency saving, it will reduce the issue of possibility of looking after the buildings below the level that it should be.

The Chief Minister:

No, what it was is that there are 2 items of cash in 2 different budgets that are allocated to the same thing basically and again this is the whole point, when you are going through, that was identified and so that came out because you only needed to spend the one sum.

Group Director, Treasury and Exchequer:

That came out as a consequence of the rigour of going through the budget. The risk is you would have been wasting £4 million had we left the higher figure in not the lower figure.

The Chief Minister:

Our reaction was exactly the same as yours when we were told that. Just to go back to what I was told, another example by the way, I was in an endoscopy unit at one point, some years ago, and somebody took great joy in showing me how that particular department had had a leak fixed. At that point in time, this was back in 2007-ish, the way they fixed the leak for quite some time is they had a blue tarpaulin suspended from the ceiling to catch the drips and there was a little tube that took the water out through the window. This was over a rather expensive photocopier, for example, and was in somebody's working environment. I did take a photograph and take it back to my chief officer who took great delight in blowing it up to A4 size and handing it round to the senior management team of the day who laughed because it was not acceptable. But that is the type of thing that you were dealing with.

Group Director, Treasury and Exchequer:

Just to add to that, if I may, one of the things we are doing through the capital projects such as the hospital, such as the office if it is taken forward, is we will make sure that there is enough, what we call, life cycle in the budget because the public sector, not in Jersey, going forward is very good at building a building and then spending 25 years watching it degenerate exactly as described. What I intend to do is maintain the estate for the benefit of the users, benefit of the Island, benefit of the staff going forward. So we see proper provision going forward for maintenance.

Deputy G.P. Southern:

Is that why we have not seen a property plan yet come forward despite 2½ years?

Deputy M.R. Higgins:

Yes, the estate strategy that we have been told is coming but no one has ever seen. When will that be coming?

Group Director, Treasury and Exchequer:

I will have to check with colleagues who are working on that in G.H.E. (Growth, Housing and Environment).

The Chief Minister:

What the focus has been, has been around the office side, which is getting it done. There has been a lot of work on that. On the actual estate strategy, and another Member raised that with me very recently, I have not had a chance to follow up on where we are on that. But I will do.

Deputy M.R. Higgins:

If you can come back to us and tell us when we can expect it please.

[14:15]

The Chief Minister:

The office strategy is dealing with political admin but the estate strategy should be the wider portfolio, which I suspect and I assume will include everything from Elizabeth Castle to Fort Regent to Les Quennevais School.

Deputy G.P. Southern:

The C. and A.G. (Comptroller and Auditor General) was criticising you for not having done that already. Is that the case?

The Chief Minister:

Whether it has been done?

Deputy G.P. Southern:

Yes.

The Chief Minister:

I know and I have seen quite a lot of work that was done around the office side. I had assumed that was a subset of the estate work. It may well be that they focused on that because that is a deliverable, i.e. it is obvious and achieves the savings we are talking about and maybe that is why the estate strategy is behind. But I will find out.

Deputy G.P. Southern:

Could I move on to zero-based budgeting? A way to reassess from the ground up whether a department is delivering what it should. You had already commenced the programme of Z.B.B. across Treasury but you halted that during COVID. Could you say why? Was that not the perfect time to reassess what you were doing using zero-based budgeting rather than the approach you ended up doing, which was we are taking it from the budget anyway? A rather salami-slicing mechanism that we have seen in the past.

The Chief Minister:

The reason I am grinning is because I was waiting for the expression “salami slicing” to come into the question. I am sorry.

Deputy G.P. Southern:

That is why I am smiling too.

Deputy M.R. Higgins:

We thought you would anticipate that.

The Chief Minister:

I thought the point was that, look, we do not ... again, we have seen it before. I can remember again going up to Durrell at some point when there was a massive 2-day thing under ... I do not know. I will not name them, not the last chief executive but the one before, and there was a big workshop. They were all talking about what I would call in fact Corporate Services today, a report on it, if you go back to something like 2011. It was all around: "Right, we should be looking at what services we should be providing generally, who should be providing them and then look at what the cost is." That is the right kind of ... you know, process change and all this type of thing. Then the chief executive stood up at the end of what had been a day and a half, I think - and I was only there for about a couple of hours at that point - and said: "Let me just float a suggestion. Rather than going through all this, how about I just take say 10 per cent off everybody's budget?" and that is the salami-slicing, which is not a good way - I hope you are going to agree - of doing things. What you are trying to do is go through and say: "Right, in individual departments, how are we doing things? Can it be done differently? To an extent, do we need to do it under the present technology or are we still doing things that we were doing 20 years ago which we do not need to be doing now?" I think that is then for Steve to add to.

Group Director, Treasury and Exchequer:

That is precisely the point. None of these proposals are salami-slicing. You are only salami-slicing if you literally - as described - go to everybody and you take X per cent off everybody, which is a really old-fashioned way of doing it. We are absolutely not doing that. The particular reason that we paused it at that time was a bit like the efficiencies and the growth comment before. COVID has had a major impact on the Treasury's service as well. A lot of work is done on business cases, making sure that the proposals coming forward to seek funding to finance the COVID impact are robust. They are, but it is a big effort. We have been through T. and E. (Treasury and Exchequer) and we have done a lot in H.C.S. (Health and Community Services). As I said before, the chief of police is very keen on efficiencies and wants to work with us. We are starting, I think this week or next week, working with his team and we are also working with J.H.A. (Justice and Home Affairs). We simply took a pragmatic approach to pause the matter, but we are restarting the matter and eventually we will work through the whole of the government. We will do it on a cycle, subject to a ministerial approval approach.

Deputy G.P. Southern:

The department that is doing some zero-based budgeting is the Health Department again. They have got the biggest budget, delivering £5 million of savings. The exercise, they say, has identified

further potential opportunities. They have delivered £2 million and they have £3 million outstanding, which is subject to action or decisions by the service, for example, strategies to reduce the use of overtime or contingent workforce in the workforce. We have discussed that. This proposal, it says, is at an early stage and detailed plans, along with benefits and impacts, will be shared as the plans evolve. We are talking about something that is still evolving and yet we have seen this document here, as delivered. It is not delivered, is it?

The Chief Minister:

I assume you are talking to the right one. This is the Government Plan for next year, so it is in the plan. I think the latest update is £4 million, is it not?

Group Director, Treasury and Exchequer:

£4 million. Perhaps, yes.

The Chief Minister:

Yes, it is £4 million identified.

Deputy G.P. Southern:

So only £1 million less.

The Chief Minister:

Yes, so we are getting there.

Deputy G.P. Southern:

Where is that £4 million coming from?

The Chief Minister:

Do you want to go through the detail?

Group Director, Treasury and Exchequer:

It is coming from a variety of areas. This is at officer level at the moment. I think if I may just step back slightly, it is a plan and hence, yes, it is ... when a plan is issued it will never put a penny on every proposal, but it is a totally deliverable number. They are looking at some of the things that have been described before. On pay, they are looking at off-Island placements, they are looking at their corporate team, can they be more efficient and effective, and they are looking at their contract management, all the things you would expect them to look at.

Deputy G.P. Southern:

How many times do you think you can go through a process that looks at efficiency of deliverability for your staff, one, 2, 3, 4, 5 years? Can you do it 5 times and still squeeze some extra out or does it get more difficult? Back to that question: the more we do this, does it get more difficult?

The Chief Minister:

I think I will let Steve answer the detail. My principle is that certainly in ... I have always understood in many organisations in the private sector - and that may not be the right thing to say - but they go through and once you get into a change mentality, that change, you are in a cycle of change, particularly I suspect now with the way technology is going. Just because you have done it 3 years ago, for the sake of argument, does not mean you should not be doing it now. You are not going to do the same area every year because you end up with bad behaviour and all that sort of stuff, but if you get people who are into that change regime and can see how things ... and, as I say, technology particularly changing so much. You think about us as States Members and in terms of the changes we have been through since even February. I think of when Office 365 came out and people were going on about Teams. Personally, I did not have a clue what Teams, I had never heard of it, and you look at it through and it has done ... for us, documents are being prepared, it is a group thing, particularly obviously now all the remote working that is going on. That is us having changed in 6 months, 8 months. That is a massive change in technology. You are now looking at it in the organisation and the number of team meetings we all have. That is across the world, we know that. That in itself changes behaviour and that is just a classic example. That is without the impact of things like A.I. (artificial intelligence) and goodness knows what else.

Group Director, Treasury and Exchequer:

That is precisely the issue. People use the phrase "continuous improvement." We must keep looking at all these areas on a continuous basis. We are only targeting 2 per cent. You could take it every 3 or 4 years you should be looking at 10 per cent, 15 per cent, even 20 per cent sometimes. Any organisation will keep doing it. It can be technology driven. You cannot have every new innovative idea just once and people develop and they move and improve things. That is absolutely the way it goes, otherwise if you stop, behaviours go back and it just becomes routine and expenditure just incrementally creeps up, whereas if we continue doing this on a regular every year basis you will find new ideas every time. It is a positive environment because people do not want to waste money and people want to be efficient and effective. If they can do this and see they are helping the Island, helping keep taxes down, helping deliver better services, it generates its own momentum and it generates its own enthusiasm in staff. It is a good thing, I would suggest.

Deputy G.P. Southern:

It is a moot point. But if I may, yes, this latest version of the Government Plan contains an additional £20 million in 2024. Can you talk me through how come that was added to the target?

The Chief Minister:

When I say it has been there, if you think about last year's Government Plan, which was looking out 4 years, so there was £40 million for 2020 and there was £20 million in 2021 and going forward. It has been there. Again, it is a requirement essentially to balance the budgets to do that investment. That funds it. How we got to those figures is essentially the same principles as we did last time around, which was again going through and identifying. I think we did say at the time, in fact ... sorry, I do not have the sheet with me, but again, within there we have identified in that kind of slide bar the rough breakdown between one-offs. There is a capital receipt in there somewhere, which is a complete one-off, it is a cash amount, whereas you have got some which are recurring savings and you have got some which are recurring, if you like, increases in income which, from memory, comes from the tax side again, i.e. by having more rigorous and risk-based, I guess, controls, you get greater compliance and therefore you get a greater tax take. It is not about putting taxes up, it is about getting more money out of people, in other words, making sure that we are getting money out of people where we should be getting money out of people. So that is the £2.2 million, but the other £16.9 million we went through with Ministers. I think that was about a day, from what I recall.

Group Director, Treasury and Exchequer:

Yes, it was.

The Chief Minister:

So there was a day for £20 million and we did a day for £18 million, I seem to recall. We went through effectively line-by-line what Steve had prepared and, obviously I think at that point, every Minister had been through as well to say ... and had it explained to them what was achievable and so that was again about achieving that recurrent expenditure.

The Connétable of St. Peter:

On page 94 of the Government Plan you say: "Efficiencies or rebalancing will be assessed in terms of the impact on Islanders' well-being" and yet when we look at the example on page 114 of the annexe, we are told there is none anticipated. So under "sustainable well-being" all 4 subheadings are "none anticipated" and yet one would have considered there must be some impact, either negative or positive.

The Chief Minister:

Hopefully it is the right page numbering, is it, to know what we are looking at?

Deputy G.P. Southern:

The electronic version is different.

The Chief Minister:

I know.

The Connétable of St. Peter:

It could be on page 116 on my version, yes, but it should be 114 by the ...

The Chief Minister:

But unfortunately my device, as you probably gathered, has just gone into slow mode. I have been trying to get it, which is not particularly helpful. Apologies, do you mind ... do you have the relevant page to hand?

The Connétable of St. Peter:

There is not a lot to see. It says: "Impact on sustainable ..."

Scrutiny Officer:

Page 114 of the annexe.

The Connétable of St. Peter:

Page 114 of the annexe.

Director, Business Change:

"Public Services Ombudsman", is that the title?

The Connétable of St. Peter:

No, "sustainable well-being", but we will be coming to the ombudsman in a minute.

Deputy G.P. Southern:

While you are having a look, can I just ask - I could not leave this committee without having asked - what is the Chief Minister's definition of sustainable well-being? What is it we are trying to improve?

The Chief Minister:

Sustainable, at the end of the day - and I do not want to split the words - it is about it continuing, so it is not about we have got a one-off good feeling, as it were, or you have given the staff a wonderful meal on a particular day and they are feeling great. It is about having things in place that are ultimately, if you like, seen to be an improvement in the lives of whoever it is you are dealing with and therefore ... or in shape or form and therefore ... or it is either they see it as an improvement or it is improvement and slowly over time that then comes through. But it has got to be ... I do not want

to use this word. I will, because we have been using it for efficiencies all the way through. It has got to be a thing that is recurring and long-lasting.

Deputy G.P. Southern:

There is one definition of sustainable which involves: "Is it affordable?" Are we talking about affordable well-being?

The Chief Minister:

In that context, I would not say so, because that is accountancy and I think well-being is slightly wider than that. Well-being has got to be around ... it is what we have called it, particularly over the last 8 months, the well-being of the Island. It is not just is it affordable, it is about is it right and is it sustainable, and sustainable means can it be kept going.

The Connétable of St. Peter:

We can probably move on very quickly because we are running out of time, but how does the continuing impositions of efficiencies fit with your promise to prioritise the health and well-being of Islanders? I will give an example of, for instance, deferring the appointment of the public ombudsman. You state: "No analysis has been completed." Surely these delays, customer benefits and complaint handling, are areas that have already been criticised in the C. and A.G.'s report and you agree that Islanders need to be heard.

[14:30]

Basically, one of the efficiencies is deferring the appointment of the Public Services Ombudsman. Is that not in conflict with, in effect, the well-being of Islanders?

The Chief Minister:

On those, at the end of the day, COVID-19 has caused all sorts of impacts on the finances, so you had to make a decision between some of the things like investment that we need to do, and I will use the example of the I.T. (information technology) and all that type of stuff. That is around ... shall I keep going? That will be some of the stuff around making sure that essentially the Government ... you can have a different view, I suppose. Islanders may decide that the existence of the Government is not a matter for their well-being. I think I would argue that it is the other way around because hopefully you get stability of the economy, stability of the Island, maintaining essential services and all that type of stuff. As we know, we have said in the past things like underlying finance systems and things like that are not in a good state. I think you have had those briefings. You will recall as well we did a very honest briefing to Members back - and I have referred to it previously - in October/November last year, but equally, we know there have been massive financial hits projected

obviously in terms of loss of potential income and obviously the increased costs of COVID, so you have to make a decision at some point. What we have done ... and it will change, by the way, because we are not out of it yet and it is only further down the line you will have some form of accuracy or certainty about what the actual numbers look like. What we have said on the ombudsman, look, there are priorities, at the end of the day. Now, it may be that people take a different view on different priorities. Absolutely agree on the complaints side. The commitment was, because there is no extra cost, if you like, to get the legislation in place during this election term. Do not forget that has been deferred and because we have had everything that has been going on, there is a delay, but then to implement it, I think from memory it was 1st January 2024, but the aim is 1st January, so from the beginning of 2024, but it would run in effectively a shadow form in 2023 while we are setting it up. From memory as well, that delay - certainly that is what I was briefed on and I think we have referred to in in that - that allows things like health complaints to be brought into the system as well, whereas initially it was not the case.

Deputy G.P. Southern:

But presumably the plan was to bring it without Health in the first place?

The Chief Minister:

Yes.

Deputy G.P. Southern:

That I would not say necessarily went out the window, but it appears to have been thrown.

The Chief Minister:

I think the point was ... and I have to say, I understand things like phasing it through, but equally I think it would be fair to say that because Health interacts with an awful lot of people, it will be the source of quite a lot of complaints, so personally I did think it needed to be in there. The intention is hopefully the States approve it during the time between and before the elections, so it is done and in, but the actual implementation just takes place later. That is where effectively we have had to make some decisions on a whole range of areas, where we have, for want of a better expression, shifted the sum of money that has been allocated to the right, in other words, a year later. So it is a cash saving one-off that is being achieved. Now, we can have the argument and say, for the sake of argument, the income forecasts improved and you could pull it back. Can we have a look at that timing? Is there something alternatively, bearing in mind the timeframes we had to operate in to get the Government Plan in place, which had been tight? Is there scope to change it? There might be.

Deputy G.P. Southern:

So the risk of a negative impact on trust and confidence in the population is we cannot afford it at the moment. If we go back to well-being versus affordable well-being, sustainable well-being, we have got a mismatch there.

The Chief Minister:

You have to make decisions somewhere in there, so we put, for the sake of argument, £40 million into schools as was in the plan.

Deputy G.P. Southern:

So that is all right then.

The Chief Minister:

I will use this as an example: do you make that £39.5 million and put the ... or whatever, I cannot remember the number. I think the ombudsman is ...

Deputy G.P. Southern:

Good question.

The Chief Minister:

... £480,000, is it not? Do you make that £39.5 million - obviously we are talking over a long period of time - and put that extra £500,000 into the ombudsman? That is the dilemma, because arguably your better well-being is coming from better resource into education than dealing with ... you have a complaints system but we know it needs improving, which deals with a lesser number of people that are important - no, I do not mean that - in terms of quantum, whereas you are talking about the education of if you say it is 1,000 youngsters per year, 18,000 people, for the sake of argument.

Deputy G.P. Southern:

I am tempted to let you continue because you are digging a hole, I think.

The Chief Minister:

No, I am trying to say you have to make a priority judgment. That is what I am trying to say.

Deputy G.P. Southern:

I am aware that we are over time. Just one last question. It is a very specific one: can I ask, yes, how much did it cost to retain Ernst & Young, going back to the question earlier about business advice?

Director, Business Change:

In the context of the use of EY to help sight the relevant business support model, I think it is a £40,000 cost until the end of February. The belief is that is good value investment in that there has been a good negotiation around the cost of that service and also the belief that the value of efficiencies derived from that work is multiples of their cost.

The Chief Minister:

Without going into details around what individual contracts are, for the sake of argument, if you spend £100,000 on a consultant and they genuinely deliver £100,000 of savings which are recurring, it is worth doing. If they deliver more than that, it is definitely worth doing. Even if they deliver £50,000, but it is recurring, so 10 years' worth, that is £500,000 you have saved for the spend of £100,000. What we have got to make sure, we have to deliver it, not just as a report that sits on somebody's shelf.

Deputy G.P. Southern:

Indeed. You are going to be doing a lot of that in the next 4 years because it is one of your major weapons, to tidy up and play hardball with contracts to advisers.

The Chief Minister:

There will be, as we have said, in terms of a range of areas, but you have got to bear in mind that some of the skills that we do ... yes, we do some local advice, but others need to be brought in.

Group Director, Treasury and Exchequer:

Just to add to that, if I may, we do not just bring the people in, despite as described, to deliver the savings. They do. We also, in every one of these, get them to upskill our own people where appropriate. We have some really good skilled accountants, but equally we are doing some training with EY to make sure everybody gets the skills, for instance.

The Chief Minister:

I will say, I am seeing that in what we get presented with, which is different, I would argue, to where we were say 5 years ago.

Deputy G.P. Southern:

On which point, I am going to draw the meeting to a close. I am aware we have gone beyond, unless of course ...

Deputy M.R. Higgins:

I am going to throw a hardball in. Given that the chief executive is stepping down, how confident are you that the efficiencies or rebalancing programme will be delivered?

The Chief Minister:

I am going to look at Steve, but I would guarantee that will be one of the questions I get asked, but let us be quite clear. We know it has all happened in this last week. Within the teams, we are absolutely committed to delivering the changes that we need to make because, frankly, we owe it to the Island to do it because you cannot keep the system that was in place 3 or 4 years ago if you want to bring (a) employer choice, and (b) a civil service that delivers things that are fit for the 21st century. No, we are absolutely still committed to those and we have just got to make sure that we have the requisite transitional arrangements in place.

Deputy G.P. Southern:

Thank you very much.

[14:38]