



Public Accounts Committee
Quarterly Public Hearing
Witness: Chief Executive Officer,
Government of Jersey
Wednesday, 4th March 2026

Panel:

Deputy I. Gardiner of St. Helier North (Chair)

Deputy K.M. Wilson of St. Clement

Deputy R.S. Kovacs of St. Saviour

Mr. G. Kehoe (Lay Member)

Witnesses:

Dr. A. McLaughlin - Chief Executive, Government of Jersey

Mr. S. Perez - Head of Corporate Governance, Treasury and Exchequer

In attendance:

Ms. L. Pamment - Comptroller and Auditor General

[13:00]

Deputy I. Gardiner of St. Helier North (Chair):

Good afternoon, everyone, and welcome to the public hearing of the Public Accounts Committee. Today we are meeting with the Chief Executive of the Government of Jersey. Before we begin with the hearing, we will do introductions. I am Deputy Inna Gardiner, Chair of the Public Accounts Committee.

Deputy K.M. Wilson of St. Clement:

Deputy Karen Wilson, Vice-Chair.

Deputy R.S. Kovacs of St. Saviour:

Deputy Raluca Kovacs, member of the Committee.

Mr. G. Kehoe:

Glen Kehoe, lay member.

Comptroller and Auditor General:

Lynn Pamment, Comptroller and Auditor General, in attendance at the Committee.

Chief Executive, Government of Jersey:

Andrew McLaughlin, Chief Executive Officer.

Head of Corporate Governance, Treasury and Exchequer:

Sebastian Perez, Head of Corporate Governance, Treasury and Exchequer.

Deputy I. Gardiner:

Thank you. For the benefit of the public listening, the purpose of this hearing is to question the Chief Executive on COVID-19 follow-up reviews and other resilience topics, recommendation risk allocation, your objectives and end of the term, because this will be the last public hearing from the Public Accounts Committee in this term. Just before we will start the hearing I would like to say in the interests of the time, I apologise in advance if we need to interrupt when we would like to go into the details, just to ensure that we are clarifying the points that we would like to make. The first part of this public hearing will be about COVID-19 follow-up review and preparedness of Jersey for the hopefully not emergency event. I will hand to Deputy Wilson.

Deputy K.M. Wilson:

Thank you. Dr. McLaughlin, the P.A.C. (Public Accounts Committee) notes that following the COVID-19 pandemic there were multiple recommendations from various sources regarding the Government's response. Can you advise the Committee how you feel the Government has done implementing these recommendations?

Chief Executive, Government of Jersey:

Sure. I think there were about 100 recommendations, which is par for the course in Jersey. Obviously, I was not around in government or in this role in the pandemic but was leading another organisation in Jersey. I am bound to say again for the record my admiration for the people who did lead through the pandemic. In preparation for this, from speaking to colleagues in health, the police and elsewhere, there was universal praise for the leadership at the time, the crisis management

leadership, through the pandemic. So I think it is important to acknowledge that and, indeed, acknowledge how well that it has been anchored by the Chief Officer for Justice and Home Affairs for a number of years now, not just the pandemic but other incidents. Finally, to say certainly during my time there have been incidents, not of course necessarily of the same scale, but that has given me some insight into how much of a muscle memory and discipline crisis management and response to resiliency events has become in the public service. So I am quite encouraged about that. The main thing, of course, we have been doing is the crisis resilience improvement plan, the new frameworks, the risk registers, which we have discussed in the past, but particularly of course the resiliency risk register. The resiliency forum is the main way in which we have sought to embed in governance how we do not just learn from the pandemic but continually learn. As I say, there has been a number of very serious incidents on the Island since the pandemic and all of those are contributing. The public health and emergency planning functions, of course, have changed in response to the pandemic and play a key role here. Again, I would say in areas like public health a noticeable thing for me coming in fresh to the organisation is how we have improved in those areas, how those functions, if you like, have become seen as important as maybe longer standing functions of government, being relatively new.

Deputy K.M. Wilson:

What would you say are the top 3 learning points from that analysis?

Chief Executive, Government of Jersey:

From my seat now, because I tend to focus on the top ones, I think definitely arriving at the point where we realised that the right structure for co-ordinated leadership in monitoring and analysis is the Jersey Resilience Forum and that we needed that Island-wide risk register, not just our corporate risk registers and departmental risk registers. I think that was very important. I think the second thing that was very important was recognising what you did not have. Obviously, we have done a lot of work with Guernsey in terms of having permanent resiliency and crisis management structures in place. I would say the third one, learning, is communication. The role of communication in crisis management is very, very important. Again, I need to be humble here because I was not around at the time, but the feedback from colleagues when I have asked them is that there has been a material improvement in this area from how things were pre-pandemic. I think if I observe, although they are not comparable, how we responded to things like Storm Ciaran, if I observe the approach to Haut du Mont, albeit it was well under way and I just had to play a part in its later stages, I am quite encouraged that in these areas you can see us learning and I think you can see us being more effective as a Government. So those would be the 3 that I would pick out.

Deputy I. Gardiner:

Can I clarify? So the first one, it was Island-wide risk register; the last one, communication. I was not sure, if you can clarify what we did not have in place, which was the second one, and what we have now. I missed it.

Chief Executive, Government of Jersey:

Well, we did not have a resiliency forum in place, as I understand it, unless you want to correct me if I am wrong. Obviously I was not here but I think that is new. I also think the way in which we have put together, risk assess and now track the risk register, J.E.R.R. (Jersey Emergency Risk Register) or the old community risk register, I think that is a change as well.

Deputy K.M. Wilson:

If a pandemic were to hit tomorrow, what do you think we would do differently?

Chief Executive, Government of Jersey:

Well, I think there are a couple of things here. I should say that we have just, of course, gone through a major exercise this winter co-ordinated by the U.K. (United Kingdom) Government, effectively a pandemic-style scenario, both to test our draft plan and test our infrastructure. So I think the main difference from then to now would be that we have functions within the public service which are really dedicated to dealing with an instance of this nature. Obviously, some of that is shared infrastructure with Guernsey. I think in areas like public health and emergency planning functions lessons have been learned and embedded into those functions, I think in an integrated way reflecting the co-ordination that you need. I also think that you can see, as I have mentioned, that from a communications perspective in the face of a crisis I believe we have learned a lot of lessons. I think people would be hard put to say that the response to the recent storms and other incidents has not been pretty effective from Government, albeit I would never compare each incident to the other. But the disciplines you require to respond to an incident I think are comparable.

Mr. G. Kehoe:

Do you have a final decision maker within that forum? Is there a final decision maker that says this is the person, the go-to person, to make that final critical ...?

Chief Executive, Government of Jersey:

In terms of definite forums, obviously you are going up to and including the Chief Minister, depending on what the ...

Mr. G. Kehoe:

He would make that final decision on what ...?

Chief Executive, Government of Jersey:

Yes, depending on what the severity is. You also have people with really important roles with statutory independence, like public health and so forth. So when you say ultimate decision maker, there are some things where there will be an element of judgment and there are some things where really these recommendations are not advice, they are probably recommendations that would have to be followed. Sorry ...

Deputy R.S. Kovacs:

No, I just wanted to ask as well: despite the improvements since 2020, what gaps do you still see we have in this area?

Chief Executive, Government of Jersey:

Specifically, if we were to respond to a pandemic?

Deputy R.S. Kovacs:

Yes, or crisis, yes.

Chief Executive, Government of Jersey:

Or a crisis ...

Deputy I. Gardiner:

Probably unforeseen crises, yes.

Chief Executive, Government of Jersey:

In my time those events that have qualified as a crisis, therefore they have triggered our crisis management or they have triggered these forums, I would say that it has been one of my pleasant surprises of government how well the Government performs in crisis situations and how these functions, some of which I think were relatively new after the pandemic, have matured to the point that there is a very good operating rhythm in government. I would say that, if I may, I think Government is arguably better in a crisis than it is in peace time and I think that is true of the Jersey Government.

Deputy R.S. Kovacs:

But what gaps do you see?

Chief Executive, Government of Jersey:

So gaps at the moment, I do not see any obvious ones. We are obviously still at the tail end of this major co-ordinated with the U.K. scenario exercise we went through over the winter months. There

will be some learnings from that, I would imagine, but I do not see anything that worries me at all, even on the financial side of how you would quickly unlock money to deal with the situation. That has been resolved as a learning from the pandemic. So our ability to respond to a crisis is not one of the things that would keep me awake at night.

Deputy K.M. Wilson:

Thank you for that. Clearly, what you have just articulated there is that there are some merits to the fact that there was a pandemic framework in place, for example.

Chief Executive, Government of Jersey:

Precisely.

Deputy K.M. Wilson:

Then I suppose what follows from that is clearly whether or not in your view that merit can be applied to adopting that in other areas of governance. What you have just alluded to there is that there is the Jersey resilience framework.

Chief Executive, Government of Jersey:

Yes.

Deputy K.M. Wilson:

Could you just give us some sense of from your perspective how do you intend to take that forward and what do you think Government needs to prioritise within that framework in order to actually make it as effective as it possibly can be?

Chief Executive, Government of Jersey:

We have now arrived at what I think is probably the best structure for us. I think it works well and I think most of its standing members believe that it works well. Obviously - I say 'obviously', not obviously - following this pandemic, following the U.K.-led exercise that we and other places have participated in, I imagine that we will have some learnings that lead us to update the strategic framework and represent it to the resilience forum and to here and other places. But I think I would relate it to our risk register and our biggest risks on that risk register that we think will require this level and intensity of crisis management. So those would typically be some of our biggest risks on the risk register, not necessarily some of our economic ones but certainly those ones which are going to impact civil society. We have already, to give you an example of that, had to consider the issue of nuclear risks in contiguous places to Jersey. We have done that jointly with Guernsey. That, I think, doing it jointly with Guernsey, helped us both deal well with the French nuclear emergency team and understand how they see those scenarios. So I think that is one of those very

high impact, hopefully low probability risks - like the pandemic itself before it happened - where you would use the resiliency forum. Part of the job of the resiliency forum is to keep revisiting the risk register to look for those opportunities where we do need to do that level of planning. It is also the job of the Chief Risk Officer in the Government as well as all the Chief Officers. The way that our risk register works is we are the first line of defence. It is our job to call out when we see something that could have that level of impact.

[13:15]

Deputy K.M. Wilson:

Could I just pick you up on something that you said earlier on in terms of there is hundreds of recommendations? What is it about the work, for example, that you are doing around the resiliency framework and the recommendations that may come out of that work with the U.K. that you would pay more attention to than perhaps maybe some of the recommendations that have been put in the past? I think my question is about how do you prioritise the importance of recommendations when they are presented to you.

Chief Executive, Government of Jersey:

Yes. Again, I need to be humble here because the prioritisation of the 100 has effectively been done by other people before I arrived on the scene. You will get a much fuller answer from Kate Briden, for example, who has worked through all of them. I think the first thing to say is - and this is a general issue; this is a theme you have heard me touch on before in much less serious matters - I think Jersey encourages and invites a level of scrutiny that leads to hundreds of recommendations rather than trying to create a framework approach, a commissioning approach or a scrutiny approach that says: "Give me your 5 best ones, give me the 5 top ones."

Deputy K.M. Wilson:

How would you do that? How would you do that differently?

Chief Executive, Government of Jersey:

There are tried and tested techniques ...

Deputy K.M. Wilson:

Give us an example.

Chief Executive, Government of Jersey:

... the same techniques we used to get the C.S.P. (Common Strategic Policy) from 40 things to 10 things.

Deputy K.M. Wilson:

Give us an example of that if you can.

Chief Executive, Government of Jersey:

So in that case, if you had 100 things that people thought you ought to do, you would run a risk workshop and a prioritisation workshop where you would work with all the people, in this case the resiliency forum and some of the S.M.E.s (small and medium enterprises), who support that. You would work with them to rank and prioritise and pyramid down. You would work to figure out does one action actually unlock 3 others. So you would rank. You would look for co-dependencies. You would look for things that would maybe if you hit one switch 3 things would happen rather than one. So that is a whole discipline.

Deputy K.M. Wilson:

Sorry to stop you, but just because I think we are talking in theoretical concepts. I am just trying to actually try and establish from yourself, based on what you now know and based on your experience of managing the Government through some of these serious incidents that you have talked about, what do you believe is your direction, your approach to actually making sure that the Government is in the best place to respond to recommendations that will deliver the kind of outputs and outcomes that are sought through various reviews, various learning that has been done through previous pandemics, previous serious incidents? How do you approach that?

Chief Executive, Government of Jersey:

Well, I think the first thing to say is - and again I cannot look back because I was not there - if you have invested in a lot of infrastructure, if you have spent £360 million responding to a pandemic, if we are just talking about the pandemic, if you have created new functions or if you have expanded the budgets and invested in new functions, one would rather hope that you would not have to take on 100 recommendations in future. One would hope that those functions themselves can prioritise and can identify the biggest things because they are part of government now for public service. So I think that is the first thing. I think you would want to lean on what you had invested in.

Deputy K.M. Wilson:

Do you believe that investment is the right investment now in your assessment?

Chief Executive, Government of Jersey:

Right for what?

Deputy K.M. Wilson:

For any future pandemic that might come or any ...?

Chief Executive, Government of Jersey:

Well, of course, we are testing that at the moment but certainly, as I said, I was pleasantly surprised about how much infrastructure around risk and resilience had either been created or upgraded post the pandemic. One would always have areas where one thinks one can do more, but I think in those areas, without wishing to prejudge the final review of the exercise we have just done, I think we are in pretty good shape as a jurisdiction. So I do not have big holes that I am trying to plug. I think all I am trying to do is say to you that I think it is very important if you commission advice that in the commissioning of advice you are an intelligent purchaser of that information, of that consultancy. I feel it is in Jersey's make-up to almost be in a situation of having people telling them everything they think that they could possibly do in a very aspirational, non-prioritised way. We have a habit of setting international panels up, international advisory groups, very aspirational. It is a feature of our politics, which I am sure we will come on to, very aspirational, non-prioritised and very additive. It has been a big feature of my time here to try and get you all to think in a more prioritised way.

Deputy I. Gardiner:

I will take you back. I have been here during the pandemic.

Chief Executive, Government of Jersey:

Yes. I was here but not in government.

Deputy I. Gardiner:

I mean I was in the States and when we are talking about 100 recommendations, I think we need to put it in the context that some of the recommendations were done by independent inquiry looking into the pandemic. Some recommendations were done on specific topics by the Comptroller and Auditor General. Some recommendations were done during the pandemic because we needed to address a situation like travel or health as we went through the pandemic. So in my view, because the recommendations came in a different time and we are looking back now, it was the job of the Government as the recommendations came in to ... somebody else brought this recommendation because I cannot influence a recommendation. As a States Member we cannot influence the recommendation of an independent inquiry and we will never influence the recommendation of the C. and A.G. (Comptroller and Auditor General). This is why I said the make-up, the story that was behind the recommendations, how it came to 100, and this is what we are trying to say. When you came to this post, and it was 2 1/2 years ago, I assume as we talked about the emergency situation, unforeseen situation, the pandemic was on top of the mind because of how we are prepared, how we are resilient, when you looked at all these recommendations what exercise you and your team did to say this is duplication, this is fine, but this is what we need to address? So what you put as a

priority for yourself 2 1/2 years ago to increase resilience of Jersey and what has changed and what is outstanding?

Chief Executive, Government of Jersey:

The infrastructure to work through those recommendations had already been set up by my predecessor and a number of Chief Officers who were here before, during and after the crisis were already well advanced with that work. My view on that side of things ... and I had done the same thing leading a major organisation in Jersey myself because everyone, of course, had to learn from the pandemic. My view when I came in, when I looked at it, was that the officers were well advanced with the situation, evolution into the J.E.R.R. and into the Jersey Resilience Forum from the community risk register was well advanced, and the best thing to do with them and to help them was to complete work which was already well advanced, not to come in and confuse everyone. So I cannot claim to have been there at the start of this when they might have prioritised differently. They have worked their way through it and they have risk assessed their way through it and there has been good governance around that. I guess what I am saying is the question you asked me was about the future. In the future I would like to think that we do not find ourselves in a similar position. Because if you think about the pandemic, how distinctive were our learnings from the learnings of the other bigger countries that had full pandemic studies done? I do not think ours were particularly distinctive beyond the things that would happen in a small Island. So I think in these areas, because we have invested, we should have less to do in response to the next one. We should be better prepared for the next one but we will definitely have learnings. If we are in a situation again where 5 different bodies want to give us recommendations, I would look to one body to say: "Can you summarise and prioritise that?"

Deputy I. Gardiner:

Sorry, I would like to get back to my question. My question was what your priorities, if you can mention 3, from coming to the work and what outstanding from your perspective, what outstanding ...

Chief Executive, Government of Jersey:

On the pandemic or on the general issue of resiliency and ...?

Deputy I. Gardiner:

The COVID-19 pandemic and preparedness for the next pandemic or any other unforeseen crisis that Jersey might face.

Chief Executive, Government of Jersey:

Well, in terms of the areas that I have mentioned, the infrastructure, the leadership co-ordination, et cetera, I do not have anything which I am looking at that has not yet been done that needs to be done. We are actually in a different phase where we think we have addressed the issues to a significant extent and they have now been tested in a pandemic scenario exercise through this winter. The feedback on that I think will inform our next set of actions, how ready we are. So that is on the pandemic. In general on the whole risk and resiliency issue, I may have said this before. I think we have learned a lot of the lessons. One of my concerns is still around risk appetite. So one of the things I think that the public service and the Council of Ministers and, frankly, the Assembly finds difficult is the articulation of risk appetite. Are we clear about how much risk we are willing to accept ahead of time and why we are willing to accept it? I think if we can have a more higher level of maturity on articulating our risk appetite, I think that is the final thing that will really help us be prepared for any event that does not just apply to the pandemic.

Mr. G. Kehoe:

Do you think we have enough finances in place then for that sort of thing?

Chief Executive, Government of Jersey:

For risk appetite? Well, this is why I want to have it. It is a great question, Glen, because it is my experience and it is a feature of Jersey politics, in my view - it is one of my reflections - is because Jersey politics is additive and aspirational, because Jersey's politicians tend to use what we would call the hard levers of government, not the soft levers of government, I think our aspiration leads us to adopt standards, usually from other places, risk standards, which always look good because they are usually best in class but I think they in practice take us beyond our actual risk appetite. Because we would then have to put the money up to pay for the risk standards we find ourselves getting bogged down in machinations about it is too much money, it is too little money, this, that and the next thing, or we get bogged down in discussions that say: "That is really disproportionate for Jersey." If it is disproportionate, why did you adopt it?

Deputy K.M. Wilson:

Sure. Just on that issue ...

Chief Executive, Government of Jersey:

So I think we need a more mature risk appetite discussion.

Deputy K.M. Wilson:

Just on that issue of money, what do you believe the Government needs to spend to prioritise, to address the priorities in a pandemic?

Chief Executive, Government of Jersey:

On the pandemic or in general?

Deputy K.M. Wilson:

On a pandemic?

Chief Executive, Government of Jersey:

I think they are done. I think they have done for that. They have put a mechanism in to access £100 million rapidly if there is another pandemic, so they have learned that lesson as well. So I do not see ... in areas like health one can spend until the cows come home. That is the challenge with health, is it not? But I do not think we are underinvested, if that is your question on that. My worry more is that we sometimes adopt standards without thinking through what it means in practice to meet them.

Deputy K.M. Wilson:

Can I make that ...?

Chief Executive, Government of Jersey:

Not related to the pandemic but related to other things.

Deputy K.M. Wilson:

Other things, okay. What I want to do is just try and bring that point and connect it to the overall issue around financial resilience. For the benefit of the public, first of all do you know how much was spent on ...?

Chief Executive, Government of Jersey:

Yes, £360 million. By far the biggest part of that was the COVID payroll scheme was £128 million.

Deputy K.M. Wilson:

Have we set aside the same amount in the event that there would be a pandemic tomorrow?

Chief Executive, Government of Jersey:

No. As I understand it, what we have done is ensure that in the first instance money can be deployed rapidly in the event of a future pandemic so that it can be released quickly. Obviously, that is one of the learnings and one of the recommendations was how you got up and running quickly. Seb will correct me if I am wrong, but I think that is £100 million that would be released in all likelihood from borrowing or the strategic reserve.

Deputy K.M. Wilson:

So given the position around the stabilisation fund and the strategic reserve at the moment, do you think that that financial resilience is there or are there other solutions or other options? Why do you think that ...?

Chief Executive, Government of Jersey:

You mean the £100 million?

Deputy K.M. Wilson:

Yes.

[13:30]

Chief Executive, Government of Jersey:

So you know my view on the public finances; we have discussed that separately. You know my view that the aspirational, non-prioritised nature of Jersey politics had led us to a position where things that really need funded sometimes do not get it and things that I would regard as discretionary do get money, but that is politics. In this instance, the strategic reserve is more than able to cope with that kind of call. The borrowing capacity of Government is more than able to cope with that. The stabilisation fund is not because it is depleted. I would like the stabilisation fund to be restored, as you know - we have discussed it - and that would be an obvious immediate port of call in a future pandemic. It would not cover the whole amount. You would not necessarily have 100 in the stabilisation fund, but that would cover the most immediate needs. I think we should say, however, that it is unlikely that the next bill would be 360 because if you look at what we spent it on, obviously with the benefit of hindsight we spent money on things that we might not have. We built a hospital that we never used, for example. So you would like to think that the bill would be different, and I think that is one of the reasons why in learning the lessons the recommendation is not that you try and set aside or access exactly what you spent before but a reasonable sum.

Deputy R.S. Kovacs:

That was actually my question. Was the 360 the initial budget or what other unexpected expenditure was related to that? How would you ensure value for money on urgent decision-making situations?

Chief Executive, Government of Jersey:

Yes. I am not sure there has been a full political debate on this, but I think when you spend £360 million quickly by government standards, you are not always going to spend it well. So I think there are some lessons to be learned about what things worked well and had an impact and what things, with the benefit of hindsight, were good ideas that would not work well at all. To give you an example,

test and track and tracing we spent 76 on. I think in the U.K. it has realised after the event that not all of that money was spent as well as it could be, but this is where we have to be humble. You are now going back in history and judging people who were making decisions in a very difficult situation and a crisis. The things which had a powerful impact and cost very little were vaccines. The total bill for vaccines was £10 million. That feels like value for money after the fact, does it not? So I think we learn lessons. Areas that I would poke around in from lessons learned are definitely the economic measures. We spent 128 on the payroll scheme. We spent another 30 on various economic recovery type schemes. You will have heard from the Minister for Treasury and Resources that they are struggling to get some of that money back that was lent out to people in the pandemic. So there are areas like that I think where you would look at things. Other areas you would think: "Jeepers, I would happily spend that money again if it took the edge off a pandemic."

Deputy K.M. Wilson:

Are there any other areas of financial risk that you have uncovered in your assessment of the learning from the recent pandemic?

Chief Executive, Government of Jersey:

From the pandemic? No, not necessarily stemming from the pandemic. Obviously, in the 100 recommendations there was about 30 or so that need to be embedded into health, public health, the actual Health Department in emergency planning. That is still in a stage of maturity, but there is nothing else from that period that jumps out at me. What I guess I am more concerned about is my broader theme that if you think about how much was spent on things like economic recovery and these things, which are schemes to get people through, I still think we have areas, and I have mentioned it before, like fire, like ambulance, where we have not fully funded our current risk appetite. We have set a risk appetite for those services ... sorry, I beg your pardon. We have adopted risk standards for those services which form a risk ... based on a risk appetite, but we have not been able to get those fully into Government budgets. Not just this Government, it has been going on for years. We are able to fully fund the police, in my view, but we for whatever reason find it harder with the other blue lights. If you think about it in the context of the pandemic, the other blue lights can play a crucial role. I still feel that it would be better to fund the blue lights and public safety than to come up with various schemes to support the economy in the short run.

Deputy K.M. Wilson:

Thank you for that. As the principal accountable officer, what other ways do you think that Government can build the financial resilience past reliance on reserves?

Chief Executive, Government of Jersey:

Oh, this is a general question, it is not related to the ...?

Deputy K.M. Wilson:

It has some connection to it generally in terms of the issue around risk appetite but more about how do you build that resilience around your reserve position.

Chief Executive, Government of Jersey:

Obviously one of the things I am going to have to say is prioritisation. I do think that a budget of £1.35 billion, which has grown by 650 in about 8 years, there are serious questions to be asked there. So I think in prioritising one of the ways we could improve our resilience is to spend less. I think the level we are spending at, according to the Chief Economist, is inflationary in its own right. So I think one way is to spend less. The other one, and we are getting into bigger issues that we can come back to in the end, is we do need to look at the other end of it and think can we grow areas of our economy that are going to pay tax? Can we get the revenue in? I think we have recognised that in the case of our international financial centre we do really need to set that back on a path of undeniable growth, that we should do everything we can to help it grow. I am not sure that we have a strategy for economic growth for the rest of the economy. So those are things that I would look at. In the reserves themselves, and they are independently run so it is not for me, but I think you would look again at our risk appetite in some of our reserves, our investment risk appetite. What level of returns do we really think that we need to try and achieve? So I think you would review those areas. I think the next Government would review those areas. To be fair to the Treasurer,¹ I think she said that she is reviewing reserves, so she may have that in hand. So these are some of the things I would look at.

Deputy R.S. Kovacs:

I just wanted to ask as well if any additional investments or insurance strategies have been considered as well to go in that direction?

Chief Executive, Government of Jersey:

Yes, there has been a lot of work on insurance. Some of it is in response to ... well, a couple of C. and A.G. reports I guess now. So obviously with things like the pandemic, some risks are uninsurable. I think when you are talking about the biggest risks in the community risk register, they are effectively self-insured and that is why we need a strategic reserve. That is why we need reserves because there are things we cannot insure for. But certainly there has been a look at insurance strategies in other areas. There is a whole debate about insurance, social insurance, actual insurance, in Health, which is about the sustainability of funding the health service, which the Health team and the Minister for Health and Social Services are looking at. But I think in answer to

¹ Clarification was later provided that the Chief Executive Officer, Government of Jersey was referring to the Minister for Treasury and Resources

Deputy Wilson's question, I would come at it from those 3 ends. I would say can we spend less on what we regard as maybe less essential things and make sure the essentials are fully covered? Can we bring in more revenue by growing areas of the economy? I think in the case of the finance centre the answer is probably yes. Do we need to look again at our investment strategy for our reserves? I think that is one of the things that I am sure the Treasurer will come back to.² We also still have obviously shareholdings and things that we could sell if we needed to in various companies.

Deputy K.M. Wilson:

As an economist ...

Chief Executive, Government of Jersey:

This does not feel like a compliment, but keep going. **[Laughter]**

Deputy I. Gardiner:

It is. You are a well-known economist so ...

Deputy K.M. Wilson:

It is actually trying to draw on your expertise, Andrew. Given what you have said about the economy, how would you protect it against future shocks? What would your leadership contribution be to that, if you can give some real tangible examples of the steps that you would take?

Chief Executive, Government of Jersey:

To protect the economy from shocks? Well, look, you have 2 types of shocks. In the terrible language of economists, you have the exogenous shocks, things that happen to you like waking up and finding that a country is at war and it somehow impacts you, and then you have endogenous shocks, things that are coming from inside your own economy and impacting you. I think when it comes to exogenous shocks the Island's best protection against exogenous shocks is having big reserves. One of my themes is that in my view our reserves should be bigger than they are because when those reserves, particularly the strategic reserve, were set up, the economy was about half the size it is just now. The economy has doubled so it is a bigger thing you are trying to protect. I would say, sadly, the world has become a scarier place, so not only is the thing you are trying to protect double the size it was, one might argue that the risks in the world are probably about double the size they were as well. If you put the 2 things together, there is more risk of things happening to you which you cannot control. So I think the number one thing is to have a much higher level of reserves to protect you against unforeseen shocks.

² Clarification was later provided that the Chief Executive Officer, Government of Jersey was referring to the Minister for Treasury and Resources

Deputy K.M. Wilson:

What are the consequences of that, having higher level reserves, on the public sector finances?

Chief Executive, Government of Jersey:

Having a higher level of reserves, I think it depends how you want to fund it. You have all the levers available to you in terms of, as we discussed before, you can take more risk in trying to make the reserves grow, you can tax more and put it straight into reserves if you think that you need to increase the size of your rainy day funds, or you can spend less on other things, which would be my recommendation, and put it into the reserves. I genuinely struggle to understand why the public service has to spend more than a billion pounds to run in Jersey. So that means to me there is a couple of hundred million which might be better going into reserves and then doing stuff when you have to. So I think building that resiliency is very important for the economy.

Deputy K.M. Wilson:

Just on that point, if I could press, which areas of the public service do you think that affects most in terms of trying to become more efficient in order to release that reserve?

Chief Executive, Government of Jersey:

Well, there are definite ways that one would go about it and it is ultimately a political decision. But I think in terms of impacts we have to go back to basics in Jersey. What is Government for? Shelter. Health. Education. If you are an Island, connectivity. Public safety. You start adding things on to that, you are starting to move into the discretionary space for a Government.

Mr. G. Kehoe:

Andrew ...

Chief Executive, Government of Jersey:

We have moved way beyond those 5 things.

Mr. G. Kehoe:

... in your position, would you have expected to have been able to have more influence on putting those positions in and making that actually happen within that timeframe you have been in office?

Chief Executive, Government of Jersey:

No, because I understand Jersey politics and the political system.

Deputy R.S. Kovacs:

Still linked to protecting ...

Chief Executive, Government of Jersey:

That is the job of the Council of Ministers and the Chief Minister.

Deputy R.S. Kovacs:

... protecting from future economic shocks, which sectors do you see as the most vulnerable and how would you protect them and support them on that?

Chief Executive, Government of Jersey:

Well, we were talking about any big exogenous shocks, which is why I think you just need a lot of money. The thing that anyone who is going to lend to you or do business with you respects most is if you have a big pile of cash sat on the side for rainy days. It lowers the cost of everything else you are trying to do. So I think that is important. I think you then drop down a level of resiliency in terms of economic shocks. If you look at, and I was not involved in it at all, the whole business of the ferries, but if you look at a lot of the rationale of the Minister for Sustainable Economic Development in the whole procurement ferry story, a big part of his thinking was about resilience.

[13:45]

He was trying to put in place a contract where he knowingly was paying for and carrying significant excess lane capacity so that we were never ever going to be too tight, trying to get the number of ships ... more ships into that service so that you were not at the mercy of one ship. So there is a lot of resiliency work to try and protect against economic shocks that the departments will do, and that would be true of every department. The sectors that are most vulnerable to shocks, I would have to have a think about it for sure. I think Jersey is a place which does better if people visit it, for example. It is a place that has to be visited. Anything that impacts people visiting Jersey impacts some sectors much more than others. So I think that is one of the things you would have to think about. There is a whole load of sectors. We are 100,000 people so you cannot really see us as having a kind of autonomous growth engine. We do not have an autonomous ability to grow and sustain a big business economy. We really need people to visit. So you then think about it that way and you realise aspects of connectivity are very important. The costs associated with that become I think very important to us. One of the things that we probably take for granted in Jersey that is truly remarkable about Jersey is it has managed to grow this international finance centre. So it has grown something that is worth £4 billion. It is gigantic compared to anyone's wildest imaginations. That definitely increases visitor traffic and other things. But alongside that, Jersey has always got to be distinctive as a place and it always has to be a place that people want to visit. I think we need to pay attention to all the resiliency risks and economic risks around that.

Deputy K.M. Wilson:

Can I just come back to the position of the international finance centre? Clearly, that brings a lot of benefits to the Island, as you have just highlighted. If the unthinkable were to happen in terms of when you think of the geopolitical situation and that the strength of the international finance centre was tested, what kind of resilience do you think as the Chief Executive you need to address? What would you do in that kind of a situation?

Chief Executive, Government of Jersey:

Well, let us enumerate the size of the problem. It is 40 per cent of G.V.A. (gross value added) but most people G.V.A. is unrelatable. It is 60 per cent of tax and I think that is based on direct ... and if you started to do the normal economic multipliers, if I did a full economic analysis, that 60 per cent number is going to go one way, up, because there are restaurants in the town that would not survive if that centre was not there, obviously. I think realistically it is somewhere around two-thirds of our revenue is dependent on this, as I say, remarkable thing that we have somehow managed to build, built by Jersey men and women it has to be said as well, a made in Jersey thing. So, that is 66 per cent. Really one of the reasons that I have been very clear about the need to build the strategic reserve higher is this reason. If that industry was massively disrupted by any shocks ... could be geopolitical, more likely to be multiple and converging threats, technology changing the nature of the industry, politicians elsewhere changing our licence to operate. It has already happened with Brexit, pretty serious for Jersey. It has happened with the funds legislation of the European Union. So if anything led to a precipitous drop in activity in that sector, we would very quickly be probably leaning on our strategic reserves but, more importantly, we would have the poise and the time to restructure the economy if we had a big reserve. I think that is why the strategic reserve is so important. If you did not have a finance centre, the strategic reserve is probably the right size. The fact that you have a finance centre and you have built public services up to a level that you could not have built them up to otherwise means you need that strategic reserve. This is the thing that vexes me with the finance centre because no one loves to go banking. Finance is a hard thing to love, let us be honest about it. It is not making cars or other stuff that people get very excited about. But the reality is that we have public services that we simply could not afford if we were not drawing the tax from that sector. We would have an effective personal tax rate of 60 per cent if we were not having that sector. So we have to recognise that it does allow us to live our life in a way that might not otherwise have been possible, but we also then have to recognise that it could be subject to shocks and we want to make sure that we have enough in reserves to cope with those shocks and to find our way through that situation. So that is my main concern about the reserves.

Deputy K.M. Wilson:

So in a sense that is the basic foundation of the financial plan that you would put together to make sure that Jersey's resilience was sound?

Chief Executive, Government of Jersey:

To be fair to you and past Governments, one of the bodies you have created was the Fiscal Policy Panel. It effectively told you this in repeated reports. They have told you that your strategic reserve should probably be about £4 billion. They have told you this. Now, we cannot change things quickly because if you think about it, we created the strategic reserve I think at the end of the 1980s, early 1990s, and we created it from the fact that interest rates were 15 per cent and we were getting huge profits from the bank. We were getting huge revenues because the interest rates were 15 per cent. We put it in, we have invested it and it has just accumulated. We have never really gone back and actively kept putting it in. So if you think about your own personal finances, that is like putting a lump sum into a pension and then not putting any more in. Most people each month would say: "I will keep putting a little bit in, trying to get the thing to grow over time." I think Jersey would be well advised getting back into the savings habit of saying going forward we are not going to double the reserve in one Government, the money is not there, but we should have the discipline to say let us just make sure every year we stick £50 million or whatever the number is, does not matter, into that thing, into the rainy day fund, and then hopefully we never have to use it but, if we do, try and get it up to the sort of size that would be required.

Deputy K.M. Wilson:

Okay. I am just going to come back on to ... thank you for that. I am going to move us on to the emergencies or contingency law, if I might. So the C. and A.G. has previously made some recommendations that consideration should be given to the respective roles of the Council of Ministers and Emergencies Council in circumstances where a state of emergency has not been declared. Could you tell us have such roles been updated?

Chief Executive, Government of Jersey:

Have I lost myself here? We are jumping a bit. The page before, is it? They have been updated is the good news, but ...

Deputy K.M. Wilson:

Good.

Deputy I. Gardiner:

Good.

Chief Executive, Government of Jersey:

This is something which again my colleague I should pay tribute to here. Kate Briden has been anchoring this for some time. So we are pretty much in the pre-drafting and preparation phase for

this. It is something that I imagine will be prioritised near the start of the term for the next Government because it is going to be ready for the next Government if they choose to prioritise it in their C.S.P.

Deputy K.M. Wilson:

Why has it not been prioritised in this term?

Chief Executive, Government of Jersey:

I do not know. I think it is partly the disruption we had. We have had 2 Governments for the price of one, have we not, in this 4 years, so I think we had a situation where we kind of lost 6 months between the tail end of one Government ultimately falling over and another lot coming in, with different agendas and so on and so forth. Again, I think it is one of those things which when push came to shove did not get into the top 10. Now, they might say it did not get into the top 10 because actually it is a fairly complicated thing, there has been a lot of briefing on it, and so on and so forth. But I think it is at the point, to answer your question, now where it is almost good to go. The law drafting time will be devoted to it. The law drafting time has been prioritised in the C.S.P., which we have discussed before, so I think it is good and ready to go. Where I would part company with some people is that the absence of that law in itself I want to reassure you does not mean to say we are running a huge risk. Because a lot of the things that we have just discussed that have happened are addressing the real risks, having the ... but it would still I think be the completion, if you like, for a lot of colleagues who have been working on this area since the pandemic. It would be kind of the completion of that phase of the work to get this on the statute book.

Deputy I. Gardiner:

Just a point of clarification. It is helpful to understand the situation. So how the role of the Council of Ministers and Emergency Council were updated?

Deputy R.S. Kovacs:

Are there specific examples?

Deputy I. Gardiner:

If the state of emergency has not been declared. So they needed to be updated. Where are they now? Are they different or we need the law to update them?

Chief Executive, Government of Jersey:

Well, you can correct me if I am wrong, but I only have the experience of what they have been since I have been in. So I cannot do a compare and contrast with how they were before.

Deputy K.M. Wilson:

I think what we are looking for is the law is, as you say, almost ready to go and to test whether or not those roles ...

Chief Executive, Government of Jersey:

The law does clarify these roles but it is not on the statute book.

Deputy K.M. Wilson:

Right.

Chief Executive, Government of Jersey:

It is not on the statute book. What I am saying is de facto I feel that a lot of the things you would expect to happen are happening in practice but they are not on the statute book because they are in the law.

Deputy K.M. Wilson:

Okay. Can you confirm for us that those roles and responsibilities are reflected and updated?

Chief Executive, Government of Jersey:

Yes, I can confirm that in writing ...

Deputy K.M. Wilson:

That would be helpful.

Chief Executive, Government of Jersey:

... and many other things, C.O.M. (Council of Ministers), Emergency Council, resilience standards. There is a lot of stuff that is clarified in there. It just needs to be prioritised now for the statute book.

Deputy K.M. Wilson:

Yes. One of the questions we do have is around the recommendations that were related to the contingency law. Given that it has not been approved yet but some of the recommendations were closed before the legislation has been presented, can you just give us an explanation as to why that is the case?

Chief Executive, Government of Jersey:

Can you give me an example? If they have been closed, it is because we think that they are operational.

Head of Corporate Governance, Treasury and Exchequer:

I think this is probably a situation that I discussed with the P.A.C. probably in the private hearing we had recently around the demonstration with Evolve. There is a bit of a philosophical discussion around when to close a recommendation. So I think what the officers probably expect in those specific situations, although without the examples to hand, is that the work has been done and the law has not necessarily been passed but it is in that queue for the legislative programme and prioritised in line with whatever the Council of Ministers take for the next Government.

Deputy K.M. Wilson:

If one of those recommendations was to update roles and responsibilities, yet we have not got the legislation in place yet, where is the assurance that they have been?

Head of Corporate Governance, Treasury and Exchequer:

I think the difficulty is that what we are trying to do with all the information and the recommendations that we track and monitor is that we try and make sure that we have a reasonably good oversight of what we have and what we have in train. That means sometimes that I think if we kept everything open to the point at which it had gone through the legislative process that we know is not always a quick one, you would quite quickly lose that oversight. I think that is a piece of work that we have been trying to do for quite some time in line with Andrew's comments, et cetera, around prioritisation in trying to get a really clear portfolio of what we are working on and what we are reporting on.

Deputy K.M. Wilson:

I think that it is to do with really trying to assure the public that what was recommended has been acted upon and it has actually happened.

Chief Executive, Government of Jersey:

Yes, that is what I was saying. I think it has been recommended and acted upon and where it has been recommended and acted upon it will be closed. That does not mean to say it is on the statute book and in the law. So, for example, the Council of Ministers and the Chief Minister are under no illusions about what is in the law and what it means for their roles and the clarity of their roles. We have had those discussions. We have had those forums. They have been taken through it in detail by the Chief Officer and by other officers. In some cases, the work is ready to go on to the statute book but it is not on the statute book. Sorry, I misunderstood your question.

[14:00]

Deputy I. Gardiner:

Is there any way that maybe we need to consider to have recommendations that you have a category pending legislation approval, because what is my worry coming out is that we do have a change of Government. We are talking about the corporate memory. We can have change in officers and if officers have done all the work and it is only waiting for the legislative approval, maybe it can sit on this special category that any new Council of Ministers or any new officers coming in, it is there and until it has passed the legislation and it is statutory it can be closed. But otherwise you are closed, it is not on any tracker and it can be lost in transition.

Deputy R.S. Kovacs:

On this aspect as well, are any underlying risks solved by other means in the waiting of a legislation and how do you monitor the closed recommendations?

Head of Corporate Governance, Treasury and Exchequer:

Sorry, can you repeat the question?

Deputy R.S. Kovacs:

How do you monitor the closed recommendations in that way? While waiting for legislation, is any ... the underlying risk is solved by other means in the meantime.

Chief Executive, Government of Jersey:

I realise now this is a very specialist area of what is in the track and what is not. One thing to think about recommendations in future is ... as I have said before, there is 7 ways that a Minister can change things, really. They can tax, they can spend, they can regulate, they can legislate. Those are the hard levers, the ones I believe we are using too much in Jersey. They can convene, they can communicate and they can provide oversight. Those are the soft levers. When we are thinking about recommendations, if our recommendations are hard levers, they are going to take longer and be harder to do. If you have a recommendation that requires law to be made, you are going to have to be patient versus a recommendation that says: "I would like you to introduce a new oversight of the Minister to ensure this happens". Does that make sense? One of my concerns about Jersey and its current politics and political system is the preponderance of hard levers and the underuse of soft levers by Ministers and Assistant Ministers. If there is one thing that you would try and change quickly, it would be to try and get people to be better with the soft powers and not be drawn to the hard powers because people seem to come into office wanting to either tax, spend, legislate or regulate. They do not seem to come into office wanting to convene and discuss and to shape things without using those hard levers. A lot of ... if Kate Briden were here should say a lot of the things that you want to see happen in that law are actually happening now in practice. They probably do not need the law but we are where we are with the law. It is certainly true for the Council of Ministers and Chief Minister. It was a fairly notifiable event when we took them through the draft law and said:

“This is how it is going to be and this is what it means going forward”. So they have been well briefed on it, even if it is not in their C.S.P. Hopefully, it will go in the statute bit next.

Deputy K.M. Wilson:

There is all sorts of questions around Government’s relationship with the public in terms of openness and transparency about what it is doing and what it is achieving.

Chief Executive, Government of Jersey:

Yes. We have discussed this before. When you have a low turnout, it is an enormous leap of faith to say that who votes represents the public.

Deputy I. Gardiner:

Let us get back to recommendations.

Deputy R.S. Kovacs:

Strictly on recommendation point of view, what I think us and the public would want to see, when something is closed, is not to just say that it is closed with the intention of doing something. It is closed with the instruction that it will be done and action has started, even if it is taking longer, in that sense.

Chief Executive, Government of Jersey:

Yes.

Deputy I. Gardiner:

I would like to pick up recommendations around COVID-19 procurement in general, as a bulk, because when we discuss with Deputy Wilson value for money and where the spending has gone, obviously you said a lot of political decisions were made. I look through this Comptroller and Auditor General recommendations and most of the Comptroller and Auditor General recommendations were around what officers can do. I will pick up one of them. It is a report on procurement. Can we be reassured that every recommendation that was there to ensure that value for money ... and we know there is, in quick purchases, can be fraud. But to ensure that in the next pandemic the money will be spent better we had these 8 recommendations of procurement. Were they all implemented?

Chief Executive, Government of Jersey:

I am going to have to write to you on that because I am not sure I know the procurement recommendations in enough detail.

Deputy I. Gardiner:

The procurement recommendation is around financial management. It is about the breaches, it is about how supply reviews for quality and quantity, insurance exemption and breach documented across. There is lots of things in procurement and purchases ...

Chief Executive, Government of Jersey:

Those just sound like mother and apple pie stuff you would say for any procurement. Is it specific to the pandemic or is it just ...

Deputy I. Gardiner:

It was specific around the pandemic, how you make a decision in procurement in emergency situations.

Deputy K.M. Wilson:

If I might, I think some of the issues are concerned with the appropriate procurement of P.P.E. (personal protective equipment) ...

Chief Executive, Government of Jersey:

Okay.

Deputy K.M. Wilson:

... vaccines, workforce because there was also the procurement of locum staff ...

Deputy I. Gardiner:

Nightingale.

Deputy K.M. Wilson:

... and then the hospital procurement process as well.

Chief Executive, Government of Jersey:

I will need to write to you on those. Obviously, again, we have got an approach to procurement. It is not obvious to me that ... and this will be true for all Governments because everyone has had trouble. It is not obvious to me that in a future pandemic one would be as frenetic in one's procurement as we are this time. One of the lessons we have learned is the need for certain risks to be covered in advance. Why do I not write you on that issue because I am not ...

Deputy I. Gardiner:

Yes, write about the point. That is because there is 8 recommendations specific on procurement and this is ... okay, back to Deputy Wilson.

Deputy K.M. Wilson:

So finally from me, if I can come to the - and thank you for your answer so far - current geopolitical uncertainties, the importance of food security, energy resilience and the Island's transport links. What steps, if any, has Government taken to strengthen Jersey's preparedness for unforeseen events like this, including disruption to supply chains and the potential impact upon essential food, fuel and medical supplies?

Chief Executive, Government of Jersey:

Those are very much rooted in the ministries of the particular Minister, whether it be food and, obviously in Jersey's case, highly related to transport, as in the Minister for Sustainable Economic Development. Fuel, infrastructure, pharmaceuticals, health, et cetera, all of those. As I said at the start, one of the things I have been impressed with coming in fresh to Government after the pandemic, after Haut du Mont but before Storm Ciaran and these other things, is how much the need for resiliency features in the consideration of policy making. I get the impression that it has moved up the pop chart significantly and it is now very much being built into decision making in a way that maybe it was not to quite the same extent as before. In all of those areas, very good work is under way. Sometimes building in resiliency into contracts and things is more expensive. But I think you have seen, for example, in the way that - if we stick with the Minister for Sustainable Economic Development - whatever you think about what happened to the collapse of an airline, one has to recognise that the resiliency plan there kicked in very quickly. You had an alternative supply in a matter of days up and running and so forth. You saw it in the ferry contract as well. The approach that we have been taking, if you look closely at where we are in things like electricity and how we approach resilience in electricity, particularly in the use of some of our interconnectors, you will see that this is something now that is very much part of the way that we do business.

Deputy K.M. Wilson:

So those responses were in response to crises. Did you have plans in place to cover that kind of scenario? Were those plans fully resourced and costed so that you were able to mobilise them?

Chief Executive, Government of Jersey:

Yes. Again, I am trying to speak from something that has happened while I have been here and not talk about other things. In the case of the potential for a vital airline and air routes ... an airline running vital routes ceasing to trade for whatever reason, that was a carefully planned for and well thought through resiliency plan. There was a whole process there around that resiliency from the point of view of, I would imagine at a very early stage, Government recognising the potential vulnerabilities in that supplier, understanding all of the impacts. From that, doing careful work to understand the options available to the Government to resolve that for the long haul but also how to

deal with the immediate situation if an airline stops flying. That is an example that I have been able to see live, as it were, from my perspective, see it become escalated from the department when it was sufficiently concerned, see the regional planning, see the resourcing and see how it built confidence in the Government that it would be able to handle that event. As I said right at top, I think that has been pretty impressive. Similar thinking has therefore informed the ferry contract and all that. The Government and the Minister continue to attract a lot of heat from various quarters about that contract, but if you look carefully at that contract there is a lot of resiliency built into it. Resiliency was obviously at the forefront of the team's ... I can take no credit for it because I was actually conflicted in that and did not have anything to do with it. But with the benefit of hindsight, you can see that he has built significant contingency in from a resiliency perspective.

Deputy K.M. Wilson:

How does that resilience then, the learning from that, translate to other Government departments? Where do you see the gaps in the resilience in other departments that need to be filled?

Chief Executive, Government of Jersey:

This issue of resiliency is part of this whole approach which we take. The Chief Risk Officer comes quarterly to the E.L.T. (Executive Leadership Team), goes through the risk register, goes through the arising risks. Before he comes to the E.L.T. or that team comes to the E.L.T., they have already gone around the departments at departmental level looking at the same things, what should be escalated, what might the rating be changed of what is emerging. We would expect the risk to come up in this way, through the risk forum. All we are deciding there is, is there something you can handle yourself or is there something in your departmental risk register? In Health, for example, the challenges that we have and had in the last winter with the flu and other respiratory illnesses, that is something they can handle themselves. Something else may come up where they say: "Look, we cannot handle this ourselves. Other departments will have to lean in or we are going to have to do something to change demand or admissions". So that is how it works in practice. To get to your question if there is one that I am particularly worried about that we have not resolved ... not one that is critical. I am obviously worried about economic growth there and competitiveness of the finance centre, but we have time to fix that. I am, as I said before, concerned that in a couple of areas I feel that we have signed up to risk standards that we have not yet been able to fill or fund. But we will come back to that.

Deputy I. Gardiner:

Let us get back to recommendations. I think that we are talking about the economy, but for me, if I am looking at contingency, as an executive have you completed testing of these contingency arrangements?

Chief Executive, Government of Jersey:

Yes. The airline ...

Deputy I. Gardiner:

Not airline. For example, we have completely cut, we cannot get food supply for a week, how the Island would cope?

Chief Executive, Government of Jersey:

We have obviously done the exercise I mentioned with the U.K. Government, which was a pretty full exercise. What we have not done ... unless correct me if I am wrong here, but I do not think we have done one where we do not get supplies of food for an extended period.

[14:15]

Deputy R.S. Kovacs:

That is an important one.

Chief Executive, Government of Jersey:

That is an important one if you think it is your highest risk. You have to ... this is an important thing about risk scenarios. You have to come up with credible scenarios if you are going to commit to full Government tests of them.

Deputy I. Gardiner:

With the current geopolitical situation, these scenarios emerge very quickly. How prepared are we?

Chief Executive, Government of Jersey:

Sure, but we already had ... and these are things you should ask the department and the Minister. We already have very specific strategy for the storage of food, food capacity, the amount of food that we keep on the Island, the amount of food we can access via different routes. There is already a full strategy for food which predated the pandemic.

Deputy I. Gardiner:

But what we are trying to say, have you recently run the testing of our Island contingency arrangements?

Chief Executive, Government of Jersey:

No, the most recent contingency test that we ran, live obviously - we had airlines - was a pandemic-style scenario which we did in concert with the U.K. Government this winter.

Deputy I. Gardiner:

Another question, you mentioned food, electricity, the major things which are important for the Island; for example, electricity supply. Which risk register? Is it the Government corporate risk register or a specific risk register?

Chief Executive, Government of Jersey:

I will have to double check with you on it. It is certainly on there but, again, it is one thing on the risk register. The most important thing is the rating because things have a very high ... obviously, we know electricity to have a very high impact ...

Deputy I. Gardiner:

Yes, across the Island.

Chief Executive, Government of Jersey:

How likely is it to happen? I think we know the likelihood of that is low so we would tend not to vote huge contingencies resourced to something that has a low likelihood of happening. What we would do is investigate and be sure about the resiliency of supply, particularly if you are talking about in the case in concert with the utility that deals with that. If you look at that utilities investment programme, if you look at what it is doing over the next number of years, you can see that significantly they are investing in things which we think will either boost, enhance or preserve our resiliency. They are investing in a new interconnector to France. They are investing in online ...

Deputy I. Gardiner:

That can be a contingency ... yes, Glen, sorry.

Chief Executive, Government of Jersey:

Yes, sorry, Glen.

Mr. G. Kehoe:

Yes, we were just moving on from those particular things, and I think it is going to be a bit more of a reflection of your service that you have provided. Looking back over your service, which areas of delivering policy would you have liked to have seen departments make more progress on?

Chief Executive, Government of Jersey:

The policy agenda is where, during my time, obviously the most focus has been the C.S.P. of the second of the Governments because I was only with the first of the Governments for a couple of months. I think in that area, the area where I would like to have seen ... let us take a step back. In

my role, which is attracting propositions by the day, but in my role I am the groundsman. I am not the player. The player is the Minister. The players are the Council of Ministers.

Mr. G. Kehoe:

Like you say, as the groundsman ...

Chief Executive, Government of Jersey:

I do not have my own agendas, as it were. What I can do is help them shape their agenda and then help them deliver that agenda.

Mr. G. Kehoe:

I think that goes back to a question I asked you before, Andrew, about in your position as groundsman, as you state, you do not seem to have any influence over what the Ministers finally do. That seems to have been missing in those policies then, is it? Is that something you feel, as groundsman, that you are not really listened to?

Chief Executive, Government of Jersey:

No, I mean it is the nature of Jersey politics. There are not many things left which are distinctive in Jersey, but its politics certainly are. The trade-off between accountability and efficiency, in a sense, that the C. and A.G. means that the full sense of that word in Jersey's political system means that absolutely the Council of Ministers is the decision-making body. No question about that. This is not a Civil Service-led Government. This is very much Council of Ministers. Every penny that is in that budget, everything that is on that statute book has come from the Council of Ministers, so when you talk about the head of the Civil Service, all they are doing is helping that Council of Ministers put in the statute book what they want to put in the statute book.

Mr. G. Kehoe:

Are there any big opportunities then that the Government have got before the end of your term?

Chief Executive, Government of Jersey:

Well, in my view I hope that they retain discipline. It is getting very late in the term. They put up a C.S.P. They have made fantastic progress in delivering that C.S.P. There are amendments coming through now on things that were not in the C.S.P. which involved money, involve time. I hope they stay disciplined. There is still more work to be done to launch and get, I think, public support for the new strategy for financial services competitiveness. I think that is a really important piece of work and I still think we can hopefully sustain the momentum on curbing growth which, as I have said before, has yielded about £60 million of savings so far. By the end of this year it should be about

£100 million, which is £0.05 in income tax, so I think that is a big prize to go after. I think the main thing now this late in the term, Glen, is maintaining discipline, finishing the job.

Mr. G. Kehoe:

Of course, there is going to be a significant amount of time from the Council of Ministers being re-elected. Have you got any examples of what prioritising you are doing for yourself within your role within the period and for the public service?

Chief Executive, Government of Jersey:

You mean during purdah or just until ...

Mr. G. Kehoe:

Yes.

Chief Executive, Government of Jersey:

... they get up and running? I think for sure that there are ongoing statutory responsibilities. One of the things I will and have been clarifying with the Council of Ministers and with the Chief Minister is things we feel that we can continue to work on during purdah under, I guess, the "why would you not?" approach or things that they believe should stop and be left until the next Government comes in. That would relate in particular to those objectives of mine around curbing growth, those objectives around succession planning and those objectives around the F.S. (financial services) competitiveness review. I want to try and establish with each of those Ministers but with the Council of Ministers: "These are things that we believe we can reasonably get on with. Is everyone comfortable that we can reasonably get on with them?" We have established that clarity for curbing the growth. The Minister for External Relations, I believe, is going to write to me about the F.S. competitiveness one. I think for succession planning, with the S.E.B. (States Employment Board), we have established that clarity: "These are things we are happy you get on with. These are things that we do not want you to get on with but be ready to brief the new Government."

Mr. G. Kehoe:

Do you feel you are making a good, smooth transaction for the next Government?

Chief Executive, Government of Jersey:

Yes, we are doing that. That is the continuation work. The second thing is we have been refreshing the changeover plan. I thought we had a very good changeover plan for this Government, albeit it came in unusual circumstances. The previous Government made representations to me that they did not feel that they had a brilliant induction in - whenever that was - 2022 so we are taking a lot of those lessons and we are trying to make sure that we are even better this time. The changeover

plan is a piece of work that we are getting on with, getting ready to induct the new Ministers, as I mentioned, reaching agreement on the objectives. Then the final thing that I am hoping is the case is that there is a bit more time for continuing some of the leadership developing coaching work.

Mr. G. Kehoe:

Okay. For the new Ministers that are coming in, what would be your first bit of advice before you walk out the door? I suppose the same question would go to your successor. What would you do?

Chief Executive, Government of Jersey:

You mean what would my advice be to the Council of Ministers or to me?

Mr. G. Kehoe:

Yes, obviously there are going to be a lot of new faces that are going to join.

Deputy I. Gardiner:

Or not. [Laughter]

Chief Executive, Government of Jersey:

You may know more than me about that.

Deputy I. Gardiner:

I think nobody knows.

Chief Executive, Government of Jersey:

Exactly, nobody knows is the answer to that.

Mr. G. Kehoe:

Nobody knows but ...

Deputy I. Gardiner:

For sure it will be a new Council of Ministers.

Chief Executive, Government of Jersey:

What would I say to the new Council of Ministers?

Deputy R.S. Kovacs:

How will you communicate risks and opportunities, basically?

Chief Executive, Government of Jersey:

The first thing to say is that I think if you are coming as a new Minister, a June election is spectacularly unhelpful because by my reckoning, by the time you get in, get your team together, you have about 3 weeks of effective work before the holiday season blitzes in, to try and put together a programme of government. Then you will find yourself being scrutinised for 10 weeks when you come back, your holidays until Christmas. I am being facetious, but it is a serious point. Moving the elections to the summer has not done anything for turnout, according to the statisticians, but it certainly impacted the operating rhythm of government. A new Government comes in, faces this incredibly concerted period when everyone is trying to go on holiday and all that stuff. I do think that my advice, if it is at all possible, would be have the serenity to accept the budget you have inherited, accept what you have inherited and rather than rush quickly to create something to last you for 4 years, why not just put your foot on the ball, breathe out and spend the next 3 or 4 months really improving your strategic approach to government and then focusing on the 3½ years to come. That would be my main advice.

Deputy I. Gardiner:

One question, if this is advice, which is fair enough, can you please give a bit more detail about what future savings would be which are currently identified in the budget that the next Government must do? We know that 2027 we identified, I think, £27 million savings plus reopening conversations with the unions because the agreement that this Government put in place will finish in 2027.

Chief Executive, Government of Jersey:

Yes, the next ...

Deputy I. Gardiner:

It means that the next Government when they are coming in, they need to present the budget which will start for 2027 that currently we do not know how to save the money, and we know that the conversation with the unions will be reopened in 2027. What advice would you be giving to the new Council of Ministers based on this, how to accept what will be there on their plate?

Chief Executive, Government of Jersey:

Again, I think it is the same advice, which is to say can you really in 3 or 4 weeks put together a vision for Jersey which then informs a strategy for your Government for 4 years which then informs your priorities, your policies, everything? Is that possible when you have just spent 3 months probably campaigning hard to get elected? Maybe it is, maybe it is not. I feel in those 3 or 4 weeks unless by the invisible hand all the people who come in and get Ministerial positions have somehow managed to co-ordinate themselves, you leave yourself at the mercy of just picking up whatever is in the entry. I just think it is so important that we break out of this cycle and that you come in and

you give yourself the time to really be strategic, to have proper workshops, to really go into a bit more detail ...

Deputy I. Gardiner:

Does it mean that you would present to the new Council of Ministers and you will identify this £27 million saving that currently is not ...

Chief Executive, Government of Jersey:

This happens to every Government when it comes in. You are not describing a unique position. Everyone comes in mid-budget, and they get what they get. On the £27 million, rest assured, whoever the Chief Minister is, I will tell them exactly in morning one: "This is how I would deal with that, but it is up to you", because it is choices.

Deputy I. Gardiner:

But you have this presentation of this.

Chief Executive, Government of Jersey:

Absolutely. I will tell them on day one: "That is how I would deal with it or allocate it, but it is up to you", because as I said to you, I am the groundsman; I am not the striker.

Deputy R.S. Kovacs:

On this matter, so a new Government comes in, what would you tell them is the most urgent issue to address and what lessons should they prioritise?

Chief Executive, Government of Jersey:

This is where you are asking the groundsman to be the striker again or whatever the ...

Mr. G. Kehoe:

I am sure he still played football at some point in his life.

[14:30]

Chief Executive, Government of Jersey:

One of the things I would do definitely is ... and I say do, re-do, because I have done it with both now is I do think this point about how our politics has developed is really important, which is we are spendthrift. We are addicted to the hard levers of government, literally addicted to them, and we do not use the soft levers of government. I would be putting a lot of time into going back over that with the new team to say: "You probably can get much more done than you think without recourse to

taxing and spending and regulating. There are other ways you can get stuff done and it is worth investing in them.” I do not know about the voting public because it is so small but the public-public, which is big, there is nothing in the feedback I get to suggest they like what we are doing. They feel stifled by regulation. They feel that we are overactive. They feel that we are doing too much, playing too big a role in their lives. They are giving us no feedback, as the Chief Minister keeps saying. People do not stop me in the street and say: “Thank you.” It just does not happen. I think we have got to have some self-awareness and say: “Do we really need to go at this and start banging stuff on the statute book, bringing in new regulations, having endless debates about charges and taxes and spending or can we just settle down and get more done in other ways?” That would be a big part of it because genuinely as ... again, I am the groundsman. It is for the Chief Minister to say it, but I do think the feedback that is coming back to us, if we really have got our ears open, public service is playing too big a role in the life of Islanders is one of the things that is coming back to us. In my job, that manifests itself as operational risk. Government takes on stuff that it probably does not have the budgets or the capacities to do really well, and it turns into operational risk.

Deputy I. Gardiner:

Can you give an example? Just for the public that are listening.

Chief Executive, Government of Jersey:

Yes, I will give you an example, and I have said it before. Let us take the fire service. We have adopted effectively U.K. fire standards in all their shapes and forms. It is quite difficult for such a small fire service and such a small Island to transpose U.K. generated standards into our small Island environment. In order for them to do it, they therefore have to access resources/money to put that in place. They find it difficult to get that money through successive Government budgets. They just do. As I have said before, of the blue lights, police are always more likely to get money than the others and I think that is just Jersey politics as far as I can see. When we sign up to these standards, some Minister in the past has thought: “The thing we must do is sign up to the U.K. standards.” Same in health: “Sign up to that standard. That is what we should aim for.” But then the money quite often either never follows it, or when the money follows it, it seems to be wasted because, of course, you are such a micro jurisdiction, when you transpose those things, it looks really inefficient. I feel these are areas where this aspirational spendthrift political agenda translates into operational risk and that operational risk then falls on the heads of people like the Chief of Police or people like the Chief of the Fire Service or the accountable officer. I just think if we could somehow break that cycle it would be important because not only are we playing such a big role in people’s lives, Jersey is losing its distinctiveness because it is behaving like a big country when it is a small country. Again, I think we are getting a lot of ... the public are not thanking us for making Jersey less distinctive as a place.

Deputy I. Gardiner:

I agree with you that we need to compare ourselves to the countries that are our size. We received recently a letter from yourself and when I looked quickly through the letter - we will put it in legacy report - most of our baseline comparisons are to the U.K. My question was: why are we comparing ourselves to the U.K. and not comparing ourselves to the small jurisdictions? Is it anything that could be presented to the next Government that our comparison would be to the small jurisdictions - very small jurisdictions - that we can get a sense of how we are doing compared to small jurisdictions and not the U.K.?

Chief Executive, Government of Jersey:

I think even our debate is making the case for the next Government adopting the budget they find and spending 3 or 4 months doing what we are doing because I think this is the heart of the matter. I am not even sure that there is enough in comparing ourselves to other small places. My point is where Jersey has been distinctive, it has been successful. Where it tries to be like everyone else, it loses its edge. It loses its economic edge, its cultural and its social edge because it is trying to be like other places. I think when you are a small Island economy who remarkably has grown this £4 billion finance centre on it - truly remarkably - it is quite difficult to compare yourself to other people.

Deputy I. Gardiner:

There are other jurisdictions that financial ...

Chief Executive, Government of Jersey:

Yes, I know, but this is really important because this obsession with comparative analysis rather than sitting back and saying: "What have we got here? Who are we? What have we got? How can we earn our keep in the world?" It is Oscar Wilde: "Be yourself. Everyone else is taken." Jersey just needs to be itself.

Deputy I. Gardiner:

I completely agree we need to be ourselves, but we need also to understand why we are spending. We are very progressive but at the same time there are things happening around the world. We do not have to copy but at least for the understanding of how it works, we can learn and we can, for me, create a baseline for Jersey and compare ourselves to ourselves currently. What we got from the letter is that we do not have a baseline.

Deputy K.M. Wilson:

I suppose the question is: how do we know that ...

Chief Executive, Government of Jersey:

Yes, I just think you are taking a very ...

Deputy I. Gardiner:

Just a minute ... yes.

Chief Executive, Government of Jersey:

It is a very technocratic approach to an Island that hopefully everyone loves. I just think you have to start with you and work your way out, not start with the world and work your way in. I think that is one of our problems. We have adopted all this stuff. Let us be honest, we have had a lot of people come into the Island from bigger places informed by their experience of bigger places: "That is how we do it there. We should do that here." I keep going back to the fire service.

Mr. G. Kehoe:

Does that include your ...

Chief Executive, Government of Jersey:

Even if you took the smallest fire service in England, there are still many things that we would ask our firefighters to do here that they would not have to do.

Mr. G. Kehoe:

Is that not relevant to your own role as well? When you have a successor, I am sure we are going to be looking on Island, but it may be that we do end up with somebody else with those experiences that you just mentioned in there.

Chief Executive, Government of Jersey:

This is part of my advice that I have been open about to the S.E.B. I think you have got to be very careful. I genuinely feel, and you have asked my advice, Jersey will only be relevant if it is distinctive. It cannot be distinctive if it bases the way it runs itself on what everyone else is doing. We have just got to have the self-confidence to say ... and you know the thing that is really important about it? It is vitally important because you are trying to run a low tax growth model. There is no point; you are right. We compare ourselves to the O.E.C.D. (Organisation for Economic Co-operation and Development) because we can participate on surveys and we can get comparative data. It is better than nothing but then when you say: "I have to adjust for the fact that they are paying £0.52 and we are paying £0.23 so obviously we need to make an adjustment." At that point it starts to become pretty difficult.

Deputy K.M. Wilson:

I was just going to question whether or not your point about Jersey being itself that the reason why Jersey is so unique is that it is capable of embracing all sorts of different perspectives and ways of doing things and that there is a public expectation to be the best. How do you square that with public expectation and the resources that are available through taxation, through the percentage that comes from the gains through the international finance centre? Which population are we trying to serve in terms of that way of thinking about things?

Chief Executive, Government of Jersey:

Yes, I think one of the things that unites us as an Island is our cognitive dissonance. Everyone wants stuff that they are not prepared to pay for, or they wanted it until someone sends them the bill. Then they say: "That is not what I wanted." The posh way of saying that is that our risk appetite is lower than we are prepared to admit because we do not want to pay for stuff.

Deputy K.M. Wilson:

Everyone wants a decent home. They want good healthcare. They want good education.

Chief Executive, Government of Jersey:

They do. I just feel that islands - all islands, but particularly independent islands - have to rely much more on social capital than public capital or private capital. If you live in an island, you have to accept that you are on an island and you have to muck in in a different way from when you are not on an island, so the social capital of Jersey is an asset. That social capital in our structure is vested in the parish and the parish structures and in voluntary organisations. Islands have to make more use of their social capital than their public capital and that is one of the ways they have a smaller central government, and they try and make use much more of the community. You have to invest in that. That has been eroded because we have adopted big country solutions. No question. No question. Look at the situation with the voluntary police. Look at the situation with all sorts of things. We are eroding our social capital. That makes us less distinctive. I do not think people want to visit a place that is not distinctive, never mind live or build their lives there. I think it is really important that we go back to a vision of ourselves. I keep saying it. It is Oscar Wilde. I say it all the time in Government: "Be yourself. Everyone else is taken." Jersey needs to find a way to be itself again and if it thinks being itself again includes being a low tax jurisdiction, it therefore has to prioritise differently for the role its Government plays in Islanders' lives. If it wants people to visit here, to live here, to build prosperity here, it is unlikely that it is going to happen if you have the regulatory structures of a bigger economy. That is unlikely, not impossible. We just need to get into that and say: "Hang on a minute. What is our proposition?" I just feel that we have lost our way and we are on the wrong road. It is giving us economic challenges, and it is giving us social challenges, and it will give us cultural challenges.

Deputy K.M. Wilson:

Coming back to the whole piece around ...

Chief Executive, Government of Jersey:

That is my advice, to answer your question. That is my advice to the next person ... not doing my job, the next person doing Lyndon's job, that is what I will say to them: "If I were you, I would put your foot on the ball for 6 months, work this stuff out with your team and go back out to the public with something that is powerful."

Deputy I. Gardiner:

Going back to your role now.

Deputy R.S. Kovacs:

In the interest of time and also to move on to how we can find ourselves, we are going to your objectives. Can you give an example of a recently set C.E.O. (Chief Executive Officer) objective?

Chief Executive, Government of Jersey:

Yes, from the quarterly ones? I appreciate you have these, but they are not published, are they? This is the issue.

Deputy R.S. Kovacs:

Yes, so the public needs to know about it as well.

Chief Executive, Government of Jersey:

One of those objectives ... I have lost my place now. We were into all sorts of stuff there but one of my objectives has been to put together, for example, or to work with the States Employment Board to have a rigorous, fair and open succession plan in process for me, is one of my objectives. That is an objective that I think began in Q3 of last year, September of last year, and it will run right up until the next Chief Minister appoints them, hopefully in the summer. That is one of my objectives. I think it is important to say why that is an objective. Again, rightly or wrongly, because I was not here, it was a very strong feeling for colleagues that the process of appointing previous Chief Executives had not met those principles and that people were not really clear about what the process was, how to get involved in it, how you got prepared for it. We had a situation, I think, in the space of - correct me if I am wrong - 6 years where we hired 3 external to the service and people felt they did not really have a chance. There were those feelings we were trying to respond to, number one, which I think is important if you want people to invest in an organisation. If they have the aspiration to do the top job, you have to help them have the best chance of doing that. That was one part of the process. The second part of the process, I think, is related to what Glen has just been asking

me about. There is a debate to be had about what you need to do the job and so one of the things we ...

[14:45]

Deputy R.S. Kovacs:

Sorry to interrupt, just to clarify on this part, how would this objective be measured that it will be done efficiently and how do you ensure that knowledge and responsibilities are handed over efficiently?

Chief Executive, Government of Jersey:

I guess we will know when the candidate is appointed, but if you look already at the track record, I think I have largely, if not exclusively, tried to promote people when jobs come available. I have tried to move people between jobs to give them different experiences. You can already see that we are trying to give the thousands of colleagues already in the service the best chance to get new experiences and promotions within the services and that is measured so you can see that. I think the succession planning process at the end of it, you will have a candidate or you will have a short list. Hopefully the new Chief Minister will feel better prepared than ever to make a decision in terms of the research we are able to give them on each candidate, the perspectives that we are able to give them on each candidate. Very importantly, for those candidates who are not successful, we can give them clarity and their development plan, what they need to be successful. We have had 11, I think, colleagues go through assessment. A very small number of those will go into the short list, of course, it is the nature of things, but all of them will come out of it with absolute clarity on this is what you are good at ...

Deputy I. Gardiner:

We are not advertising?

Chief Executive, Government of Jersey:

No. What will happen there is that will be a decision for the next Chief Minister. What this S.E.B. have decided is that from this process we will appoint a deputy if we think it is important, to answer your question, for continuity. Between ...

Deputy R.S. Kovacs:

Like another interim position or ...?

Chief Executive, Government of Jersey:

No. I think we have been doing interims and we have had assistant chief executives and all sorts of things. I think the S.E.B. have decided that in future, as well as the Chief Executive, we should

have a Deputy Chief Executive. We should know who the under-the-boss person is and that Deputy Chief Executive ideally should be developed in such a way that either in a risk scenario or as part of the succession plan they can become the Chief Executive, which is normal in most organisations; for whatever reason we have not done it here. When ...

Deputy I. Gardiner:

For clarity, again I am confused. Apologies that I interrupted you, because all recruitment for the position of the Deputy Chief Executive, that, hopefully, will be Chief Executive, happens internally within the Government structure. It has not been and will not be open for, let us say first, arm's length organisations on the Island?

Chief Executive, Government of Jersey:

Okay. Let us take a step back. In looking at candidates we have treated the public services, everything, including regulators ...

Deputy I. Gardiner:

Jersey Business and ...

Chief Executive, Government of Jersey:

Yes, all those people; that is the first thing. The second thing is it is the S.E.B.'s view that they should have a deputy in place, particularly during the transition from me to someone else. I think their aspiration is that having invested in this process and spent a lot of time in development of colleagues, their hope and aspiration is that that deputy can come from the talent pool that they have just been assessing. It does not stop that person going for the top job when it comes but there will be a job there. The aim has always been that when a new Chief Minister comes in we can give them a very clear steer on the quality of internal candidates and who we think and believe would merit being on a short list. The Chief Minister is then well within the rights in consultation with the Appointments Commission of saying: "That is very interesting, I want to open this out to external candidates." What we have done as part of this exercise is we have benchmarked each candidate against the external market. They have had interviews prior on interviews for the job ...

Deputy I. Gardiner:

I am clear now, thank you.

Chief Executive, Government of Jersey:

... by someone who interviews some of the candidates. We have tried to be as thorough as we can. But to answer your earlier question, what I would be doing is moving ahead with the external

advertisements for this job. I will be making sure that the internal candidates list is strong and the next Chief Minister can decide what they want to do.

Deputy I. Gardiner:

I have got you, okay, thank you, helpful.

Chief Executive, Government of Jersey:

Yes, and that is one of the objectives obviously.

Deputy R.S. Kovacs:

Okay, so related to other objectives, who sets your objectives, when were they agreed and when will they next be reviewed?

Chief Executive, Government of Jersey:

Yes, the approach that we have taken was begun by Deputy Moore. For her own sets of reasons she - and partly because, of course, I had come on secondment for 9 months - wanted to set objectives on a quarterly basis. Prior to that I think they were 6 monthly, wanted to set them quarterly, wanted them to be fairly specific to her Government's C.S.P. and priorities and be capable of delivering outputs within those 3 months or substantially progressing within 3 months. That these would be, as far as possible, driven by the requirements of the C.S.P.I. (Common Strategic Policy Indicators), the policy approaches of the Council of Ministers, by the statutory responsibilities obviously of the role. She set up that way of working at operating rhythm. That would begin with: "These I think are the priorities, let us have a discussion about it and then let us codify that into your objectives." She would then have got input from what was then her office on that. A draft would then be sent to me. We would debate it and then we would say: "Okay, let us set that, those are the objectives." Then it would be sent to the P.A.C. Chair. I cannot remember who else it gets sent to. Is it just the Chair of the P.A.C.?

Deputy I. Gardiner:

Yes.

Chief Executive, Government of Jersey:

That was started by Deputy Moore. The current Chief Minister, when he came in, essentially said: "That looks good enough to me; that is a better way of doing it." We just continued with that approach of the Chief Minister saying: "These are the priorities we think for the C.O.M. in this period. Have we got this right? Are there other things that you think are priorities that you are concerned about?" Then we would come up with always these 5 things and say: "Those are the 5 things", iterate it and then share it.

Deputy R.S. Kovacs:

Those are then reviewed quarterly you said.

Chief Executive, Government of Jersey:

Quarterly, yes.

Deputy R.S. Kovacs:

What measurable outcomes exist for these objectives?

Chief Executive, Government of Jersey:

Different for different objectives. If you take the curbing the growth one, for example, over these different quarters there was an objective to retire all vacancies from the system, which we did. There was an objective to implement recruitment freeze in certain areas but not in others and then to track that through data. It was then extended through data. I brought it, I will have in here an example of how we would ... this is showing you headcount changes in those departments which are not excluded from the recruitment freeze. It will show you the quarterly data. I can leave this with you or send it to you. I will show you the quarterly data.

Deputy R.S. Kovacs:

You can send it.

Chief Executive, Government of Jersey:

You can see as the recruitment freeze starts to kick in, the headcount number is dropping; that is what he will track with me quarterly. If you are using that as an example he will sit down quarterly and say what the data ... where are we? Then we will also do that at the States Employment Board; they will track it as well. That would be an example, as I say, of continuation of the approach from Deputy Moore of what is the objective, can it be enumerated? Obviously some things are not enumerated, for example, some things blend with. As part of that objective, the Council of Ministers wanted it to be a workshop with the Assembly, for example, so they would get the outcome as the actual workshop and the preparation for the workshop; other ones have hard data measures.

Deputy R.S. Kovacs:

What formal performance review exists for the head of public services?

Chief Executive, Government of Jersey:

Yes, it is literally that, going through it with the Chief Minister and going over whether or not they feel that you have met your objectives. He will take advice on some of the objectives, like this one from

an advice chair of S.E.B. as well will have an input to that. He will take advice from the Treasurer and other people. On the people objectives and what we are doing around the leadership development training that we have been doing around the succession planning, in those areas he will get independent input from the Chief Officer for People Services.

Deputy R.S. Kovacs:

How is feedback incorporated within future objectives?

Chief Executive, Government of Jersey:

If he is not happy he tells you he is not happy. To be fair, if he is happy he also tells you he is happy. But definitely an example of that will be if we continue with this one, we put in place a recruitment freeze, which I think we have written to you about. You have seen the correspondence on that. We excluded Health, Education and non-mins. As we went through the quarters the progress was not felt to be strong enough. We had to point out that the progress is really strong. It has just been completely offset by Health, Education and non-mins. You either bring them into scope or you live with the fact that while you are reducing the Civil Service in some areas, you are expanding it in areas that you want it to expand; that is a political choice. We then got to the point after Q4 of last year where he felt that the recruitment freeze needed to make more progress and we should now extend it to the areas that the C.O.M. had previously said. They did not want to extend it to us, so we had to go back to C.O.M., have that debate again and say: "Look, we need to extend it." C.O.M. agreed to that, so, therefore, my objective changed and I had to issue new guidance and have a new meeting with all the leaders to explain the new guidance to them and put in new controls. In the computer system that we use to track this, we put in new controls for anyone who is generating a new job that triggered them having different approval. That is, literally, how it works in practice. To be fair to Deputy Moore and to Deputy Farnham, I think that is the advantage of a quarterly approach over maybe a 6-monthly approach. You can intervene quickly and say: "That is not working, change it."

Deputy R.S. Kovacs:

What are your current objectives and what risk could prevent their implementation?

Chief Executive, Government of Jersey:

The current objectives are to deliver, alongside others, of course ... and it makes it sound as if you do all that stuff yourself, which I do not, but obviously want to deliver the financial services competitiveness review. There are 4 dimensions to that; it is quite a complex piece of work. I think it is going to be a really good piece of work. But that has to be delivered or at least the publication of it and the explanation of it to 500 members of the industry has to happen on 16th March; that is a very definitive output there. As I said earlier in answer to Glen, I am expecting the Minister to write

to me and say: "These are the things that I think you should get on with during purdah and brief whoever my successor is on the priorities when you come back." That is one of the objectives. Curbing the growth, the ongoing stuff that we have just been talking about, is one of the objectives. The succession planning and completing all the work by the end of this quarter so that we are confident we have a good short list of candidates, that we are confident every candidate who has been brave enough to go into the process has a very strong development plan. If they did not make it to the final round that they understand where they need to develop to get to the final round; that is one of the objectives. You need to call them up with me; I have forgotten 2 of my objectives. Have I missed one? I am sure I have missed ... what is the other one I have missed? This could mean it is done ...

Deputy I. Gardiner:

It is okay, we can get back to the Assembly and Deputy Wilson has the ...

Chief Executive, Government of Jersey:

Those are the 3 main ones. I have just temporarily forgotten one.

Deputy K.M. Wilson:

Andrew, could I just ask you a question about your objectives in relation to some of the less quantitative performance measures that you were assessed by? A key part of being a public service leader is to bring cultural change as well. I think the first question is: have you had any objectives set around that particular dimension to your role? What would you say in terms of the quality of the public service being left in your hands over the last 2 years, whether it is better or worse in terms of those quality issues that impact upon people's lives?

Chief Executive, Government of Jersey:

Sorry, the transitional arrangements was the objective I forgot. But we did discuss it earlier, so you know that there is a transition plan in place. I think I have got an objective and, again, I think this one might have started under Deputy Moore.

[15:00]

But it is being continued for senior leaders' development. This has transcended both Chief Ministers I have worked with, which was a feeling that ... the Civil Service, as we discussed, are the groundsman and women that are preparing the pitch for the players. They are always, of course, as focused on process as they are on outcome because they are so heavily scrutinised and because in the end everyone has to believe that the Government is always trying to do the right thing. There is a lot more process and scrutiny. But the previous Chief Minister - and I think it is a view that

transcended Chief Ministers - felt that perhaps the balance between process and outcome had gone too far away from making sure there were indeed outcomes, measurable outcomes if anything. There was a concern around pace of delivery. Those were the main concerns around those things. There were prior concerns around billing and other stuff.

Deputy K.M. Wilson:

Just because we are short of time ...

Chief Executive, Government of Jersey:

Yes. On those things I have really tried to focus, take my 2 bosses at their word and try and focus in bringing to the leaders in the organisation a greater sense of urgency and pride in getting stuff done and being seen to get stuff done. When we looked into that culturally, why is it that people feel that you do not get that, again it became clear that probably the hardest part of their job is prioritisation or getting agreement on prioritisation with Ministers. The hardest part of the job was because the centre of Government is unnecessarily siloed, if you heard me say it before, too many departments, too many arm's length bodies. That needs to be halved in my view in both instances. Numbers need to be halved but until they are you had this siloed type of approach of Government, which meant that everyone prioritised their area. Those priorities would go shooting into areas like technology, H.R. (human resources) and the functions would just explode because they had far too many things coming in as priorities. The organisation ...

Deputy K.M. Wilson:

But what would you say to the person on the street about your stewardship of the public service agenda over the last 2 years in terms of the quality improvements that have been made? How would you reassure them?

Chief Executive, Government of Jersey:

It has been very short obviously, so I do not think you can talk about legacies and these things when you have only been here 5 minutes. But certainly they will see that the C.S.P. was prioritised and is substantially done, so a smaller number of things and those things get done. Certainly, they will see that I have stood in front of the train of relentless growth in the public sector in terms of cash spending and headcount. We are still standing in front of the train but at least we stood in front of the train and said enough is enough, we have got to start to address this, which I would imagine, given that at the end of this year it will amount to savings of 5p worth of income tax, I think that they will be happy with that. I hope that ...

Deputy K.M. Wilson:

What about the quality of the services?

Chief Executive, Government of Jersey:

I should also say that for the first time in a long number of years trust scores for the public service went up in the last survey. We seem to have bottomed out in that downward spiral. In terms of quality, look, that is in the eye of the beholder. I ...

Deputy K.M. Wilson:

We have got a huge public overspend, long waiting lists, no provision for special educational needs. We are still struggling with the housing agenda.

Chief Executive, Government of Jersey:

Again, in education we adopted lock, stock and barrel a U.K. approach to special education needs. The U.K. have now reached an absolute crisis of funding and confidence in the standards and policies that we adopted lock, stock and barrel from them.

Deputy I. Gardiner:

But they still have children ...

Chief Executive, Government of Jersey:

This is where I go back to where I started: be yourself; everyone else is taken. Until we have got the confidence as a country to be ourselves, I think we are always going to let the public down.

Deputy K.M. Wilson:

I think the question is more about need and unmet need and the quality of the service that is on offer to people at the moment. I am just interested to know what your view is of the policy of that.

Chief Executive, Government of Jersey:

But based on the feedback we are getting, I think it is improving. I think it is becoming less fractious, it is becoming less contentious. We are slowly but surely improving in those areas that we have been targeting. I think when we have these hopefully bigger strategic discussions in the summer in areas that I know that you care passionately about, like health, we have still got some very deep thinking to do about how with our budgets and our resources in this Island we deliver top class healthcare. I still do not think we have resolved the structural issues in healthcare. Maybe they are unresolvable but I do not think we have yet got those. I think you will note that no new strategy for health has been brought forward during this Assembly. Only new governance has been brought forward but a new health strategy has not been brought forward. You should be reassured and the public will be reassured one of the reasons for that is because we are doing deep analytical work inside the health service to say we really need a much more empirical and data-led approach to how

we are going to reorganise this service. That will be one of the defining issues for the next Government.

Deputy I. Gardiner:

We will have a strategy and not ad hoc decisions from Health.

Chief Executive, Government of Jersey:

Jersey's politics in Government is vision and strategy light and that is one of the reasons why there is so much trouble down below because so much stuff is non-prioritised. It is contested because you have not sorted out the structure of Government and you have not sorted out the strategy. If you have not got the strategy, you do not have the priorities. If you do not have the priorities, you do not have the money. If you do not have the money, you do not have the outcomes and that is ...

Deputy I. Gardiner:

I am really happy to finish on this.

Chief Executive, Government of Jersey:

It has to be sorted.

Deputy I. Gardiner:

Because I think something that I can agree 200 per cent, and this was always my way through the States, that we did the strategy.

Chief Executive, Government of Jersey:

But that is not particular to this Government. This Government for 2 years has got a C.S.P. with 10 things that it has done.

Deputy I. Gardiner:

But we needed the strategy.

Chief Executive, Government of Jersey:

But that characterises the last 30 years.

Deputy I. Gardiner:

I hope we will see the strategy going forward. Thank you very much. Thank you for your time.

Deputy K.M. Wilson:

Thank you.

Chief Executive, Government of Jersey:

Thank you.

[15:07]