



## Public Accounts Committee Scrutiny Panel

### Recurring Themes

## Witness: Chief Executive Officer of the States

Monday, 19th November 2018

**Panel:**

Senator S.C. Ferguson (Chairman)

Deputy C.S. Alves of St. Helier

Deputy R.E. Huelin of St. Peter

Connétable J. Le Bailly of St. Mary

Mr. A. Lane

Ms. M. Scott

Mr. T. Rogers

**Witnesses:**

Chief Executive Officer

Comptroller and Auditor General

Chief of Staff

Treasurer of the States

Director General for Strategic Policy and Performance

[13:02]

**Senator S.C. Ferguson (Chairman):**

You are now all going out live on the webcast. Right, welcome to this hearing of the Public Accounts Committee. Now, if I can draw everybody's attention to the following; mobile phones and any other devices please switch them off. If I am feeling vicious I will start fining you all if they go off. I would ask that members of public do not interfere in the proceedings and as soon as the hearing is closed please leave quietly. As I have said, we are being filmed and we are being streamed live and the recording will be published after we leave the hearing. For the sake of the witnesses can I confirm

that you have read and understood the witness protocols that are in front of you? I think you may have seen them before once or twice. **[Interruption]** Right, now if we start by introducing ourselves. I am Sarah Ferguson, the Chairman of the Public Accounts Committee.

**Comptroller and Auditor General:**

I am Karen McConnell, Comptroller and Auditor General.

**Mr. A. Lane:**

Adrian Lane, independent member.

**Mr. T. Rogers:**

Tim Rogers, independent member.

**Chief of Staff:**

Catherine Madden, Chief of Staff.

**Treasurer of the States:**

Rick Bell, Treasurer

**Chief Executive Officer:**

Charlie Parker, Chief Executive.

**Director General for Strategic Policy and Performance:**

Tom Walker, Director General for Strategic Policy and Performance.

**Ms. M. Scott:**

Moz Scott, independent lay member.

**Deputy R.E. Huelin of St. Peter:**

I am Rowland Huelin, the Deputy of St. Peter.

**Connétable John Le Bailly of St. Mary:**

John Le Bailly, Constable of St. Mary and P.A.C. (Public Accounts Committee) member.

**Scrutiny Officer:**

Caro Tomlinson, P.A.C. officer.

**Senator S.C. Ferguson:**

Super. One small point, can I suggest that you keep your heads up and speak into the microphone please because in the last hearing we were accused that people were mumbling. Pretend you are reading the lesson at church, it works a treat. Right, now, as you all know, the Comptroller and Auditor General has made a large number of recommendations to reform the public sector. You have been in your post as Chief Executive for over a year, Mr. Parker, and your letter dated 18th October to the Public Accounts Committee suggested as a reason for lack of immediate progress in implementing the recommendations that the public sector lacked the corporate structures and ways of working that allowed the full potential for improvements to be exploited across the organisation with any consistency. You obviously have acknowledged the need to change the culture and behaviours within the sector. Now, in view of the number of recommendations this hearing will be focusing on the extent to which, under your leadership, you and the Treasurer have implemented the Comptroller and Auditor General's recommendations with regard to the public sector's organisational culture and the manner in which you are implementing them. Now, I will just start with a small question. You have attached great importance to the Target Operating Model and have altered the structure of the States to achieve this. However, we now have a system where the public are finding it extremely difficult to reconcile the new system with the statutory role of the Ministers. When will you produce a document reconciling this?

**Chief Executive Officer:**

Well, good afternoon and thank you, Chairman. Can I just clarify one point? I have technically not been in post for 12 months. I started on 8th January just for the record but I get the point that I was doing some work in a dual capacity before my formal start date but only for the record and I get the sentiment. You will be aware that what was agreed previously by the Council of Ministers was that we would continue with the introduction of the new Target Operating Model for the purposes of the public services but that Ministers would bring forward proposals in reference to other sides of any potential changes to determine whether they would wish to change the portfolios for Ministers. It was always accepted though when P.1/2018 was debated and the proposition was discussed with the Assembly that the organisational arrangements for the public service are not necessarily to be directly correlated across for Ministerial roles. The nature of the One Government approach is to create some flexibility which enables departments to work across the organisation, not just up and down. So by way of example if we were to take G.H.E. (Growth, Housing and Environment) there are 4 Ministers associated with that portfolio but that does not stop the work for the Minister for D.f.I. (Department for Infrastructure) or the Minister for Environment or for that matter the Minister for Economic Development and Tourism for operating in the way that they would normally do so. So I understand that the Chief Minister is intending to bring a proposal back around the ministerial portfolios but the organisational framework that we have been rolling out does not require that change to be made if Ministers chose not to do that. I do not know, Tom, whether you want to follow

that up with some of the work that originally came out of the P.1/2018 proposition for the Machinery of Government.

**Director General for Strategic Policy and Performance:**

Yes, and the philosophy behind the changes was to integrate the public sector and, therefore, enable the Council of Ministers to work more as a team and to work on cross-cutting issues and to work together to address some of the problems that the Council want to tackle over the next 4 years. So the structure of the public service is not intended to correlate on an exact one-to-one within the ministerial portfolios and, as the Chief Executive says, that in terms of ministerial portfolios the Chief Minister has done some work already with bringing forward a Minister for Children and some initial changes which is made by order and then my understanding also is the Chief Minister proposes to make some further adjustments to ministerial responsibilities along of the lines that he outlined at the time of his election and that will be published in the form of an order for comment by the Assembly in line with it all.

**Senator S.C. Ferguson:**

Okay, thank you, right. But how are you going to deal with the conflicts which exist in the new system? For instance, I notice that John Rogers, the Director General of Growth, Housing and Environment, is responsible for Property Holdings, which makes applications for developments, and he is also responsible for planning, which approves applications. Now, is there not an element of conflict of interest there?

**Chief Executive Officer:**

There is not in my professional opinion a conflict if you have the appropriate codes of practice, which are being prepared at the moment in conjunction with the Attorney General. My sense is that you can separate out your regulatory functions, which is why we have a regulatory body, which therefore can stand outside of your more strategic or operational requirements. If you go back to the previous model while planning was a separate function it was held within the environment portfolio, you could still bring forward from the environment portfolio planning applications but you just have to separate out the way in which you handle the governance of that. Similarly, if you are looking at other enforcement, whether it be building control or whether it be about food standards or noise standards or licensing, they sat in different departments; it did not preclude the ability to be able to ensure that you discharged your responsibilities in the right way. However, we are going to bring forward some very defined operational arrangements to ensure that the integrity of any decision-making process is maintained in a transparent way to assure members of the public and also Assembly Members around that as part of the arrangements for the next phase of the Machinery of Government.

**Ms. M. Scott:**

You were saying that the codes of practice are being prepared in conjunction with the Attorney General so is there perceived role in it for Ministers in respect of resolving conflicts of interest there?

**Director General for Strategic Policy and Performance:**

Perhaps if I could just add on the planning point, the essence of the planning system is that the Island Plan is agreed by the Assembly. Planning policy is determined by the Minister and then applications are assessed against that. It does not make any difference whether you are a public sector or a private sector applicant, your application is assessed the same and so planning should always be applied consistently in line with the policy and in line with the Island Plan.

**Ms. M. Scott:**

Can I just point out that unless you have 4 objections currently the planning application is decided by an individual planning officer?

**Director General for Strategic Policy and Performance:**

Yes.

**Chief Executive Officer:**

But there has always been delegation levels set around planning applications with this new model so it is not new to the model and there is guidance around that. So going back to your original question, is there opportunity for Ministers to make the decisions? Of course, but they will delegate certain decision thresholds.

**Ms. M. Scott:**

But surely you need some sort of protocol. We are talking about an example where say you put in an application for a new hospital. Now, chances are there may well be objections but if you do not you have got your planning officer who is making a decision that basically he knows somewhere up the line his boss wants that site to be approved.

**Director General for Strategic Policy and Performance:**

By way of example, I remember about 12 to 18 months ago Mr. Skate(?) himself had to submit a planning application for his own private residential home and that was dealt with by his officers without fear or favour and I suspect they probably gave him a really hard time because it is the kind of thing that they knew would be looked at. That did not get waved through because he happened to be a senior officer in the States and it should never ever happen.

**Chief Executive Officer:**

But to pick up on your point, I do not think the hospital decision would meet the threshold for it to be determined by an officer.

[13:15]

In the particular case, we currently also are awaiting an inspector's overriding position and view which then allows a process to follow. So if you recall in the previous arrangements the inspector for determining the hospital suggested that it was not compliant and the Minister followed the inspector's guidance but it was a ministerial decision. It would never have been an officer decision.

**Senator S.C. Ferguson:**

Okay. Time is short so can we move on and it is dealing with resistance and barriers to change which is ...

**Ms. M. Scott:**

Indeed. I was just going to ask about communication with Ministers though. When you were talking about this protocol for conflict of having the Ministers in a separate area with portfolios overlapping that the public might have formed the impression that there is not, perhaps, the communication with Ministers by departments in the way that there perhaps might be. I just wondered if you wanted to comment on that in terms of the protocols within the department.

**Chief Executive Officer:**

As far as I am aware. I am not aware that there is any shift or change in the way in which Ministers would be supported. If anything we have tried to increase the level of support through the introduction of the Ministerial Support Unit to enable there to be across the piece consistency for arrangements to ensure that they are getting the right level of administrative or business management support. In addition we have now brought the policy functions together to give, I think, more comprehensive policy advice to Ministers to enable them to see the consequences of any decisions they make in a particular set of circumstances that may have some unintended consequences elsewhere in the public service. The nature of that cross-cutting does not stop individual Ministers making a decision around roads or around health or around social security but if you bring forward a piece of legislation and/or if you are looking at something around the operational impact we think that we probably, over the next period as we develop further the One Government model, should be able to provide more comprehensive support. So Ministers should, if anything, have a better level. Now, that is not to say that we have not got some teething problems because we are going through the changes at the moment and for some areas we have not fully staffed up, for other areas we are in the throes of making some changes where individuals are coming into the organisation and in other areas we have new support arrangements which have

been staffed up on an interim basis while we work through the permanency. So there is going to be a little bit of settling down that needs to take place around the introduction of some of these new arrangements.

**Ms. M. Scott:**

So like the Minister for Environment knowing who is working on the Island Plan?

**Chief Executive Officer:**

I read with interest the Minister for the Environment's comments. It was an interesting conversation I had with the Chief Minister at the back end of last week because we were having that conversation. We know that we have planning policy colleagues who are now part of the policy team that are working on the Island Plan. We have also got submissions for additional support, which the Minister has asked before, because he wants some external capability to be brought into that; all of which is going through. So I am sure when I see the Minister for the Environment I will be able to better understand some of his concerns but from my perspective the capability and capacity of the planning policy function has not diminished in any shape or form.

**Ms. M. Scott:**

Yes, it was a question about communication. I am just coming back to the possible conflicts. You also have the Director General of Growth, Housing and Environment heading up a department which is responsible for regulation as well as potential ...

**Senator S.C. Ferguson:**

I think, with respect, we have covered that. Can we just crack on with the barriers to change?

**Ms. M. Scott:**

Okay. So given that unwillingness to acknowledge failure or to fail fast can be a barrier to change how do you propose to acknowledge any failures in your objectives moving forward and to encourage others in the public sector to do so?

**Chief Executive Officer:**

I would be interested to determine what we mean by failures but overall we are going through some very big changes at the moment. It is inevitable that that is going to create some uncertainty and it is also going to create some real challenges for the organisation as we move through that. We have got some really good people. We are working with those and with the teams to be able to look at the way in which we change some of the working practices to enable us to deal with the changes and the challenges that we are going through. As part of that we are constantly getting feedback from staff around those areas where there are issues and concerns, which we are trying to act on,

so that there is a regular communication at a number of different levels, whether that is at senior levels, whether that is through one-to-one sessions with departments, whether that is through floor walking that the director generals are involved in to get feedback, whether that is a staff survey, which we have introduced for the first time in 10 years, whether that is through other feedback loops that we have put in place over the last period. As part of that where we need to make some changes to approach we will do that. A good example is we listened to the concerns raised over the introduction of workforce modernisation and we have taken that off the table now. We still have a lot of activity to get through to determine whether we can get a successful pay agreement with colleagues from the trade unions but it was an important point where the trade unions were giving us very clear information, and the staff concerned, about a process that had been worked up over the last 4 or 5 years which needed to make changes. The survey that we have got from the One Gov survey that we did for staff has given us a benchmark of what we need to do to improve and understand over the next period to determine whether we are meeting the concerns raised by staff. So a good example again is, the way in which customer services and the feedback of how we did that in the States and the fact that it was quite piecemeal and separated across a range of different venues and departments. One of the things that we have done now is we have consolidated that into a single department with oversight for the introduction and rollout of a more standardised process for dealing with customer concerns, customer services and they are in the main being co-located in a single building. These are the way in which we are starting to listen and learn from some of the feedback that we are getting. That is not to say that we will get it all right because inevitably with this level of change there are going to be areas where you just genuinely do not see things coming.

**Ms. M. Scott:**

I do not think that there is any doubt that you are not going to be perfect. Nobody is perfect straightaway. It is about acknowledging whether something is not working and changing it quickly, which perhaps has not been a feature of government as some people understood it before you came.

**Chief Executive Officer:**

Just one thing, sorry, to just make the point. The other thing is here, we are going through some very significant change where you have to hold your nerve and when people are not used to that level of change, personally affected by it, and the organisation is having to go through it, one of the experiences I have had over the last 20 years is, do it quickly because staff appreciate that in the end. They do not like it being protracted and that you stop and start. They would rather that you, in effect, get the pain out of the way early so that you can then start to stabilise the workforce and take forward the improvements that you want to make across the organisation. I think that is the key bit of learning that I have experienced going back over a long time. Here, because this is quite a

different programme of change, of course we have had a number of false storms in the past where the organisation has said that it was going to make changes, did not follow it through, did not lead it. If we are going back to the question that I think you raised at the beginning, Chairman, if we are going to learn from the C. & A.G. (Comptroller and Auditor General) and any of those experiences where I think there is one message, which is that consistently we have repeated the same mistakes or we have not taken the opportunity to learn from something that has been given to us in the form of a report and then ensured that we embed that into the organisation's culture these are partly where I think if we are going to affect proper change and maintain it and deliver it we are going to have to just take our time and follow it through. That is not to say we will not learn. Your point is a good one about communication but this is a key moment which, I suspect, for people who are worried, not been through this and are not used to it will be quite uncertain but we are getting some encouraging communication back from staff who are saying: "Here is an opportunity which we are welcoming as well." So there are some green shoots in this period of people beginning to register and recognise the benefits of change.

**Senator S.C. Ferguson:**

Super, thank you very much. We do have limited time. There may be time at the end to add the extra questions. Now if we can look at silo mentalities please.

**Mr. T. Rogers:**

Thank you all for attending. I am interested in this challenge of style versus substance and personality versus process, which is obviously prevalent in any cultural change programme and I wholly agree with your assertion perhaps best put by Churchill: "When going through hell it is important to remember to keep going." To what extent do you feel the siloed culture has been due to the demarcation of ministries?

**Chief Executive Officer:**

Well, I think I am on record as saying that the way in which we previously were organisationally set up to reflect that and the mechanism by which the corporation's soul went through from the Assembly to the Minister and to the chief officer in departments did, I believe, complicate the ability for the States to work as a single organisation. I think there are quite a lot of examples that I could point to to highlight that during the due diligence work that we undertook, which did start 12 months ago, Chairman, to highlight where I think that happens. The fact that the organisation, by default, created a lot of duplication within its structures: so there were finance teams everywhere: there were H.R. (human resources) teams; there were I.T. (information technology) teams and the list could go on and I am sure the C. & A.G. will point to that in some of the reports that came out. These exacerbated the ability for departments to be able to go it alone and not learn from the pressures and problems of the past and also, dare I say it, on a number of occasions, to commit to some quite heavy levels

of expenditure on items where they duplicated. So a very simple point to highlight that was licences purchased for I.T. equipment. So you could have department A that would have kit and licences that could have been used in department B and C but instead department C decided it would go buy its own and it would replicate the purchase of licences and therefore you were wasting public money. It is a very simple example but that on a much bigger scale occurred across the organisation I think in a number of areas.

**Mr. T. Rogers:**

Thank you. I am conscious of time and perhaps ... and you have offered some examples ... we could follow those up perhaps in my team but that is a very helpful reply, thank you. Do you believe, therefore, then that this change in reporting line will create a change in behaviour?

**Chief Executive Officer:**

Organisational structures alone do not change behaviour. They can help improve and they can make things easier and I suspect that over a period of time, as people get used to it and bed in, it will create greater levels of collaboration. The real thing that changes behaviour though is how you look at the culture of the organisation and what you do to support a different way of working and that, for me, is the single biggest challenge that we have got to do. It is about leadership. It is about culture, behaviour and the ways of working that we have to deal with on a human scale rather than just say: "We are in department X or box Y or building Z." We can make those changes, which I think will be ultimately beneficial, but you have got to underpin it by changing the organisation's culture and the way in which it behaves.

**Mr. T. Rogers:**

That is very useful and being just 11 months in one would hope to see some change but not necessarily having completed the process, I recognise that.

[13:30]

To what extent do you feel, therefore, that this silo mentality still exists?

**Chief Executive Officer:**

Well, it is there and that is going back to the question that I think was raised by the previous questioner which is, people who are used to a way of working and have worked in that way for decades will take time to be able to make the adjustment. So we are still seeing aspects of that every day but we are also seeing quite a lot of other behaviour shifts starting to take place. A good example of that, I think, was the development of the recent published C.S.P. (Common Strategic Policy). So for the very first time it was not developed in splendid isolation by a number of people

in a policy department working with one or 2 Ministers and then it came to the Council of Ministers for a debate and then got endorsed. This was a radically different way where it was agreed and worked through with the Council of Ministers that we would approach this by setting up various cross-cutting themes where different Ministers from different portfolios sat together to look at key issues and it might have affected Minister D.f.I. or Social Security but if there was a common theme that they would do that. We had officers pull together from across the organisation to create virtual teams to be able to support that process and we worked through in a collaborative way with the Council of Ministers for the preparation of that document which has, I think, been quite a break from the way in which that has been prepared in the past. I do not know, Tom, if you might want to highlight a bit more around that.

**Director General for Strategic Policy and Performance:**

Yes. This time round we had the opportunity to take a fully joined up approach. So in the past it might have been that we would have written a theme for each Minister and that would have been developed in a very mechanical way following the portfolios. This time the Ministers were really interested in an approach where they worked as a team and as sub-teams looking at big cross-cutting issues and working their way through that.

**Mr. T. Rogers:**

Thank you very much indeed. I have to say I commend the document. It is an absolutely well written document and you made a point, it is an example of the changes, the breakdown of silo culture. You talked particularly there from a ministerial point of view of what could you point to with you and your senior team as examples of things that are going to bring about this change in behaviour? You have talked, for example, of this as a management by walking around. I think that is a good example. Could you give me a couple of others that, say, in the last few months are really symbolic of the changes that we can expect to see more of?

**Chief Executive Officer:**

Well, I think there will 3. The first is the way in which we have dealt with Brexit, which has been an organisational response to the challenges that we have as an Island. Whether that is by trade, economics, contingency planning or through some of the key parts of, how do we position ourselves both in respect of facing the U.K. (United Kingdom) and Europe? Now, we had started that work before I came into post so it is not been something delivered by me and me alone but it is an example of where the changes that we have made have been exemplified by the working across departments in a single line of communication through to a team, which has been made up of secondments in effect in a virtual way from across government reporting to a subset of the Council of Ministers, which is jointly worked through with the Minister for External Relations and the Chief Minister and then has been played back in diplomatic circles using colleagues for negotiations at whatever level.

That is one established process, which I think has been further enhanced and developed and is a good example of what has worked well that we can build on for the changes we are making. So it also highlights that this is not all about just bringing in the change. We are building on things that work because we have good people in this organisation who do good things and where it does work we want to enhance and develop that. The second big area for me is around our response on children. The introduction of a new department but also a Minister for Children and the focus that the response to the Ofsted and the Children's Commission's review of Children's Services has for the first time been seen as a government priority. Before I came, and I stress this is one example where there is a difference, the response to the child abuse inquiry was dealt with and seemed to be the responsibility of a single department. I made the point before, and it has publicly been made clear, the item never came to the chief officer's management group for discussion and yet it was one of the single biggest issues that affected this Island. When I first came it was not until February 2018 that we had a corporate debate across departments about what our responses should be to what has been one of the most significant shifts facing this Island. Taking that forward the preparation of the Children's Services Improvement Plan and also the subsequent response to the inspection and the commitment that has been maintained in the C.S.P. as an example of it is now seen as everyone's responsibility, whether it is from a financial point of view, a policy point of view, whether it is the social workers or whether it is how we support social workers to be recruited to the Island. That has manifest itself in a very different approach to the Improvement Board and the way in which it is being discussed at every management team and forms part of individual and managerial ways of making sure that the improvements that we have talked about are going to be embedded into the organisation. The first by-product of that was corporate parenting and the fact now that we have a corporate parenting policy, which is going to come forward for Assembly Members, for officers, which is across the organisation and our responsibility individually and collectively is an example of where that sizeable shift has taken place which I think will be important.

**Senator S.C. Ferguson:**

I am sorry if I am cutting you off but I wonder if we could have fairly short answers where possible because we do have quite an area to cover unless you would like to stay here until tea time.

**Chief Executive Officer:**

I just thought it was important for thoroughness. My third area, which we will no doubt come to, is the way in which we are now going to respond to the C. & A.G. work and we are happy to talk about that because I am sure there is going to be some individual questions if you want to bring it up later but if not I can deal with it now because the C. & A.G. piece is another example where I think you are going to see a shift.

**Senator S.C. Ferguson:**

Super, right.

**The Deputy of St. Peter:**

Good afternoon. On cue, the previous C & A.G. reports have recommended enhanced focus on the use of K.P.I.s (key performance indicators) linked to corporate objectives. Let me give you an open question here. Can you please share with us what progress and changes you have made against the backdrop of the C. & A.G.'s recommendations?

**Chief Executive Officer:**

Around the use of K.P.I.s specifically?

**The Deputy of St. Peter:**

K.P.I.s, yes.

**Chief Executive Officer:**

Yes. So in the same way that the Chairman referenced the letter on 15th October you will have seen in our response that we are not quite where we want to be around the introduction of K.P.I.s across the organisation and I think it is fair to say that that is an area which is still work in progress. I am going to ask Tom briefly to come in on some of that at the moment. In terms of the relationship back to the C. & A.G. reports though and the way in which we can get better cross-departmental responses and what K.P.I.s and measurements that we are going to use in respect of that, can I ask the Chief of Staff, Catherine Madden, to just talk a little bit about that?

**Chief of Staff:**

Okay. What I am now doing is having regular chats with the C. & A.G. with Karen and not just around particular reports but they are about fortnightly meetings we have where we can discuss any issues, iron out any issues that Karen may have or I can seek explanation for where we think the reports need to go or what the recommendations should include. We are also looking at forward planning so that we are using the C. & A.G. as an enabler to improve what we do. So it is about forward planning as well. In terms of the responses back I fully appreciate the issues that there have been and I have had a discussion with Karen and we have just developed a protocol which we were going to take to C.S.P. which is about how we respond to C. & A.G. and P.A.C. reports around recommendations and we have got timeframes around that so that there is a clear route map that all the director generals and all officers will be able to follow. In terms of where there are reports that are cross-departmental and where I think perhaps in the past there has not been the right leadership in terms of who is taking ownership for that we will be then be allocating a director general to lead on behalf on other director generals in terms of pulling that work together. We will also have officers across those departments leading on particular work themes as well.

**Chief Executive Officer:**

So going on to the K.P.I. piece, because I think there are 2 levels to K.P.I.s. One is, what is the way in which we are going to be able to ensure that we keep to the recommendations being delivered and the way in which therefore we have a monitoring system on the outcome of any C. & A.G. report or indeed moving forward internal risk and audit report because that is the other side of this because I think we have not necessarily used that process in the way that you would expect. If I am being honest I think the relationship has, in the past, been seen by some colleagues as being quite adversarial and critical rather than understanding that the C. & A.G. and the process of audits and the work, for example, of this scrutiny committee and others is about being a critical friend and supporting us to make improvements and ensure that those improvements are embedded. So we have had a patchwork approach to K.P.I.s which has meant that regrettably it has not been a focus outside of an individual report and how you would respond. So the learning from that has not been understood. As has just been articulated, we are going through the changes for that and a good example is probably ... I know you have not had it yet but you are about to get ... is our response to the governance review that took place in the Department of Health, which the C. & A.G. has been fairly critical of the way in which we have previously conducted our business. I think it is fair to say that we have approached the response to that in a very different way which is going to now become a more standard approach, which is earlier engagement with the C. & A.G. around the report in its draft format, an agreement as to how we are going to take forward each of the recommendations with a system that will show a reporting mechanism back on the priorities and the K.P.I.s, whatever they may be, and how that will then be reported back here and taken forward. Without putting words in the C. & A.G.'s mouth I think it is the first time that there has been a proper dialogue and an engagement in a way that has shown that we are embracing the opportunity to make the improvements that we need to arising out of the report and we have established a mechanism to be able to report back on the K.P.I.s that will be required from that. So that example, we are now going to roll out, has just been expressed across as a standard template that we are going to do for each department. Now, I know that you have recently had a couple of reports where you have been singularly unimpressed with the responses and I am alive to the challenge particularly on the property and asset management session and I think that is an example of where, for want of a better description, things happened in a particular way which going forward I do not expect that to be the norm. So the fact that it is going to come back to my management team regularly, the fact that it is going to be shared across the organisation, the fact that there will be a monitoring arrangement for the K.P.I.s and the fact that that is going to be reported on as part of our risk assessments in the way that I just said links back to the internal audit and risk review, which the Treasurer will be taking a keen view on, I think is an example of those changes.

[13:45]

But there are other K.P.I.s which we are now bringing in about the overall performance of the organisation which I think, quickly, is probably worth you hearing about because these will be fundamentally where you will start to make the assessment on us from the Government plan through to an annualised process where you will be able to have direct measurements on the performance of the organisation with accountability lines but it is much more about moving towards an outcome framework rather than a throughput arrangement.

**Director General for Strategic Policy and Performance:**

If that is okay it might be worth just outlining what we are planning to do in terms of our performance management overall and how that dovetails in with the culture change work as well if that is helpful. So in the old system there were pockets of good practice around performance management within individual departments but that was not generalised and so we have taken the opportunity in the new organisation structure to put in place responsibility for performance management overall so the rest would need to make sure that there is a good and rigorous system in place. It also means that we can, for the first time, take a much more corporate and structured approach to performance management. So what we are intending is to adopt a tried and tested methodology, outcomes based accountability, which is a mixture of outcome based measures, so have we kept the community safe, have we improved people's lives in specific ways, combined with service based measures combined with milestones. So if you were take an example around safety and security one of the things that we need to achieve as a public service is fire safety so we need to make sure that we minimise casualties and fatalities from house fires, domestic fires. So that is the outcome that people expect us to achieve. There are then service measures, which were around things like response times, so are we hitting things like the 12-minute response time? Then there are milestones around, we might need to invest in an improved high-rise ladder; that needs to be done in certain years but to be done well. We have to manage that well as a project, so that is what we are aiming for. There are 2 different main challenges in doing that, one is around the data and the quality of the data because if we start with the outcomes and the measures that we want, rather than just the data we have got, then obviously that has started to highlight gaps where perhaps we do not collect a key piece of information that we should be collecting and we need to fill that gap. Also, there are data quality issues in some areas, so some areas have very good quality data, others it is much more variable. Alongside that there is the more cultural challenge, which I know you are interested in, which is around, do we have a performance management culture within the organisation? A theme within the cultural changes around improving that as well.

**Senator S.C. Ferguson:**

Thank you very much. Karen, I think you have had a ...

**Comptroller and Auditor General:**

I think it might be as well for me to respond to the Chief Executive just in terms of putting words into my mouth. I can confirm that I do think that the response we have had on health governance is a significant improvement. I would like to say I have had engagement in the past but there has been engagement with officers and they have responded. It has been the nature of the engagement that I think that has surely shifted. In terms of health governance, in particular, it was the fact that the Director General was really trying to understand from an early stage the big issues that I was trying to raise. The focus of the discussions was very strongly on the actions that were going to be taken and the speed at which those actions were being put in place. Also, in terms of forward planning, we have meetings going forward as well where I would expect to be able to see the actions that he has been describing to me, having an opportunity to see how those are going to be put in place. There has been engagement; I do not want people to think that, as I have written reports before, there has been none. It has been the nature of that that has shifted.

**Chief Executive Officer:**

Yes. If I gave the impression that people had not engaged, that is not right. Indeed, there are some areas where we have got some direct examples of where we have taken on board some. I do not know if Richard will say about the finance function where there has been some work from the C. & A.G. which might help you some of the K.P.I.s.

**Treasurer of the States:**

I am assuming it is going to a question area. However ...

**Senator S.C. Ferguson:**

Do you want to go?

**The Deputy of St. Peter:**

Can I just continue on the K.P.I.s? Thank you, it is by nature what we do is to check and measure what is going on with our public finances, so look forward to more of that in a quarter's time. However, can I just explore, there has been a lot in the press, the media speculation about your own personal K.P.I.s? It is not for us to ask about those specifically, however, how will those fit into the framework change that you are envisaging? How will they link?

**Chief Executive Officer:**

Yes. There has been quite a lot of communication around my performance framework. I would stress that the previous Government did set some performance targets for me to achieve in the period leading up to the general election. But there was always the caveat that they would then be available for whoever formed the new Government to determine that going forward. That process

is being undertaken by the Chief Minister in conjunction with an independent assessor and there is a new process by which that should enable the targets to be set and published in a timeframe of his making. I think though the key bit is what we are about to do is set a whole series of new appraisal arrangements for officers across the public services for 2019. I think, again, this has probably been reported on in the past, a variety of approaches to performance management. It is not consistent; in some areas it does not exist and we needed to codify that. Going forward, all appointments that we have been making are set within a framework now for outcomes that are expected by individuals in their roles, depending on where they sit in the organisation. From that in 2019 there will be a transition year where appraisal targets are going to be set against the C.S.P. and the Government's priorities. Alongside that you will then, picking up Tom's earlier contribution, have your departmental and almost business unit target, so that you get that golden thread so that we are not ending up with people having an appraisal based on something that someone has set in a vacuum without ...

**The Deputy of St. Peter:**

Can we talk about yours though, please?

**Chief Executive Officer:**

Finally, from 2020 that will be consolidated because the States Employment Board has asked and significant work has been undertaken around performance and appraisal and that system and process will be endorsed through this 12 months and then go live from 2020. You said about my appraisal performance, the areas that I was asked originally when I first came in were as follows: the first was around completing a due diligence of the States to ensure that there was an evidence base from which any future decisions were made. Second, upon the implications of the due diligence, was to establish a new organisational model and to launch that operating model within the first 6 months of my appointment. The third was to review the culture and behaviour around the organisation because there had been investment in some senior leaders but not across the organisation. There was a distinct view that the culture of the public services needed to be completely revamped. I was asked to develop a process for dealing with what was seen as a deficit around that and to take forward and bring forward arrangements for how we were going to address that. Part of my targets was to increase and improve the level of engagement with external stakeholders because it was felt that the previous Chief Executive had been very internally focused. It was important that the public services reflected and related back to the Island as a whole. Finally, was to start the work around the assessment for the overarching financial position of the public services and where and what potential efficiencies may be made from a financial point of view to ensure that the Medium Term Financial Plan was delivered for 2019. Those were the headings or the themes that were set by the then Chief Minister ...

**The Deputy of St. Peter:**

Were they measureable?

**Chief Executive Officer:**

They are measureable in a number of different ways and the outcome of those in part C from the 6-month report that I prepared and there were a series of actions that you can see that were delivered. For example, we did the due diligence within 3 months. We have organised and established a target operating model and then we have rolled it out and we have started to do that, which was in the first 6 months. We have undertaken that review, the culture, and we have made recommendations, which has seen the appointment of a partner to work for the States and I can go on evidence to that. There has been, despite perhaps some of what has been raised in the press, very clear targets that have been set. Go forward, you will see that there is a roll through of targets but the Chief Minister has a different approach and they will be made public at the appropriate time.

**Senator S.C. Ferguson:**

Thank you very much indeed. Right, Adrian ...

**The Deputy of St. Peter:**

Can I have one more?

**Senator S.C. Ferguson:**

No, I am sorry, you will have one at the end if we have time.

**The Deputy of St. Peter:**

It is relevant.

**Senator S.C. Ferguson:**

No, I am sorry. Adrian.

**Mr. A. Lane:**

Thank you. I felt my sails have been slightly deflated around the comments already on the relationship with the C. & A.G. and the intention to tackle some of the outstanding points from past reports. I guess it would be helpful just to baseline where we stand today in that respect. What is the stock of actions that remain outstanding from previous C. & A.G. reports, please? How many actions have been raised by the C. & A.G. that have yet to be cleared?

**Chief Executive Officer:**

Hundreds. I think the point I am making very clear is that we have got a whole raft of them that we have not dealt with. What we did previously in this year was to categorise them into 6 areas and we

are working our way through them. But there are probably hundreds of recommendations, if I am being honest, which had not been implemented. Do you want to pick up on some of the detail?

**Chief of Staff:**

Yes. What we have just completed is basically migratable, those recommendations, so we have logged all the recommendations in one place, which sits with the office of the Chief Executive. They are migrated in terms of limited progress, progress, blockages, so we are looking at blockages as well. They have got an officer assigned, a director general assigned to them and they will form part of what we call a quarterly review to C.S.P. The first one will be ready in February, which we can share with you. But that does not mean to say that they will not be discussed at management team either. Because they sit with me now and they are constantly being updated, so it is a live document. If there are any exceptions or exemptions or any issues, we will flag those with management team and I will do that as part of what we call ... we have a standing item called key issues, so I will flag that there. If the Chief Executive thinks then that he wants to have a further discussion at the following Executive Management Team, we will produce a report for that.

**Mr. A. Lane:**

That sounds like good progress. Is there a plan for when that backlog is then cleared in that case?

**Chief of Staff:**

We are working our way through it. I cannot say when it will be completed. Yes, I can come back to you on that because, clearly, I have just been shown, it was the beginning of last week, the full recommendations on the system for you to approve so that we make sure that we are looking at it. But I can write to you with that, if that would be helpful, in terms of the various themes.

**Mr. A. Lane:**

That would be very helpful and perhaps even the report itself about statuses.

**Chief of Staff:**

Yes.

**Treasurer of the States:**

Just on that topic, just categorise it, we have mapped finance transformation and other work we are doing in finances. We have seen the C. & A.G. recommendations and seen how they help, not entirely addressed, but help to address those recommendations.

[14:00]

The transformation work, including the new Public Finances Law and a manual, as well as a new frame-working terms of investment and business cases, will assist in tackling or addressing 110 directly and 80 in part through the finance transformation, yes, the work we have got going on, which will include the Government plan. I was going to ... you are going to stop me there now but I will try. I was going to talk briefly on K.P.I.s in terms of what you will have seen already and it probably went a bit amiss with the election happening at the same time, which, the Chief Executive, his list, in terms of timeliness of reporting. But 2017's financial reporting accounts will, to those who saw it, not go amiss, that it was not just about the finances this year and there is that thing about you need to report about it for people to get interested in it sometimes. Outcomes and K.P.I.s were heavily focused in the annual report and accounts for 2017 and that will be a feature that is repeated in this year's annual report. The focus there, I keep correcting myself, is talk about an annual report. Previously we talk about how much we spend and thereby reporting about how much we spend, it is unsurprising that everyone only talks about how much we spend, not what we have done with that money and outcomes of people that we have assisted or what the outcomes that have been driven by that money. This year's annual accounts and last year we did that ...

**Mr. A. Lane:**

I think we will look forward to seeing those and having conversations about the direction and travel in that respect.

**Chief Executive Officer:**

Just on the finance, there is a programme which is systematically dealing with the backlog of recommendations of which a substantial part were in finance. When I said earlier we had not necessarily implemented them all, which I think is the key point, this is a good example of where we are working through a set of thematic recommendations which are critical.

**Mr. A. Lane:**

Let us turn to that example and so I have a report from the C. & A.G. from 2014, I think, in respect of financial directions. I think there were 13 recommendations there and it is not important the specifics of those for this discussion but at the time there were no action dates and no pre-allocated responsibilities. I am not sure how much progress you have made so far but perhaps you could just start with why there was no commitment to action at the time.

**Treasurer of the States:**

I cannot remember that far back as to why. I would say that there was a personal line in part of the organisation to have a very clear, genuine intent for improvement. There have been many conversations between myself and the C. & A.G. throughout that period. We have made some changes to financial directions and we have others in draft. In cases where they are in draft but

have not been issued they have been issued in guidance to officers. Why they have not been delivered to the extent I would like to have seen comes down to the very things that seem to attract attention now and, with hindsight, easier to see. Firstly, resources, and I am guilty of thinking and believing that we can deliver these things off the side of our desk, rather than putting our hands up and say we need considerable sums of money to achieve these things. Less are related to financial directions but culture and structures plays a huge part in that as well. If I was to move from financial directions to a single finance function, and I have had many conversations with the C. & A.G. on this as well, we got to a position where we believe we should have a single-finance function; it was a recommendation of the C. & A.G. I have not always held that view, back to the time before I was the Treasurer I fairly quickly came to that view once I was the Treasurer and became the Treasurer. But that was not a view that was held across the organisation. It was not a view that was held within the 6 finance functions of the States. It was not a view held and is recorded publicly in hearings of a previous Public Accounts Committee, held by peers of mine at the highest level in the organisation, against that which describes the culture of not wanting to create a single-finance function. It would seem to have been a doomed project, in addition to which prior to the P.1/2018 changes, it was not clear that you had a structure and just before that pointed up to the top of the organisation in terms of financial management it stopped at the heads of each of those departments. The approach we therefore took there, not as quickly as would have liked again, would be to undertake an assessment of financial management maturity. The rationale for doing so was to get a view that was not just the C. & A.G.'s view but was to attain a view that was not a view developed with a partner but that came from within the organisation, so that the organisation could start to earn the recommendations and the outcomes arising from that report. We started that process of appointing a partner in the summer of 2017 and we were, by August, in a position to move forward. The gentleman to my right came along shortly after then and talked about due diligence report. We put that on hold while the due diligence was undertaken and then we moved forward with that report immediately thereafter. That has changed the organisation towards a more commonly held view that we need to have a single-finance function. Without that position culturally, in that respect, in that particular recommendation from the States, we could not have moved forward.

**Mr. A. Lane:**

How will you, I guess, light a fire under the idea to clear these items?

**Chief Executive Officer:**

We have started that. I think the point that is being raised is there is now a dedicated responsibility with the Chief of Staff to look across the organisation at all of the outcomes that come from the C. & A.G., as well as by the relevant departments. In addition to that, there are action plans and designated named individuals who would take responsibility for the improvements. We have now set a benchmark, going back to the previous conversation and questions around the standard that

we expect for that. There is quarterly reporting of that that goes back into the management team and, in addition to that, there is a discussion that regularly takes place with the C. & A.G. around the progress of what we are doing. There is a partnership approach. Finally, behind all of that, we are looking forward, as well as backwards. We have had a good conversation about, what is the work programme going forward for the C. & A.G.? How do we compliment that with the work of the internal risk and audit functions, to be able to do things that we think we need to do? What we will see going through over the next 12 months, and it will take some time, is the clearing of the various recommendations in the way that I hope Catherine made clear earlier. The point about the finances; that is the bulk of them.

**Mr. A. Lane:**

Timings, Mr. Parker.

**Chief Executive Officer:**

I am expecting over the next 12 months ...

**Mr. A. Lane:**

You remained owners and clear ownership of action.

**Chief Executive Officer:**

Yes.

**Mr. A. Lane:**

Is there timing against each one?

**Chief Executive Officer:**

Yes, there is. Sorry if I did not make that clear.

**Mr. A. Lane:**

Thank you.

**Chief Executive Officer:**

There are some issues where the historic nature of them might mean a change. A good example is we are rewriting the finance laws and directions that are needed for a modern public service. This is because we have layered, I think, Chairman, you would have had this conversation last year, on top of existing legislation activity that in the end becomes counterintuitive. The law does not allow you to do certain things; we are changing all of that. Some of the recommendations will fall away

because of things like that. But where we can go back to the promise made, we will bring forward a very clear response for you to be able to see that going forward.

**Senator S.C. Ferguson:**

Thank you. John. Connétable, I am sorry.

**The Connétable of St. Mary:**

Yes, but, Mr. Parker, the problem with being last in the questioning is that most of my questions have been answered.

**Chief Executive Officer:**

I am sure you will have some more. This process is never ending, I suspect.

**The Connétable of St. Mary:**

To what extent have weaknesses in information and communication technology been a barrier to actions?

**Chief Executive Officer:**

I think there are 2 bits there. First off, there has been, I think, a problem about the way in which we have invested in I.T. and all the sort of data that you need to make good decisions. It would be fair to say that going back to the original question about how individual departments could make decisions and expend money, the fact that there was not an oversight of how and what to prioritise for I.T. investment, where you would be able to get systems and processes to talk to each other to reduce duplication and also to speed up activity has been a hindrance. We have seen some of that in our financial management arrangements with the legacy system that we have got there now and the fact that it is obsolete and what we are going to have to do to invest in ensuring that our finance, payroll and accounts payable systems all join up. We have invested in a whole series of bespoke systems, whether they be for children's and adult's social care casework or whether they be for how you might look at arrangements for roads, infrastructure decision-making. We have a proliferation of systems that do not speak to each other, are not maintained in the right way and, economically, have cost the States quite considerable amounts of money over a long period of time. We bought systems that people do not need. We have got activity in systems that if we just waited a while we would have got a much more fit for purpose set of information technology arrangements and the list goes on. We have done a lot on that. But not everything will be I.T.-based going forward but we do need to automate more, we need to have systems that are doing things once, that talk to each other, not bespoke, and we have got the right maintenance and support, so that we do not end up with them not being properly supported, which we have at the moment, which is critical for us. We have got some areas where we are doing well, so the new tax arrangements is a good example where

we are modernising and we are going to make a very big leap to be able to get a self-certification process but also use it going forward in a much more modern setting that means that we have been able to bypass some of the processes that perhaps we might have ended up wading through in the past. We have got some other systems now for, going back to my earlier point, children's social work, which is enabling us to be much more specific about case management. But we still do not and have not got any automated records for hospital, our tax history records are not automated; all of those are paper-based. All of those, because we have invested only in data centres rather than doing things properly, means that we do not have money being spent on the right things and we do not have the link-up. G.P. (general practitioner), hospital and other similar activities with practice managers, none of those systems speak to each other. That is, quite frankly, not appropriate in a 21st situation in an Island where, quite honestly, the scale and size of it is not a problem if were to plan ahead and deal with it properly. It has been a big issue. It continues to be a big issue. We have wasted money, I am afraid, on many of the systems that we brought in. Going forward, it will be, I think, important to be able to do it properly, do it once and save money for the States on processes that do not require us to do that. I go back to the hospital, if I showed you the pictures of the filing systems but also the number of people that have to work to maintain that, it is an inefficient, inappropriate way of using States taxpayers' money.

**The Connétable of St. Mary:**

Yes, I have seen that first hand in 2011. You obviously need investment in I.C.T. (information and communications technology).

**Chief Executive Officer:**

Yes.

**The Connétable of St. Mary:**

Without that investment I do not believe you can make the change that is necessary. Has that been recommended and when will that take place?

**Chief Executive Officer:**

We are in the process of bringing that forward. There are 2 elements to that, one is investment in a whole series of specific priorities will form part of a detailed Government plan, which will be linked to the budget for 2020 outside of this M.T.F.P. (Medium Term Financial Plan) period and moving forward into the new period. When you get the Government plan it will also have, hopefully, a much more transparent set of budget issues which, where investment is needed, will be included. However, we will have to do something short term and we are making some of those decisions at the moment and where we have done that we publicise ministerial decisions. But there is probably going to have to be a bigger set of investments around some of the kit and hardware to make us

more agile, to link up with some of the preparation that we have got to do for taking on board systems because that is a massive weakness where we buy things and we do not know how to operate them.

[14:15]

We have not done the business case necessarily to understand what the rate of return would be on that investment. We have not understood how to roll that out in a way that means that people can maximise the benefits that come from the technology. We will be bringing that forward and that should form part of the transition arrangements for 2019 because we are obviously constrained by the M.T.F.P. figures that were determined 4 years ago around that.

**The Connétable of St. Mary:**

How did you find corporate learning when you were going away to the States requirement 18 months ago? Were there any methods in place for departments to learn from their or other departments' mistakes?

**Chief Executive Officer:**

I think we tried to touch upon some of that with the C. & A.G. examples that Catherine, I and Richard talked about. There is quite a lot about tracking progress, looking at where those common themes have come up from the reports, which is the learning. The other bits of learning are around, where is the good practice? I made the point about Brexit and we have got other areas where we do stuff really well. We are taking, what is the learning from that to be able to ensure that we share that across the organisation. We are doing some of that through the introduction of our partner into the cultural behaviour change, where we are getting the design of some of that to come from the bottom up through departments and staff lower down in the organisation, so that they have got an opportunity to influence the learning models and modules about how we can take some of the good things that obviously have happened in the past, currently operate and which staff are doing. We have got a whole series of ... I think I mentioned the term feedback loops earlier on in this session, about where we are going out and listening to colleagues and understanding and doing specific pieces of work in areas where we want to improve or we can learn the benefits of it. Big bit of learning at the moment is in the health economy, a lot of work that we are doing to understand patient flows, productivity of doctors and consultants which we have done with for the first time in a very long time, if it has been done, indeed, before, how that works with the G.P. sector and the way in which we can take forward opportunities to reshape our health economy. That has often meant quite detailed conversations with users and with staff. Where good examples of practice exist, we are building on that and where we need to change and, going back to your previous question about technology, where we might need to use digital work in the health economy. These are examples of where we are doing in-depth analysis pieces of work that allow us to then develop the

arrangements for the Target Operating Model going forward, and that feeds into the design of those. We have done the same over the performance framework. We are doing the same over a whole series of things about longer term planning. These are a combination of reviews, learning, looking at best practice, often across Europe and North America, as well as the U.K., and then trying to make sure that we go out and have communication with staff about their experiences as well. Unfortunately it does not get reported but it is the stuff that we are beginning to do on a much bigger scale now.

**Senator S.C. Ferguson:**

I am sorry, John, you have all had your 10 minutes. For the last 10 minutes we will fill out on the questions that were burning everybody and they did not get a chance.

**Ms. M. Scott:**

I just wanted to ask this one. Could you please inform us how you propose to improve successor planning so that senior posts in the future might be filled without the need to look outside the Island and government business is not left in limbo when managers leave?

**Chief Executive Officer:**

I think I have made it clear. Talent management and the development of tomorrow's leaders is a big part of the changes that we have got to make in the culture and behaviour piece in the organisation. So we do not have a programme about talent, we do not have an investment that takes place for apprenticeships, for graduates, for professional personal development. We do not have career paths setting grades for key jobs, which means that there will always be some glass ceilings but you can go and do things differently with secondments to other public services to get experience or working with other Channel Islands where we are beginning to look at how we might do something different to help develop individuals' experience that might be constrained by the place they are in the workforce hierarchy. So a big part of the Team Jersey programme is about talent management and is about developing a long-term programme to ensure that we equip people with the skills on Island to be able to become the leaders of tomorrow. We have not invested in that. It is a weakness. We have got some really talented people and we have started to identify those and create from that, in the design for the Team Jersey overarching programme over the next 3 to 4 years, a mechanism for being able to do that. We are going to have to invest more in the support for those people outwith their professional development but also about their leadership capabilities, so again the programme of Team Jersey is aimed at doing that. The ambition is that in 5 or 6 years ... and it will take that length of time ... is that you are seeing a pipeline of people coming through who will start to move up the leadership ladder. If you look at our demographics in the workforce, we have got a very big bulge coming of people who are at the latter end of their careers, who will potentially be up for retirement in that same period, which will free up, I think, career opportunities.

But we have also got to generate and create the ambition, the aspiration and the experience for people, which goes back to my other point about giving them those ladders for career improvements. So that is a big part of what we are trying to do. It is a huge part of where we are going to put a lot of emphasis. In addition to that, we need to improve some of our educational arrangements for developing and supporting the professional requirements for people to be able to step up into those shoes.

**Senator S.C. Ferguson:**

Thank you very much indeed.

**The Deputy of St. Peter:**

I would like to explore I.T. with you but I think that is another whole session. However, I would like to just draw your attention to something that is current at the moment, so it is a bit off-piste but it is very relevant for those people listening. How are you proposing to create an improved culture and deliver excellent services to the Island when morale is currently at an all-time low with potentially industrial action pending?

**Chief Executive Officer:**

I said at the beginning it is a difficult phase when you are dealing with change at this moment and if you have ever been involved ... and I am sure some people here have ... there is always a curve and you go right down before you come out. There has been no largescale change programme I have led where that has not happened and invariably you have to start to address that on a regular basis, but here we have got that compounded by a number of really big decisions that have come together at the same time. So not only are we dealing with change; it is against the backdrop, for example, of pay restraint over a period of time; it is against the backdrop of not having modernised a number of areas. By way of example, we have just talked about I.T. With I.T. comes automation; with automation people get concerned about their jobs. With job losses, you get morale that goes down and the list can go on. So what we have got is a convergence of a whole host of very difficult things that have come at the same time. So what are we doing? Well, there is an enormous amount of face-to-face work going on with staff. There is a lot of discussions that are taking place with colleagues around the way in which leaders throughout the organisation have a role to champion and to inform and to communicate with staff so that we are being upfront and honest about what it is that we are dealing with. We are sharing that and taking them through it. With the Team Jersey programme that we are just starting to roll out, we have got a whole host of engagement programmes. All of the slots ... and I stand corrected ... have been taken up by staff and that is starting this next month, which is all part of trying to give people the skills necessary to help them. For those people who are going through recruitment, we have invested heavily in giving them additional professional support about interview techniques, about C.V.s (curricula vitae), about

application forms, because some people have not applied or been involved in that process for 10 or 20 years. For those people who need mentoring and support we are providing coaching and help. By way of example, in the finance transformation a big part of that is about improving and coaching people through that process to give them the skills, hopefully, to be able to get some of the jobs at a senior level so we get around the question that has just been raised. We obviously have to deal with the pay issue and take that forward. It is very interesting. There is lots of comments about morale and people talk about the fact that they are talking to civil servants. We have had some quite interesting exit information that comes out of sessions that we have been doing with senior leaders. We have had the top 200 people recently who get where we are, are recognising that we are going to have to come through this phase but are coming out the other end, and they believe that there is the green shoots of change and there is light at the end of the tunnel. There have been articles today about we are not listening, we are not doing it in a way that is very human. There is an enormous amount of evidence to show that we are saying thank you, we are appreciating people, we are going to those people who have gone the extra mile, and we will continue to do that. The recent awards ceremony was another example, which was absolutely fantastic ... we were inundated with nominations ... for those staff who were there to celebrate that. These are small parts of the journey of change but we have to get through 3 bits. One is the Target Operating Model. We are in a period of stabilisation and we will not see the benefits of that until spring 2019. Then we have to get through the recovery phase, which will take us through to 2021 at which point then you start to reposition the public services as you go through. Each time we will see an uplift in morale in circumstances where we will get feedback. We have got that data and we will see what the survey does in 12 months' time. It is not now that we need to be judged upon; it is some time in the future, depending on which phase we are going through. But morale is something that we are very conscious of, we are addressing and we are very aligned to.

**Senator S.C. Ferguson:**

Thank you very much indeed. For the final question, Tim, because I cut you off rather unkindly.

**Mr. T. Rogers:**

No, I am fine. I have just one question. It is not one that I had necessarily planned or anticipated, but there is a lot of scrutiny of you as a person, as a personality, as a leader. To what extent do you think that undermines or devalues the actual real work that happens in terms of process and the people around you?

**Chief Executive Officer:**

It is unfortunately easier to attack or focus on the person who is bringing in the changes who is at the top of the organisation, because you are synonymous with that and because it is such a radically different approach it means that it often polarises views and you get a very black and white opinion.

My experience is after a period of time, though, when things become embedded, when the morale starts to shift ... and it will ... when some of the long-term benefits about succession planning start to be embedded, when the I.T. works, when people sit in operating better conditions, when people are valued and when your organisation becomes a learning organisation and we stop repeating the mistakes on an ongoing basis, that phase, if you build the right form of leadership and it is a distributive leadership model, then it is the leadership as a whole, not just the top D.G.s (directors general) but going down tiers 2 and 3 who start to take on and be given the responsibility and the permission to be able to do things. When you get to that, and it will take a period of time, then the organisation is stronger, the place is better and the individual at the top becomes less of a focal point. If it goes wrong you have to take responsibility. If things are not right and you need accountability, you do that. I have always said before that was an area where I think we did not have that before P.1/2018, those responsible for the public services but not accountable for any aspect outside of my department's needs. I think that is something that will change and I am confident that we are improving a collective leadership among us.

[14:30]

We have got some very talented people here, some who are arriving and some who have come through the ranks in this process. There are quite a few again, despite what is sometimes being put in the press, which we can build on. So I am really encouraged by the strength of commitment to what we want to achieve and the way in which we want to do it, but you have got to hold your nerve. You have got to improve that capability long term. You cannot not have to deal with the big thorny issues, because here we have tried to reform before. Here we have too many false dawns. When I arrived there was a lot of criticism about the fact that the public services had not made the changes. To make the changes is difficult. To be able to deliver them and see them through is the real achievement that I think we all want. To do that you have got to be able to do the tough stuff, so you will be picked out and personally focused on, but that ultimately passes. I am confident that when it does morale will improve, the finances of the place will be stronger, the organisation will be much more rounded and grounded because it will not be seen as the Charlie Parker show, and succession planning and the development of people will be seen to bear fruit. I am confident that we are work in progress at the moment. It is tough, it is dark, it is the time of year when people feel miserable, but start having a conversation in spring, when you see me again in June, I think, and this time next year and let us see where we are at. I am pretty optimistic that, built on the talent that we have got and the commitment that I know is there, we will be able to come through this difficult phase and come out the other end with a much enhanced public service.

**Senator S.C. Ferguson:**

Thank you. From the country parishes ...

**The Connétable of St. Mary:**

A very quick question. Are you totally confident that you can deliver what is required in the time specified in your contract? I want a simple yes or no.

**Chief Executive Officer:**

Yes.

**The Connétable of St. Mary:**

Thank you.

**Senator S.C. Ferguson:**

Super. Thank you very much indeed, Mr. Parker, Mr. Walker, Mr. Bell and, most importantly, Ms. Madden. I am sorry, I put it in the wrong order.

[14:32]