



**OFFICIAL REPORT**

**OF THE**

**STATES OF GUERNSEY**

**SCRUTINY MANAGEMENT**

**COMMITTEE**

The Policy & Resources Committee  
Public Hearing

**HANSARD**

**Guernsey, Wednesday, 10th April 2019**

**No. 1/2019**

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official States of Guernsey website [www.gov.gg/scrutiny](http://www.gov.gg/scrutiny)*

**Members Present:**

*Panel Chair:* Deputy Chris Green – President  
Deputy Jennifer Merrett – Member  
Advocate Peter Harwood – Non-States’ Member  
Mrs Gill Morris – Non-States’ Member

Mr Mark Huntington – Principal Scrutiny Officer  
Mr Alistair Doherty – Advisor

**Business transacted**

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# Scrutiny Management Committee

## The Policy & Resources Committee

### Public Hearing

*The Committee met at 10 a.m.  
in Castel Douzaine Room, Les Beaucamps*

[DEPUTY GREEN *in the Chair*]

#### **Procedural – Remit of the Committee**

**The Chairman (Deputy Green):** Just by way of introduction, I would like to welcome everybody here today, elected representatives, witnesses, senior public servants and members of the public.

Our session today will focus on the implementation of the Transformation process in the public sector. This is the fourth in a series of SMC panel hearings focused on public sector transformation and today we will be speaking to representatives of the Policy & Resources Committee.

Our panel today comprises myself, Deputy Chris Green; SMC Members, Deputy Jennifer Merrett, Mrs Gill Morris and Advocate Peter Harwood.

Following this event the Committee will decide whether any further review activity will be commissioned on this area.

Turning to the arrangements for today, I can confirm that a *Hansard* transcript, as always, will be published of the proceedings today in due course. Please can I ask anybody who has any mobile devices to please put them to silent and please, it is essential obviously during our session, that we can hear from our witnesses and hear ourselves think, generally.

#### **Evidence of Deputy Gavin St Pier, President of Policy & Resources Committee; and Mr Paul Whitfield, Chief Executive of the States of Guernsey**

**The Chairman:** I now turn to our witnesses. Please for the record, if you could just introduce yourselves to us.

**Deputy St Pier:** Good morning. Gavin St Pier, President of Policy & Resources.

**The Chairman:** Good morning.

**Mr Whitfield:** Good morning. Paul Whitfield, Chief Executive, States of Guernsey.

**The Chairman:** Thank you very much.

25 Right, can we start on Civil Service Transformation? I will leave it to you in the first instance in terms of who wants to take the first question.

Can we start specifically with the restructuring of the Civil Service Leadership Team, the top tier? The new strategic leads for People Policy and Place Policy will each have three Principal Committees to advise and support.

30 The first question really is: is it feasible for one senior officer for People Policy, for example, to advise and support Health & Social Care, Education and Employment & Social Security, all simultaneously, given the major transformation that is going on in those mandates and, given business as usual, is it feasible to go down that road?

Mr Whitfield perhaps?

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**Mr Whitfield:** I would say, yes. I think one has got to consider that the new structure of the organisation is different from the past, is different from the current and is put in place to enable and support the co-ordination of work and policies across Government, ultimately for the betterment and drive of outcomes for our community.

40 I think one has to focus that there is a change to other roles that are in place to support the Committees and this is about the fact that one of the fundamental tranches of work within public service reform is indeed supporting Government. Those roles are not to obviously carry on being the current Chief Secretary, former Chief Officer, that would do the work and the business within a single Committee area, but actually span the width of issues and policies related to, for example,

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People or Place. It must not be forgotten that actually the Committee still has a single point of contact, particularly in the sort of parliamentary aspects of supporting the Committees, in that of the Committee Secretary, which will be largely in place therefore co-ordinating the work of the Committee and supported operationally by the Director of Operations for that particular area.

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**The Chairman:** Deputy Merrett?

**Deputy Merrett:** Yes, thank you.

55 I would like to ask Mr Whitfield, what are you doing to ensure that the strategic leads are accountable to all the Principal Committees and the States bodies they serve, rather than just P&R?

So, for example, what actual structural or reporting lines and responsibilities will be in place to ensure this happens?

60 **Mr Whitfield:** Well, the principles of accountability and responsibility run under good governance. Ultimately, I am accountable and responsible for providing the structures and the supports for Government, including to the Committees, and therefore they will have clear lines, each Committee area.

65 I would say this is a fundamental opportunity to readdress perhaps a bit of a myth that some of the structures of accountability and responsibility are clearly defined and in place now and they are not always as clear or underscored by effective modern, in-place, refreshed and current job descriptions. So the idea is that each area in a smaller team concept will take part. If you look at the sort of what is called the RACI principles of responsibility, accountability will be in place for each working area but ultimately also accountable and responsible, yes, for delivering the policy mandates of a specific Committee but also responsible and accountable for making sure that works

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**The Chairman:** I think possibly the concern that my colleague has is that obviously at the moment you have a fairly clear structure whereby a Chief Officer is attached to a particular Committee; but if we are moving to a situation whereby, for example, the particular policy leads I talked about at the start, the People Policy person will be perhaps working for a number of Committees at the same time. I suppose the question, the concern we have got is whether that will

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actually help accountability or whether it actually might hinder it by essentially blurring the lines of accountability. Can you see the concern there?

80 **Mr Whitfield:** Obviously, if you were changing a design or an operating model, then we have to be really cautious that it achieves what it sets out to do. So therefore there is a danger that if you change everything, you can change brand names, you can change job descriptions but actually if you do not change the behaviour of operation, what you get is exactly the way it was operating previously or the way the organisation or people therein try and make it work. So we have got to, 85 once implemented, make sure everybody is working in those lines of accountability and responsibility, but also delivering the expectation on outcomes that we all wish to achieve on behalf of the community.

**The Chairman:** Is there sufficient support for these particular changes in the Principal Committees, do you think? 90

**Mr Whitfield:** Sorry, can you just rephrase that?

**The Chairman:** Do you think there is sufficient support for these particular changes in the 95 Principal Committees?

**Mr Whitfield:** Yes, I think the whole approach to this is to align better support for the work of Government and greater access to a whole range of people that can support Committees rather than actually just going in through one individual that you then hope can give you the answers to everything, but actually making sure the right person in the right place at the right time is there to 100 give the support and advice to Government as a whole, but also to individual Committee areas.

**The Chairman:** Deputy Merrett?

105 **Deputy Merrett:** So I would like to address a question to President St Pier please. If Scrutiny were to ask the Principal Committees now, what would they say about P&R's engagement regarding these changes and how supportive they are?

**Deputy St Pier:** I think you would get different responses from different Principal Committees, 110 depending on recognising that they have different needs and requirements themselves. I think the reality is, as the Chief Executive has said, that the current model is not necessarily effective at delivering what is required in any event.

So if you think about accountability and responsibility for policy, there are actually quite a number of policy areas straddle the different Principal Committees, particularly since the 115 development of the Policy & Resources Plan. Actually, having a rigid structure within, which simply follows a committee structure, is not necessarily effective for delivering what is required in terms of policy development within Government.

**The Chairman:** This is probably more of a political question, so I will ask it to you, Deputy St 120 Pier. The one consequence of these changes is that there will be something of a mismatch between the political system of Government and the actual Civil Service and structure itself. Generally speaking, shouldn't there be a proper mirroring of the political system of Government in the Civil Service structures? Otherwise it could be said to look like a certain centralisation of power within the Civil Service, which is not actually replicated in the political system. Would you agree with that?

125 **Deputy St Pier:** No.

**The Chairman:** Why not?

130 **Deputy St Pier:** I do not see why as a matter of principle your Civil Service structure needs to mirror your Government Committee structure.

**The Chairman:** Why not?

135 **Deputy St Pier:** Well, why should it?

**The Chairman:** Is that not the obvious starting point?

140 **Deputy St Pier:** It may be an obvious starting point, but not if it is an ineffective way of delivering what is required *across* Government. That is the principal challenge we have: actually working *across* Committees, not *within* Committees. If our Civil Service structure is designed to support within Committees, then that is not enabling us to work across Committees.

145 **Advocate Harwood:** Can I just follow up on that with Deputy St Pier? This Scrutiny Committee tried to hold various Committees to account. Given that, going forward, you are going to have this centralised – and I can understand some of the rationale for the new Civil Service structure – if we were, for example, talking to the President of Home Affairs and we are saying, ‘Well, why are you not delivering this, this and this’, she will turn to us and say, ‘Well, because I have no control over the people, I have no control over the places, because those are dealt with centrally.’ So do we therefore come back then to P&R? Are you the ultimate responsible body for the actual allocation  
150 of resources between the various Committees.

**Deputy St Pier:** Well, arguably Policy & Resources should be doing what it says on the tin, which is the management and allocation of resources across the Committees.

155 **Advocate Harwood:** Do you accept that we will have this problem that a Committee President will say, ‘It is not my responsibility, go and speak to somebody else’?

160 **Deputy St Pier:** Yes, but equally I would say that that is the position they are in now. Actually the delivery of certain policy areas, they will say, ‘Well actually, I am not able to deliver this part of the policy because it sits within another Committee.’

Take the Children and Young People’s Plan, for example, which straddles about ... well, arguably almost all the Principal Committees.

165 **Advocate Harwood:** The danger is the more that you spread the accountability, the less accountable you could hold any one person. That is our concern. That would be my concern, certainly.

170 **The Chairman:** Yes, can we come back to you, Mr Whitfield. We were asking, my colleague and I, about the level of support for these changes in the Principal Committees and I was wondering on the level of dialogue and consultation that has been with the Principal Committees, because I have heard it said that there has been some criticism of fairly limited dialogue and consultation with the Principal Committees affected by these particular changes to the Tier 1 Civil Service Leadership Team. Is that criticism fair? Do you want to comment on that?

175 **Mr Whitfield:** I think communication, consultation, is something you can always do better. As an individual, I tend to spend ... Each day, I try and self-reflect and think, ‘could I have done that better?’ and usually the answer is yes. Usually there is always something else you can do better.

180 I often think that it is missed that the fundamental changes to public service reform are seen as events that happen today, and each day you say or introduce something new; where in fact at the end of 2015-16 we produced a very clear framework for public service reform that spanned 10 years of work.

**The Chairman:** The 10-Year Plan, yes.

185 **Mr Whitfield:** The 10-Year Plan. We have kept broadly to that plan. We have produced annual reports to the States. We provide briefings monthly and quarterly on aspects of reform. We have had various meetings at different times where it involves different parties.

190 **The Chairman:** Specifically on these changes to the top tier of the Civil Service, the reorganisation of that tier, have there been adequate dialogue and consultation with the Principal Committees affected by those changes?

195 **Mr Whitfield:** I think there has been a reasonable amount of dialogue. Perhaps you could do more. I think these are changes that go beyond this term of Government. They are, as indeed you quite clearly pointed out, where the mandated responsibilities are Government and for a political committee, but there is also responsibility placed upon me to provide the structure to support and advise and assure Government on its work. And as pointed out by Deputy St Pier, there is nowhere that this describes that it has to follow the exact political model of Government. Actually what it needs to do is support Government in the delivery of its work.

200 Unfortunately the convenience of the necessary constitution and structures of Government are not always, how life itself pans it out. So we are dealing with people, for example, that have such a complex range of needs and commitments to meet, which range across a broad span of policies. So therefore the idea is not to take away resourcing but to reinforce resourcing.

205 Quite often the frustrations are that with best effect, policies are not inter-operating with each other, therefore then processes, then accesses by our community into the services that are a result of policies do not work as effectively as they could. So therefore this is actually to try and have a better sighting, a better visibility across the range of policy development, so actually there is less conflict and contention by the time those policies are delivered and then so forth that they then can operate in a more effective way for the delivery of services to our community.

210 **The Chairman:** Deputy Merrett.

215 **Deputy Merrett:** Ultimately, it is the Principal Committees that need to discharge their mandates and they are ultimately politically responsible for doing so. I think the question that President Green was actually putting to you is what engagement with the political party representations on those Committees have taken place and do you think that is sufficient?

220 Clearly you need to have the political buy-in to help support these changes and the political confidence to support these changes. So I think that is the question that President Green is trying to ask is: what political engagement have you had so far in bringing these changes which will affect how the Principal Committees discharge their mandates?

225 **Mr Whitfield:** There has been political engagement, including engagement from myself and others. As I said, just in fact this week, we made a number of diary arrangements to meet with Presidents and others we may wish to bring, in terms of how the dynamics of the next phase of implementation is likely to work and to discuss how the dynamics of the process itself will operate.

**The Chairman:** When can we actually expect some further developments on this, or further news in the public domain?

230 **Mr Whitfield:** In the public domain? (**The Chairman:** Or at all.) This week we are actually starting appointments with Presidents that go on through into next week, into the next phase, which is about the engagement and how we would select and appoint the appropriate candidates for these roles.

235 **The Chairman:** Is this structure actually followed from any other model of Civil Service anywhere else in any other jurisdiction, or is this something that has been conceived by itself? Does it borrow from a different model administration somewhere else that worked?

240 **Mr Whitfield:** I think as often we do, we look at systems that are in place elsewhere and look at the benefits of those and at, as we do on many, many occasions, bespoke things for our community and how they might work best.

So yes we have taken ingredients of structures that work elsewhere, but there is a firm intent to create a more matrixed organisation, one that operates –

245 **The Chairman:** A more what, sorry?

**Mr Whitfield:** A matrixed organisation, so it is flatter, in other words. So it is less hierarchical in structure and it is less vertical, so it works across the construct of delivery of public services and Government in order do that more effectively and most of all more efficiently, stripping out duplication and really to effect better outcomes, again for the delivery of services to our community.

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**The Chairman:** Can you give us a specific example where you think that will make a difference?

255 **Mr Whitfield:** Yes, actually I think the example given by Deputy St Pier is probably an exceptionally good example, and that is across the whole paradigms of child care and welfare, it is a hugely complex area that involves most aspects of Government provision and associated provisions, including the courts, the tribunal, health, education, enforcement. Often whilst there is absolute and probably best intent by mandates therein and colleagues delivering functions and capabilities within those provisions, the whole does not necessarily work to best effect for the best interest of the child, for example. So in creating those overarching policies and processes, it is to try and get a single point of visibility to help, advise and support Committees and the inclusion of legislation where it is warranted or needed for best effect.

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265 **The Chairman:** Are there any other examples? I am just trying to tease out whether that is ... I think that is probably quite a good example. I am just wondering whether that is an exception to the rule really. What other examples do you think there are that would benefit from this particular structure? I will bring in Mrs Morris in a minute.

270 **Mr Whitfield:** I think there are multiple examples. If you take mental health, you would probably draw a straight line to saying that must come under Health and Social Care, but mental health affects the entirety of ... You can look at it in law enforcement, look at people coming through the courts, are they suitable for our processes of enforcement, of prosecution etc.? Should there be more cognisance to court diversion if dealing with people with severe mental health problems?

So it is ability to actually have a greater visibility on all those aspects of work.

275 **The Chairman:** I think I understand the logic of that. I am just wondering, there are quite a lot of policy areas where actually ... I am thinking of education in particular really, in terms of secondary education, the reorganisation of the secondary school system, in terms of the one school on two sites model. All of that kind of policy is pure education and there will be other examples in Health or Social Security.



280 Do you think it is fair to say that actually you can exaggerate the degree of cross-cutting policy areas and is that not perhaps one of the weaknesses of this, that you have kind of potentially moulded a new structure for the senior leadership team with the Civil Service that is predicated on cross-cutting policy, but actually there is a limit to the amount of cross-cutting policy there is?

285 **Mr Whitfield:** No, I do not think so. I think we are not here for the convenience of structures, even Government itself; we are here because, whether elected Members or employees of Government, to deliver and support services for our community. Most are provided by revenues taken from that community in order to provide effective services to our community and we do not do as well as we could do, and we could do better.

290 **Deputy St Pier:** Okay, can I just build on some of those responses because I think it is such a critical and important area? (**The Chairman:** Yes.) Going back to ... I cited the Children and People's Plan but actually it goes a bit further back than that. Actually the responsibility of the States of Guernsey is as corporate parent. Now that corporate parent responsibility does not sit with any one Committee; it straddles the whole span of Government.

295 If you take energy policy for example, *prima facie* you would say that is something that is the responsibility, under their mandate for Environment, the Committee for Environment and Infrastructure to develop; but actually of course it touches other areas of Government. Infrastructure itself, of course, pretty well spans, again, the entire remit of Government.

300 If you look at justice policy: instantly people default to criminal justice, which is perhaps what we have done in the past. We have thought of justice as being all about criminal justice, which sits with the Committee for Home Affairs; but of course actually in terms of equity, it impacts the Committee for Employment & Social Security, the Education, Sport & Culture Committee, equity of access to health care, it affects Health & Social Care.

305 So I think we underestimate, rather than overestimate, the level of requirement for Committees to be working together on joint policy development and the need to support them.

**The Chairman:** Deputy Merrett, before we go onto the 200 posts.

310 **Deputy Merrett:** Yes, thank you.

I just have a concern about centralisation, because obviously, as you have now confirmed, the deployment of the services centralisation will fall to P&R. Now, centralisation invariably reduces the single points of failure and increases the risk associated with each failure. An example would be IT: there may be a better overall service, but a single point of failure could affect many members of our community.

315 So how seriously and how often are the P&R evaluating the risks associated with the ongoing programme of centralisation?

320 **Deputy St Pier:** Well, I do not characterise it and recognise it as being a programme of centralisation at all. I think actually if you cite IT, there have been multiple points of failure as a result of the previous disaggregated structure and responsibility of IT sitting within Committees, which of course has had to be addressed by the development of the ISS Unit to manage that and actually putting in quite a lot of recovery as a result.

So I am not sure I necessarily see it from quite the same perspective as you do.

325 **Mr Whitfield:** If I could add there, in terms of the Civil Service provision and the concentration on trying to professionalise lineages of work under various headings – HR, procurement, technology – I do not accept that what we are trying to do is centralise whatsoever.

330 What we are trying to do, that was set out in public service reform and is part of our Service Guernsey Framework, is one organisation working as effectively as it can for our community and not actually to replicate itself because then you are building in demand failure and all those

inefficiencies that cause disruption. Indeed, in previous models in a lot of cases, technology being a point in case, it actually was aligned in multiple delivery areas on single points of failure. And so that is what we are trying to remove with some of the later plans under the Future Digital Services agenda.

**The Chairman:** Well, we will certainly come to that with Advocate Harwood in a moment.

Can we talk about the 200 posts aspect of Civil Service Transformation? The suggestion is that a minimum of 200 staff posts will be removed under the process. Mr Whitfield, how was the 200 posts figure calculated? Was there any particular science behind that figure?

**Mr Whitfield:** Yes. Again, I think you have to go back to the start of this journey in terms of public service reform, that a lot of the work is about discovery and understanding, if you like; mapping out what things look like, what our people ... how do we employ people, what are our terms and conditions, how is the organisation designed, what structures have we got in place? So a lot of work is being done and we have used various partners to help us understand what the structures are and how we operate and what are the potential opportunities.

**The Chairman:** But how was that figure arrived at?

**Mr Whitfield:** So quite simply put, if you look for example, we quite often talk about the middle and back-office functions of the organisation. The States of Guernsey in its service provision still manually handles documents that it takes often, from our community, over and over again. Somewhere between 18 and 27 times we can manually handle one form, which quite often we ask to be completed which some people perceive to be digital but it is not. Because you can access a form online it's not digital, because the process is not digitalised. But we have a plethora of people then passing, I will call it the transaction, multiple times.

Well, the whole approach to public service reform is actually like building a really good building for the future. You dig good foundations and you make sure your foundations are strong, so the entity, the house that you are building is then built on strong foundations.

The whole point of FDS, Future Digital Services, is actually to provide, to sort of leap forward with our technology enablement in order to do the things that we need to do.

Now, we know a lot of those process lines that we talk about, and they are right across the organisation, that if you automise them and in a digitalised way that makes them ultimately the starting point, as 'can our public access our services in a clean and easy way and reach our services when they need to reach them and not in a way that is convenient to us?' That is your starting point. We go backwards but ultimately, in answering your question, if you then create a more efficient and effective system stripping out duplication, stripping out and removing demand failure, then the opportunity is to reduce the amount of people that are working on those specific areas.

**The Chairman:** What I am struggling with, are we talking about a 200 reduction out of 1,600, numbers like that – about one eighth? Is that correct? The question was on what basis has that 200 posts figure been arrived at? Has it just been plucked out the air?

**Mr Whitfield:** It has not been plucked out the air. Actually, I would couch there is significantly more than 200 as a potential –

**The Chairman:** Right, so a *minimum* of 200.

**Mr Whitfield:** – but actually we have pared that out for something that actually would be more sensible, more pragmatic in a sort of first tier approach to the onset of restructuring, the onset of revised and new terms and conditions across the entirety of the public sector and the launch of our Future Digital Services, which go to the States in June for debate, which will allow us to significantly accelerate the change in delivery, particularly in our transactional service delivery.

385 **The Chairman:** Are you saying that there is a minimum of 200 posts, so not just 200? The kind  
of pond that you are fishing in, if I can use that horrible analogy, that is administrative staff that are  
doing perhaps relatively manual operations that can or will be digitised. That is the pond where  
those 200 or more posts, not staff, but posts will actually be removed from. Is that what you are  
saying?

390 **Mr Whitfield:** I would say that is the most obvious and clear starting point. Clearly, this is not  
about the reduction of nurses, teachers or police officers; it is about looking at our processes,  
looking at the inefficiencies of these, of our processes. But we have also got to ... Part of my job is  
to continuously look at the horizon and look at what the pressures are and the demands and  
395 challenges that are facing us. Undeniably we have two significant pressures and that is the absolute  
acceleration of digitalisation – people call it the fourth industrial revolution. But whether you are  
talking to the private sector, or indeed what matters to us within the private sector, delivering  
fundamental public services, is that the increase, the acceleration of digitalisation will be the default.

400 But we must not forget also, probably, the stark reality of our ageing population – people say,  
'Well, we have heard this before', but it is fact and it is coming towards us, and the fact is our access  
to the workforce is going to become harder. We know, even looking at our own statistics in terms  
of our retirement curve, for example, that our access to the workforce that we have used to date  
will not be there in the next 10 to 15 years. So therefore we have to change the way we operate  
services and that sort of access to human capital is a risk to Guernsey as a whole.

405 The public service should not use more valuable workers than it needs to do to operate its  
services, because we also want industry to be able to have an active workforce to contribute to our  
growth and sustainability for the future.

**The Chairman:** Where are we with the redesign work? Obviously what you have done is you  
410 have announced the removal of 200-plus posts ahead of the actual redesign taking place. Could it  
not be said that perhaps by announcing that headline figure upfront, before the redesign was done,  
could actually lead to certain dysfunctional outcomes to some extent?

Do you see what I mean? You kind of put that figure out there; the redesign will then be done.  
Do you think it should have been done in a different order to the way you have done it?

415 **Mr Whitfield:** No, I do not. I believe you are damned if you do and damned if you do not. If you  
say you are going to do something and you do not give a clear indication of what you are trying to  
achieve, then you are accused of not being clear on vision and mission.

As I said, I think that is a moderate scoring of about 200 positions, and I will remind you that I  
420 am not talking about people; I am talking about positions at this stage. (**The Chairman:** Yes.) We  
have moderated that, but I think, equally we need to be responsible to shape expectation, that there  
is a challenge. I believe that we all need collective courage in order to face some of the challenges  
of the future, but it is important that we actually put some rigour and some target around what we  
are trying to achieve.

425 **The Chairman:** Is the case for the reductions really purely about saving the £10 million in relation  
to the Medium Term Financial Plan; or is it about the wider vision? Is it more than just a cost-cutting  
exercise?

430 **Mr Whitfield:** Absolutely. I think anybody that works with me would understand that I do not  
and will not start a principle of cost cutting. I actually think it increases costs, increases demand  
failure, it increases error.

I think your starting point must be to get it right to those that you serve and ultimately our  
ultimate customer is our community. So therefore we should provide services and access to services  
435 that are efficient, modern and work for our community. That is our starting point.

**The Chairman:** Deputy Merrett.

440 **Deputy Merrett:** Yes. It is a little bit at odds with something that happened in last year's budget debate when we were asked to fund an additional pool of policy officers. So has it been the case that the Civil Service has been recruiting and retaining the wrong positions, or has not been forward thinking enough to recognise and train that shortfall in policy officers, after the P&R Plan was determined by the Government?

445 **Mr Whitfield:** No, not at all. I quite often get frustrated by the way we tend to think, certainly in Government and public sector circles, of permanency. So therefore you create – We talked earlier on about changes to the Leadership Team structures. I believe that is necessary to get us over the next three years in terms of the challenges that present. But I do not think that needs to be the structure that we require for the next 20 years or 30 years.

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**The Chairman:** It is not necessarily the long-term structure.

455 **Mr Whitfield:** It must be incumbent upon us to look at any one time and to continuously ... It is an evolutionary process of making improvement and change, being agile and flexible, to change to meet the demands that we have at any one point in time.

460 **Deputy Merrett:** But to be agile and flexible, if the P & R Plan as determined in 2016-17, and then it is a year and a half later before it is recognised that we do not have enough policy officers to actually even do the policies that are determined by the P&R Plan, I struggle to see how that is agile and flexible.

465 **Mr Whitfield:** Because I think if you go back again to the description of a Framework for Public Service Reform, one of the tranches of work in there is supporting Government and it is the Civil Service, and right from the offset it said it did not have enough right people in the right place doing the right jobs. We have got lots of people in the wrong place doing the wrong job at the wrong time, and that is about ...

Can I just state, this is really hard. It is *difficult*.

470 **The Chairman:** It sure is.

**Mr Whitfield:** Governments are very old in the provision of their services. It is evolutionary in the way we spin up, whether it be law enforcement, whether it be health, whether it be teaching, whether it be back-office functions, and they do not go neatly and change at any one point in time. The public sector services are very, very complex services. We have over 14 unions to deal with just in doing. It is not quick and simple to make effective change.

475 We are not quick in response. Indeed we are probably about six months behind on where I would like to be.

480 **The Chairman:** Why is that?

**Mr Whitfield:** Because a strong message was given out by Government to slow things down in order that actually we can work at a pace that everybody had an assurance and a comfort that plates were not going to be dropped, and I accept that. But that is working here with Government. It is different to working in external sectors where you can have that sort of robust rigour and pace to change.

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**The Chairman:** You are going to be using, at least to begin with, £8 million from the Transformation and Transition Fund to facilitate it. That is, in the main, redundancy payments presumably, is it, to remove the posts that you no longer want to have?

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**Mr Whitfield:** It is inclusive of managing people out of the organisation where there is a necessity to do so.

But we must not forget, I mentioned almost this sort of tidal wave of digitalisation that we are facing and people get turned off by the expression, but actually it is there. The way IT and technology is being provided, we have to go with that. We cannot resist it and not make that change. So therefore there is an absolute requirement to upskill and change our workforce.

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At the same time, I think there is ... If you look, I mentioned earlier on, our retirement statistics are quite frightening. By the end of 2020 we will have lost 26% of our workforce. By 2026, potentially 50% of the current provision of public services may have left the organisation. So therefore, dropping out unnecessary work and jobs, yes, may create an efficiency that can be banked as an efficiency saving, but in terms of the people, the human dynamic, I would suggest we are going to have to reinvest those people where we now need them, in the right place doing the right job for today and, importantly, tomorrow.

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**The Chairman:** Could I just stay with the use of the £8 million from the T&T Fund, because you have said that is inclusive of managing people out of the organisation. What confidence can you give us that the £8 million is going to be spent wisely and in a way that represents true value for money?

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**Mr Whitfield:** Well, firstly, the whole of the next phase of reform that goes across the Government, and that includes the core programmes that we have been doing in Committees, we have a revised set of governance principles to make sure that we have got strong accountability on aspects such as delivery of technology spend, so on and so forth.

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**The Chairman:** But on the specific use of that £8 million from the T&T Fund for managing people out the organisation, as you said: for example, we had a voluntary severance scheme, didn't we, a few years ago? (**Mr Whitfield:** Yes.) There is a risk that you end up with the wrong people taking voluntary severance, whereas you want to specifically aim that redundancy at the layers that you just talked about, the administrative staff are perhaps the positions that we no longer require. How can we make sure that this is a success?

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I think my concern underpinning this is that the money that is in the T&T Fund is once-in-a-lifetime money to really do some great revolutionary, transformational change. But what I am hearing is that you are just going to spend it on redundancies. Is that the best way of using that money, I suppose is the question?

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**Mr Whitfield:** I think it is a really good question and the answer is no. I mean the TTF Fund is over £26 million; £12 million has been assigned. Much of that is in the core programmes, a huge share of that going into the transformation ambitions within Health & Social Care under the Partnership of Purpose. It is not isolated to one aspect of Civil Service reform.

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I think also what we must always come back to: public service reform is not a separate piece of work dealing with some upgrading of civil servants and work therein. Public service reform is the wrap-around to take that ambition that you have just talked about.

Actually, £8 million is assigned, understanding there is a huge piece of work to do with our people, our workforce. We have to be an exemplar employer. We have to be fair and equal in the way we construct our jobs. We have to have an organisation where the people are placed and best aligned and have parity and weighting of pay, for example. All this work that needs to be achieved, the £8 million is to actually help us effect that change. That includes retraining, upskilling, redeploying. Those policies exist now, we are not going for a targeted voluntary severance. I do not

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540 think that is effective. I think you are quite right, you often lose the people that you want to keep and you remain with those that might be less desirable to keep.

This is not targeting people. This is targeting inefficiency in our systems for the betterment of our provision of services to our community. There will be a cost to doing that and we cannot be shy of saying that.

545 **The Chairman:** Shall we turn to Digital Services?  
Deputy Merrett, sorry.

550 **Deputy Merrett:** Actually, I just want to ask one more thing. I was very interested, Mr Whitfield, when you said that there are now new terms and conditions potentially, because the States do not appear to have a good track record on performance management. Will there be a performance management related pay scheme coming in, so that people are actually paid on their performance, rather than length of service?

555 **Mr Whitfield:** I do not think that is the first priority in looking at the terms and conditions of employment. We have done presentations, in fact, to States' Members on the terms and conditions piece, and I think many –

I thought it would be challenging once we had the reports and the deep-dive analysis back. It is even more challenging than I expected it to be. We are an organisation of over 5,000 people; 17% of Guernsey workforce, providing complex services, from air traffic control to waste management and many things in between. They are supported by 14 unions. For example, if I look at the standard working week – so not compressed, not expanded through particularly – there are 28 versions of the standard working week. There are over 200 spine points in terms of the way we grade. I could go on and on and on; we have to rebalance that. We may need to make sure there is no discrimination in our pay. If we are putting out policy in one side of Government – which actually arcs back to what I am saying about actually we need that visibility – if we are saying to our community and our employers in the community, actually we should not discriminate etc. (**The Chairman:** But we do!) and yet, if you look at our terms and conditions of employment they are less than clean, then we need to address that. (**The Chairman:** We do.)

570 We have been looking at a review of nurses' pay and conditions in comparison with other parts of the organisation. And it is because the provision of services within the public sector are very incremental and evolutionary in how they have come about. This is – I will use your words – a once-in-a-lifetime, a necessary once-in-time, to start recalibrating and getting these things right. But it is not ...

575 You *have* to look at the foundations you are building in one go and so you need to do the terms and conditions. If you do the terms and conditions, what is your design, how do you layer that? And then if you do that, how do we support, what buildings do we work in, what equipment, what technology we need to do? So therefore it is – and I can understand particularly from a political point of view, when you are actually in one term of Government – that such radical changes may seem to affect the work I am trying to deliver today, may present a vulnerability and a risk.

580 Our assurance, which is a charge to me, is to make sure we do not drop plates on the way.

**The Chairman:** Yes, okay.  
Can we turn to Digital IT services? Advocate Harwood.

**Advocate Harwood:** Thank you very much. I have drawn the short straw on this one!

585 We have heard today, we have seen through all the documentation we have been reviewing, the Transformation Programme is virtually almost entirely dependent upon digitisation. It is a huge element of your Transformation Programme.

**Mr Whitfield:** And people. Technology and people.

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**Advocate Harwood:** But I mean digitisation in turn leads into people.

I am told by those who know that it is generally accepted that efficiency-based technology solutions work best in areas of low complexity with large scale. Now, Guernsey is not exactly large scale, with a population of 62,000; those are your customers. But nevertheless, I think you have  
595 already said there are a complex range of needs, complex services and the level of complexity is fairly high.

So therefore, to Deputy St Pier: what analysis, what evidence have you got of the ability of the Digitisation Programme – whether it is digitisation, digital partnership or strategic partnership, whatever form it takes – to be able to deliver the reform dividends that you are anticipating?

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**Deputy St Pier:** Yes, I will take the point in your preface to your question, but nonetheless we have to recognise where we currently are, which is with a platform which is not sufficient for our needs. We cannot continue as we presently are. Our IT provision and support is inadequate. And notwithstanding the complexity, notwithstanding the scale, the fact is that IT will be a significant  
605 enabler of change which underpins not only the business-as-usual work of Government, collecting revenues and issuing driving licences, but also the transformation of Government as well, for example, within the Partnership of Purpose and what they are seeking to do within health provision.

So it is absolutely essential that we embark on a significant upgrading of our IT provision and hence the plan to work with a strategic partner to enable that to happen, because we cannot do it  
610 within our own resources.

**Advocate Harwood:** But you mentioned that part of this is IT upgrades in order to cover the business as usual, where you are putting new systems in because you are so clunky in one or two areas. But nevertheless, the Transformation is talking about the 'reform dividend' and there is a  
615 great emphasis upon the reform dividend. So my question to you is how confident are you as the political body, the P&R, that actually there is evidence of the ability to deliver that reform dividend?

**Deputy St Pier:** Yes, I think that, as it has been described, there are three parts to the Future Digital Services Programme. There is the business as usual, so that is just getting systems to work  
620 so that when people go to their laptop or their desktop they can turn it on and it works and delivers what is needed. But included within that is sorting out, for example, the fact that we have got 4,000 applications across an organisation that has got around about, whatever it is 4,500 users, which in itself is just an absurd statistic. So that is the first pillar, the first line of business that needs to be sorted out, which is business as usual.

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The second absolutely critical thing is supporting public service reform; and then the third pillar, which is really the icing or the cherry on the cake, is to the extent to which that the digital partner can support economic development. But it is the first two which are absolutely critical.

But to go to your question, the procurement process has been the most comprehensive that I think the States has ever been involved with – and rightly so, given its scale, size and the length of  
630 the likely contract. It has been immensely rigorous and has been going on for the best part of 18 months – with all the appropriate governance around that process, with the right people at the table.

So yes, I am as confident as I can be – speaking on behalf of Policy & Resources, who spent a considerable amount of time looking at this, particularly in the last few weeks as we got towards

635 the end of the process – that it is capable of delivering what is required, particularly in relation to those first two pillars: business as usual; and supporting public service reform.

**Advocate Harwood:** And the second of those two pillars is one that would deliver the reform dividend?

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**Deputy St Pier:** Yes. Largely. I mean I think that you would expect some efficiencies to come out of actually having your business as usual functioning more effectively and with less downtime and so on. But also I think out of that, I would expect some efficiencies to drive, primarily the second pillar.

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**Advocate Harwood:** It will be efficiency driven. The reform dividend is efficiency driven really.

**Deputy St Pier:** Well, it is transformation.

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**Advocate Harwood:** To reduce?

**Deputy St Pier:** Yes.

**The Chairman:** Can I just come in there? Obviously, the situation as it is now with the considerable challenges that there is with the IT structure within the States, the one independent report we have got on this was the HMIC Report, which described 'the IT provision at the Committee for Home Affairs is among the worst they had ever seen.' So, presumably you cannot possibly underestimate the challenges in just putting in IT that is actually fit for purpose, for business as usual, because the challenges are enormous as it stands at the moment. Obviously the Committee for Home Affairs took quite a lot of flak over that Report; but of course IT provision is the responsibility of P&R, so it is P&R who are accountable for the failures of IT. Is that correct?

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**Deputy St Pier:** P&R is now, because of course it has taken responsibility. Previously, as I said in response to a previous question, that responsibility was disaggregated and sat at an individual Committee level.

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**The Chairman:** That was taken in ... ?

**Deputy St Pier:** Eighteen months ago – in April, May 2017. So there are an awful lot of legacy issues which have been sorted out. And it is the same within Health & Social Care. We have had critical failures of the Child Information Database and Maternity Management systems and so on. So this is why we need to do things differently.

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But you were going to add to that.

**Mr Whitfield:** Yes, I was just going to cover the point probably you have just covered. Again, one does not want to keep on using the same words, but the onset and the use of technology, it is only a few decades ago where actually most people did not have computers sat on all their desks. All of us now are mobilised by digital and technology. However, most of it grew up incrementally largely, through the then States departments and you have got, you are quite right, over 4,000-plus applications across, unsighted of how they are sustained, maintained, contracted. And this was a good time to get a visibility and mapping of all our technology requirements.

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**The Chairman:** Sorry, I am trampling all over your questions, Peter. *(Laughter)* President's prerogative!



685 How did we get in that situation? Again, I come back to the HMIC Report: it is the only independent report that we have got which has shone a light on the frankly shambolic IT provision in the States. How did that come about? Why are we here?

I suppose the point is we can all talk about how the need for greater digitalisation will unlock lots and lots of savings, but if we cannot even get the business as usual correct on the ground now  
690 with the IT provision, we are a long way from that.

**Deputy St Pier:** Well, I am going to answer that question first because, historically why: because we chose to align our support services to our Government structure.

695 **The Chairman:** Is that why?

**Deputy St Pier:** Yes, I believe it is why. I firmly believe that is why.

**The Chairman:** Was it not to do with investment?

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**Deputy St Pier:** No. We had lots of inefficiencies and lots of unseen activities. So if you look at what was going on, for example if there were systems changes, they were not necessarily documented. So you had not got the rigour, you had got no firm disciplines of leadership across the *piste*.

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**Mrs Morris:** Are we talking about shadow IT here or are we talking ... ?Because that is what it sounds like to me from my background, that actually there is stuff that IT do and then there is the stuff that colleagues do just to get the job done. Is that what we are talking about?

710 **Deputy St Pier:** Sorry, I am not sure I understand the question?

**Mrs Morris:** Okay, so what I am saying is, when you work in an organisation where IT are always under pressure, whether that is a disaggregated IT or a centralised IT, when people do not feel like they are having enough of their problems resolved, they go off and sort it themselves and that is how you end up with 4,000 applications.  
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**Deputy St Pier:** By buying a piece of kit or a new system or a shortcut.

**Mr Whitfield:** Yes, that is absolutely right. I can talk by example, but I would not give it because it reveals individuals, but there are many aspects and to be quite honest, having worked the length and breadth of the UK as well, this is no shock or surprise just to Guernsey; this is everywhere.  
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Technology crept up on us; there is no doubt about that. It has done it in our homes, it has done it in the workplace. And if I look particularly in the public sector, you tended to find people with an interest in, and I will say 'IT', not technology, became the leads out of interest. Policemen that were  
725 policemen became the IT person in policing, and I am not using by way of example in Guernsey, but that is the sort of example I give. And you see those well-meaning people that were trying to support business need at the time, and then you had an acceleration. Then you had some maybe directly employed and it is growing up incrementally.

We have also talked actually, for an organisation that deals with a lot of cross-population issues – i.e. people, but you get it in place based services as well; but in terms of people – we have a  
730 *multitude* of systems that actually the public, our community, would have a natural expectation that actually we talk to ourselves, not only by people but we talk to ourselves by use of technology. Because of where we have come from, our technology just does not talk to each other.

Now, you have safeguards of Caldicott in health provision and data protection protocols, we all  
735 understand that. But actually if we are trying to protect people, if we are trying to make people better, if we are trying to educate systems that actually lend themselves, strip out inefficiency,

740 provide you ... in an economy which will be based on data and information and yet we cannot use data. We have got oodles of information but we do not use it in an effective way. So this is, again getting back to your opportunity curve, saying Future Digital Services gives us the opportunity to look at how we can use more enterprise systems to create the foundations again for Government to have an effective and efficient –

745 **Advocate Harwood:** Sorry, thank you. Can I drag ourselves back to the consideration of the brave new world? Going back to the reform dividends, I think Mr Whitfield has already indicated there will be some paper policy document coming back to the States in June. How are you going to measure success of that digital? You clearly will have to set out some KPIs or some performance targets. What are those going to be based on and how are you actually going to measure them?

750 **Deputy St Pier:** Well, I think that is an excellent question and I think –

**Advocate Harwood:** That is why I asked it. *(Laughter)*

755 **Deputy St Pier:** Yes. And I do not think I am going to be in a position to give you the definitive answer here and now. But I think if there is one thing that concerns me about the delivery of transformation for us across the States, it is around the clear identification up front of the benefits and then developing the process by which we then identify those, track them and then record them. I think that is probably the biggest weakness in the programme so far. If we look across, whether it is the Partnership of Purpose or Transformation of Education, there is inevitably a momentum for change and being progressed and supported by the funding stream which P&R have approved.

760 But I think, as an organisation, we need to be much more disciplined about tying that to 'okay, what is it you actually want to achieve by this change?' Not only financial, although obviously financial is important – which underpins your question, what is the reform dividend? – but what are the non-financial benefits as well that you expect by this change, whether it is in terms of measurable improvement in education or educational outcomes and a whole raft of different  
765 measures by which you might identify and measure those, or whether it is in terms of the improved access to healthcare or improved swifter treatment times or whatever? And I think that is probably something that needs to be –

770 **Advocate Harwood:** I am glad to hear you say that because one of the lessons ... We have just done a 'lessons learned' from our reviews of post-implementation reports and one of the issues that is a common theme across all the projects, if you like, is that there has been not a clear enough distinction and definition of the anticipated benefits, the anticipated outcomes or the measurement of those from the outset. So I am very glad to hear you say that and I acknowledge, I think it must be a very difficult task for you to come up with.

775 **Mr Whitfield:** If I could add to that and I have expressed that it is difficult because it is, and I think we should all acknowledge that; but there are absolute fundamental ambitions across the States to deliver, so you have got that in Education, you have got that across the Partnership of Purpose, Justice and Equality. They are exciting, they are ambitious and we have got obviously to  
780 overlay the corporate sort of betterments that we have been talking about.

But actually it would be an impossibility and incredibly naive to think we could do all that at the same time, in the same prioritised order. We have to prioritise, we have to use limited resources and I am not just talking about money, but one of the biggest dilemmas that face all of us, both in  
785 Committee areas and with a broader responsibility, is capacity – capacity on Guernsey to access resources. So I think one of the important things is acknowledging the management of benefits is absolutely spot on.

790 **Advocate Harwood:** Can I come back onto that? One of the other areas of concern, I think, is that the success of major IT transformation projects is somewhat chequered. The record, not just in this Island, but across the board, both public and private sectors, and I suppose a question really for Deputy St Pier is: what level of confidence do you have in the ability of the States to deliver this major Transformation Programme in relation to the IT digitalisation?

795 **Deputy St Pier:** Yes, again, it is a very valid question, as you say, given the experiences elsewhere, but I think that is the reason why, in looking at the analysis of our options we felt that actually the strategic partnership model, which there will be more in the public domain imminently as we head towards the July debate, is the right model because we have to recognise our limitations and therefore how we can bring in the skills of others with the appropriate experience which has obviously been tested through the procurement process, and then learn to be able to manage that  
800 relationship as a well-informed, intelligent client and customer, rather than be seeking to, as we have perhaps done, and perhaps others have done in the past, is say okay, we see this as something that needs to be installed and we have a project manager generic or otherwise whose job it is to go away and make it happen.

805 And it is actually a different relationship. It is an ongoing relationship which needs to be managed, in the same way, for example, as with our secondary healthcare contract: we need to be managing that contract. That again is a skill set that the States needs to acquire.

**Advocate Harwood:** Do you anticipate that the delivery of your project will be an ongoing partnership? Like the previous experience we had with Capita, for example, which was a task and finish, is this going to be a task and finish approach or are you actually saying no, this is going to be more like the MSG, which is a long-term contractual relationship?  
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**Deputy St Pier:** Yes, it is more like the latter. It is a longer term contractual relationship, albeit with the opportunity obviously for us to take control of the process if it is not working, so all of those –  
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**Advocate Harwood:** And there will be clear performance levels associated with that?

**Mr Whitfield:** Yes. I think it is important to establish that yes, it is a 10-year relationship with the ability to move away from that, but I think the importance of it is that we maintain control: rather than being obsessed on the ownership, that we maintain control of our technology and IT requirements, which indeed, as will be put forward in detail, the proposals create.  
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**Deputy St Pier:** And also – sorry, just to add to that – we also need to maintain control of determining what is important to us and what the priorities are, as that cannot be determined by a third-party relationship. I think that is another aspect which comes back to the need to be able to clearly identify and track benefits: you need that information to be able to determine what your priorities are and to prioritise properly, which is again something that we need to be improving on. We need to have that start with a good baseline data, identify how we want to improve, what the benefits are going to be. That will help us prioritise and manage the contract.  
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**Advocate Harwood:** I appreciate we are somewhat ahead of the game, but I mean I think there is an initial estimate somewhere of the cost of £10 million to £15 million. Is that an indication of the start-up arrangement or is that the actual ... ? What is going to be the ongoing long-term cost in terms of that relationship?  
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**Deputy St Pier:** Well, to give you an indication, currently our revenue spend across the *piste* is around about £16 million a year, with around about an additional £2 million of minor capital. So that is a routine replacement of bits of kit and that is before any major capital project spend. So we already have significant revenue and capital expenditure in relation to IT from our disaggregated heritage two years ago to where we are presently.

**The Chairman:** In terms of the so-called digital dividend that Advocate Harwood touched on briefly, have you taken into account two fairly important qualifications on that potential dividend? One, which I think has been mentioned, is obviously Guernsey's size – it is suboptimal in terms of maximising the digital dividend – but also the fact that you are always going to have in any community, but particularly in Guernsey I think, you are going to have some people who are reluctant to fully engage on a digital level. Has the estimate of the digital dividend taken into account fully those two important qualifications on the potential?

**Mr Whitfield:** Yes. I think the scale issue is a challenge for us because whilst I will advocate, obviously from a business point of view, running public services is kind of the biggest entity we have got on the Island, actually on scale, when you are looking, whether it is payroll systems or whatever it may be, actually transactions just coming in through invoices, whilst they are large numbers to us are not on a scale that you might be operating elsewhere.

But the whole sort of basis of creating a strategic partnership is to work with those that have got access and experience to delivering those and actually can scale them to bespoke to our needs.

The second point of question in terms of our community is a really interesting one. We have massively high levels of IT access and usage, over 90% as an Island, which is incredibly high but we understand we have community with those that are either reluctant, those with special requirements, those that are at a certain point in life and are challenged, so therefore we have been very careful to say we still need to, and there may be a shift in the future of the balance or how much of that, to provide what we would call front office services, where people still need to maintain contact with us in that sort of manner.

**The Chairman:** Have we got anything else on digitalisation?

**Mrs Morris:** Yes, just one.

**The Chairman:** Mrs Morris. Then we will take a break.

**Mrs Morris:** Yes. Obviously this strategic partnership is a big contract and certainly in the past our experience has been that sometimes the States has been reluctant to seek external advice on complex contractual matters. Are you taking external advice to make sure that this contract is fit for purpose and does exactly what you want it to do, and not what the strategic partnership partners want it to do?

**Mr Whitfield:** The answer to that is yes. We have an external, independent, off-Island outfit that are our sense check in terms of the project board that oversees the whole contract spin-off. It has been a two year piece of work, and I think you mentioned before, Deputy St Pier, in terms of we started over with potentially 16 bidders and we have obviously got down, more recently, to two preferred bidder stage.

All those in the most recent rounds have said – these are people that have worked on both global and national platforms – it is probably the most diligent and it has tested them, because we knew all the pitfalls that I think have been described by the Committee, that technology programmes of this size are notorious for going wrong and indeed with technology, what you require and what you stipulate, in terms of the ... actually technology itself is going to spin up faster so we have tried to build all that in. I think the biggest issue for us is maintaining accountability and

responsibility over IT technology and prioritisation requirements which are heavily built in. But we have also made sure on a day-to-day basis that, in terms of our legal contractual support, we have put a fairly A-star team on the whole journey.

**Deputy Merrett:** Excellent. I am just a bit concerned, Mr Whitfield, we have digressed slightly on to discussing the prioritisation of the Programme of Government. Surely that is up to the Government to prioritise or do you believe the Policy & Resource Plans are ambitious? You said, or you implied I believe, that the prioritisation of the Programme of Government rests in some way with the Civil Service. (**Mr Whitfield:** No.) Surely it should rest in the P&R Plan. It is a bit late into the term, is it not, to say that maybe the P&R plan is too ambitious? I do not know where you stand with that.

**Mr Whitfield:** For correction, it is Government's business in terms of the prioritisation through the P&R Plan, an agreed plan of work. What I am trying to articulate is you then take the ingredients of those ambitions, those intentions to do change transformation, particularly through a corporate and you find that actually the demands outstrip possibly the capacity of the organisation to support all those ambitions at one time. Even if we are insourcing on-Island, there is not the capacity on the Island sometimes to actually provide project support requirement.

So I think there is a necessity to make sure, through P&R working with the Committees, that actually there is a clear light shining on what Government needs to prioritise in what order. And whilst we would support that and advise against it, it is not our role.

**Deputy St Pier:** Do you mind if I briefly add to that response?

**The Chairman:** Yes, just briefly.

**Deputy St Pier:** Because I think it is a really critical point about governance. It is the elected politician's job is to prioritise policy priorities, but clearly the Civil Service have a role in then prioritising how on earth that is going to be then delivered, whatever it is that politicians have said they want to be delivered. I think that goes back to the really critical point about Future Digital Services is a recognition that actually we do not have the resources currently to be able to achieve everything we want to achieve, at the pace we want to achieve it – which is why the model, the alternative of developing our own skills and resources internally was simply not one that we regarded as being viable. Hence the need to have a strategic partnership, because actually, going back to the reform dividend question, if we are going to deliver the reform dividend we actually need to keep up the pace of delivery and we need to do that in a safe way.

So, for example – and again this just shows the level of inter connectivity between all of these issues – if you look at Health & Social Care and the need to help deliver some of their ambitions, that ties in not only to the people piece around Terms and Conditions, but actually, for example, to be able to e-roster and help them manage their staff better. That then takes us back to well, actually, we have not got the resources to do that without having a strategic partner.

Similarly if you look at Revenue Services and transforming the delivery of the Revenue Services, both in policy terms and in terms of just administrative efficiency, we cannot do that unless we have somebody alongside us to help us do that.

**The Chairman:** Just on the Revenue Service – I know we were going to take a break, but whilst you have mentioned it – I cannot help recalling the user survey which came out recently, which was about the new combined Revenue Service, which was pretty dreadful, wasn't it? It was not a good start for the brave new world, to use Advocate Harwood's phrase.

**Deputy St Pier:** Yes, well the brave new world of course, at the moment, is putting together effectively two analogue businesses. And that is what is being measured and that is what the

940 customer is experiencing. They are experiencing many of the frustrations of trying to interact with something which is not really necessarily what the customer wants or needs and drives us back to actually, yes, we have got to do things differently. So I think it drives us back in a circle. So I think it is supportive actually of the need for change.

945 **Mr Whitfield:** And I would also say, I think it demonstrates our tenacity and courage, which we should have, to ask those that are recipients of our service about their experience. Actually I welcome the feedback. It is the start of that journey. As quite rightly said, the initial move was to move those two structures together, but how does it operate? So actually negative feedback, we improve upon that and we have got something to work with.

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**The Chairman:** Okay. Thank you. Let's take a break just for five minutes.

*The Committee adjourned for five minutes.*

**The Chairman:** Mrs Morris – on my left, at least positionally. *(Laughter)* Transformation Fund.

955 **Mrs Morris:** Okay, I have a series of questions which are principally addressed to Deputy St Pier and then I have some more for Mr Whitfield later – and quite short questions.

So, according to the Budget Report, just under £11 million has already been approved to be spent and I was just wanting to understand, when we say approved, is that approved and spent or approved yet to be spent? And if so, how much have we already spent?

960 **Deputy St Pier:** It is certainly approved, but not necessarily already yet spent.

So, for example, well I mean it is currently just under £12.5 million. It has increased since the last budget. And then we have delegated authority over much of the remaining, but have not yet –

**Mrs Morris:** We will come back to that. Okay.

965 So how much has actually been spent?

**Deputy St Pier:** I do not think I have that information to hand.

**Mrs Morris:** But presumably there is some tracking?

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**Deputy St Pier and Mr Whitfield:** Yes.

975 **Mrs Morris:** In relation to the use of the balance of the Fund, there were some proposals put to the House when you presented your Budget Report. What estimates or support was given for those items? So we had £15.8 million left in the Fund and that has been split across obviously the £8 million, but also Health & Social Care, Education & Training, Justice & Equality. What information did P&R receive to allow them to come to these figures or was it just, as my colleagues would say, 'plucked out of the air'?

980 **Deputy St Pier:** No. That is based on dialogue with the respective parties as to what they think they need. Obviously numbers will change but, no, it is not just simply our allocation or what we think is appropriate.

985 **Mrs Morris:** Okay. And you also said that we would talk about delegated authorities and this is just maybe my lack of understanding, but in my world when somebody is given delegated authority, that is usually up to a maximum. This confused me a little, because what you have done is gone to the House and said, 'We need to increase our delegated authority,' which to my mind would mean that say, for instance, for transforming Health & Social Care, you would be able to approve £5.3

million (**Deputy St Pier:** Correct.) at once, rather than – (**Deputy St Pier:** Yes.) But do you expect it to come *at once*?

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**Deputy St Pier:** No, no. So yes, let us take transforming Health & Social Care as a single line; you are right. The States have delegated authority for up to £5.3 million from the States of Deliberation to P&R. In exercising that delegated authority, we of course may choose to do that in tranches and that is what we have effectively done.

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So far we have approved £3.4 million and we have got just under £1.9 million from delegated authority left, if you like, this is the current position. So again, in dialogue with the Committee for Health & Social Care principally, their request would come in, some of which may be approved, some of which may be approved in part, we will require further information on another part, or 'Actually we are not ready to approve that yet; come back once you have shown us your homework from the first part.'

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**Mrs Morris:** Excellent. So can the Assembly expect more requests for increased delegated authority from P&R going forward, because those amounts keep going up, which means that, as we talked about before, that centralisation of control within P&R is increasing on an annual basis almost. At what point should other Members of the House start getting nervous about that?

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**Deputy St Pier:** Yes, well, I think, again, I balk at the term 'centralisation of control' because I do not think it is a centralisation of control. The States of Deliberation have delegated authority to ... which is rather different to P&R simply being able to do its own thing.

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I think you have to come back to what is our responsibility? Our responsibility is not to micromanage these individual programmes of work; it is to ensure the efficient allocation of resources and to challenge appropriately. So in terms of whether there will be further requests, yes, and whether these limits will rise: well it may well do. For example, Justice & Equality has only really just begun its work. So far the delegated authority is £750,000. We have so far authorised or approved £261,000.

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As that work carries on, I can well see them coming back and saying, 'Well, actually, in order to now move beyond the discovery phase, move beyond the design phase –

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**The Chairman:** When it gets a bit specific.

**Deputy St Pier:** Exactly. In which case we would need to come back to the States to say, 'This is what we have been told by that team, we think it is appropriate now to seek another £2 million', or £3 million or whatever it is.

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**Mr Whitfield:** I think that is a really important point as well, because historically the way business cases, the requests have gone through, particularly when they are projects or programmes that required huge sums of money, then there was an expectation on the Committee office or the function in question to know all the answers from the get-go and put those all into a report that everyone could be held to account. Of course life does not quite work like that.

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There is an understanding and principally through the initial concepts of the TTF, Transition and Transformation Fund, was an acknowledgement that actually people needed start-up seed funding to aid with that discovery and design work before they could say, 'Well, actually the future model of what we are trying to propose looks and is costed like this.'

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**Mrs Morris:** So do you think that this new way of working is helping to accelerate the programmes and priorities? And if so why?

**Deputy St Pier:** Yes, I am going to answer a slightly different question.

1040 **Mrs Morris:** Really? How unusual!

**The Chairman:** As long as you then very quickly answer Mrs Morris's question, that is all right!

1045 **Deputy St Pier:** I will do Chairman. I would like to give the Chief Executive a chance to respond to that as well.

1050 But I think it is this new way of working, that is the trigger really, for my thought of the first part of the question I want to answer, which is recognising what P&R's role is. As I said, we are not micromanaging the individual programmes, but under the new system of Government operating since 2016, it is our responsibility to principally ensure that the work of Government is aligned with the P&R Plan.

1055 So the old system of Government would have involved an individual Committee rocking up to the States saying, 'We want to embark on a process of transformation of Service X, we want figure Y for it', we either get it or we do not get it, and go away and do it. I think that new way of working where effectively P&R is seeking to monitor work across the *piste* is absolutely critical.

1060 In terms of therefore linking to the second part of your question – is it improving the efficiency and speed? – I certainly think it is improving the effectiveness of the allocation of what is a limited pool of resources. I think it probably is speedier than actually Committees having to go back with individual policy letters to the States.

1065 But I am not going to be embarrassed about saying there is discipline and process around Committee requests. I think that has not always been welcomed. Having said that, I think all the requests have been met or at least there has been a dialogue which has said, as I said earlier, we are going to meet this part and come back with this part.

1070 It is that disciplined process which has enabled the dialogue between Committees, which I think ... Committees may think it would be much easier if they had not had that barrier, and that is maybe where it has been seen to be inefficient, but I think if you look at it as a whole, and for Government as a whole, I think it probably is more efficient and it is certainly more effective in ensuring that it is aligned with Government priorities.

1075 **Mrs Morris:** Do you think that the P&R apply the same discipline to its own projects, say, for instance the £8 million, as it does to other Committees? The reason for my asking that is: could there be a perception amongst other Committees that it is easier for P&R to get money for themselves than it is for other Committees?

1080 **Deputy St Pier:** I think it is actually probably better for the Chief Executive as an officer to answer that question, because he and his team are the ones that present proposals to us, whether it is from in or outside the Committee, and therefore they see the reaction, the response and the rigor which we apply. I think it is only (**Mrs Morris:** Okay.) probably fair that he marks our homework, rather than me.

1085 **The Chairman:** Mr Whitfield.

**Mrs Morris:** We talk a lot about marking homework on our Committee.

**Deputy Merrett:** Yes we do! (*Laughter*)

1085 **Mr Whitfield:** I think that is fair. Also I think I can understand it, but there is a bit of a myth or a perception at times that the Chief Executive is the Chief Secretary for P&R. I am not. In my position as Chief Executive, I represent the Civil Service, the public sector and so I have a vested interest, because obviously in trying to drive through, for example, the organisational change, and the £8



1090 million you referred to, that was myself and officers making a request to P&R as a Committee and having to go through regularly – in fact, I was in front of P&R yesterday on another theme of work, having to put forward a case in regard to our HR1, OneHR, because we know that is a particular area we have got to concentrate improvement on –

1095 **The Chairman:** Sorry, what is that?

**Mr Whitfield:** HR in old money. So our oversight of people and so we were taking a business case only yesterday that requires the same amount of rigour and in fact resulted in an hour of challenge from P&R on how we are going to use that.

1100 So I would say, yes, I think there is a healthy degree of frustration that Committees cannot access, including myself, funds as quickly as we have to. But I think, going back to the principal arrangements for the TTF in facilitating pre- and start-up funding so people have evidence-based understanding and readiness in order to take a major project forward is really relevant. Because we have seen many cases, for example, in capital where people have created a strong wish list and desirability to deliver something, but actually are not off the ground in terms of what they need of readiness to deliver this.

1105 The TTF almost forces us into a behaviour that says, actually you use an amount of funding in order to make sure you get the right information, data and understanding for you then to come back with a full business case.

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**Mrs Morris:** Just to further my understanding, because obviously there is the capital reserve and there is T&T, is the SCIP process applied to both of those or just to capital?

1115 **Mr Whitfield:** No, we have the same disciplines although there are slight adjustments on how they are approached, but we have the same types of business case discipline for each.

**Mrs Morris:** I am just looking forward to my next review, to make sure I only have to look at one process, not two.

1120 **The Chairman:** Sorry, just before you move on, Mrs Morris, you accepted Mr Whitfield, that that perception that Principal Committees perhaps have to go through a slightly more rigorous process to get T&T Funding than P&R – you accepted that that was a fair perception, did you? Yes, I can see you nodding.

1125 As a matter of fact, is that the case? To your knowledge, is a more rigorous approach applied to Principal Committees than for when P&R want funding from the same Fund?

**Mr Whitfield:** I think the same approach is taken in each case. Certainly, that is my experience.

1130 **Deputy St Pier:** Certainly politically, I would say that the five members of P&R do apply the same discipline and put the officers, wherever they are from and whoever is presenting a business case, whether it is capital – any request for funding frankly, whether it is revenue, capital, TTF, is always put under a pretty rigorous microscope by the five present Members of P&R.

1135 I think there is an obvious challenge which underpins the question. There is an obvious risk of a perception but I think ultimately, I am comfortable that we remain accountable to the States of Deliberation where some of the Members in the room today will inquire and probe if they are not satisfied. So I think that is the appropriate place for us to be held to account, because we need to be showing to the States how we have discharged our delegated authority, whether it is in our own favour, if that is the perception, or in the favour of others.

1140 **Mrs Morris:** Okay. I spoke earlier about trying to accelerate delivery of the projects. There was a mention of new capital business partners: are they available to support all Committees? Are they

available just for the Capital Reserve Fund or are they part of the T&T team? I was not quite clear how the capital business partners were operating.

1145 **Deputy St Pier:** Well, the business partner model, whether it is capital, whether it is HR business partners or finance business partners, they are there to support their teams and in the case of capital it would be capital projects rather than Committees because obviously Committees are obviously the ones that are driving an individual project, but we tend to, again, think of it as being a project rather than a Committee; if that makes sense.

1150 **Mrs Morris:** Yes. So equally to T&T funded as Capital Reserve funded, or just Capital Reserve funded?

1155 **Deputy St Pier:** The capital business part, I am afraid I am not in a position to answer that.

**Mr Whitfield:** I think it is placed against need and where they are, whether they are in the TTF type funding or whether it is capital, that if it warrants that sort of oversight, that is what would be put in place.

1160 **Deputy St Pier:** The reality is some of the bigger projects and, for example, FDS maybe one where actually you are accessing a number of different funding sources that can be revenue, capital and TTF in that particular case. So it will be the same. You are not going to have different business partners supported. It will be the same team that are supporting that particular project or portfolio of work.

1165 **Mrs Morris:** Okay. Going back to the reform dividends that we have spoken quite a lot about this morning, when these reform dividends are actually identified, has guidance been given to Committees about how those will be reinvested? I know you spoke in the House about the fact that the TTF will be exhausted fairly soon. So presumably those reform dividends need to top that up. Are Committees completely clear that that is what is going to happen, do you think?

1175 **Mr Whitfield:** I think whether they are all clear, it is an absolute that the TTF is not never-ending. Part of the reform dividend is to provide, because we know it is a continuum, beyond the current TTF funding. Much of the work as we have described this morning has been about design, discovery, seed work, into understanding and making sure we are making a collective good show of this.

But we must nail those benefits and one of the pieces of work we are currently engaged in is this organisational design piece but part of that is to create, and that is one of the things I was discussing with P&R yesterday, is to making sure we have got a capability that works with Committees and corporate functions, to understand that we ensure we deliver against those forecasted benefits and they are reinvested in the correct way.

1180 And that is the essence of, the £8 million was an acceleration to say, actually whilst the complexities of aspects such as Justice & Equality and Partnership of Purpose must be understood, they are really ambitious, complex pieces of work for the future of Guernsey. We have got to understand at the same time, because they have a high demand on putting TTF requests in to get those start-up pieces of work done, actually that is drawing down on the Fund. So we have spotted the opportunity through the acceleration of digitalisation, and technology in service pathways is actually a reasonably clean area to target return on those benefits. In the first instance, we have talked about an expectation of around £10 million which would be expected to reprioritise and top up the TTF.

1190 **The Chairman:** Do Principal Committees agree with that approach, though? There must be some practical or moral case ... perhaps, let's not get into morality. There must be some sort of practical case that if, for example, Health & Social Care save a particular amount of money through genuine

1195 transformation, they then have that money for Public Health or early intervention. Is there agreement between P&R and the Principal Committees on this area?

**Deputy St Pier:** I think it is a political question, so I think I probably should –

1200 **Mrs Morris:** It is a political question.

**The Chairman:** You should probably answer it, Deputy St Pier, please.

**Deputy St Pier:** I think I had probably better field it.

1205 Yes, and the answer is that is part of the ongoing dialogue and I think you have seen that in the last couple of years, particularly, and the Committee for Health & Social Care is a good example, where actually of course they did produce a saving of £4 million, which was effectively banked. But recognise that actually because of pressures in other areas, they actually needed more funding, which then came back through the budget process and indeed subsequent to the budget last year we have agreed additional funding out of the budget reserves to deal with an orthopaedic issue.

1210 So I think it is always very tempting to see it as black and white: that okay, we have managed to save £2.5 million out of Education; we take it out of Education and 'thou shalt not give Education any more for anything else.' But actually, we all know life is not as simple as that and there will be other policy priorities and things that they want to do. But that has to be part of the dialogue, I think.

1215 **Deputy Merrett:** Leading on from that, it does therefore, to me anyway, seem logical that if we are losing 200 posts, and that is actually meant to be a saving of between £10 million and £17 million in a year, the individual Committee budgets would therefore not be the same; they would be reduced. Not just returning any dividends but surely if we are moving towards this FDS and fewer Civil Service posts, then, well to me, it dictates that the budgets should actually cut for Principal Committees. Is that the intent?

1225 **Deputy St Pier:** That is the starting point, absolutely, but going back to my answer to the previous question to Deputy Green, I think that is the beginning of a dialogue with that particular Committee as to what the impact is on them, where they are in their journey, what else they need.

1230 So going back to Mrs Morris's question, in terms of the reform dividend and when it is going to come in and how it might be used, that is one reason for focusing on organisational design as being an initial priority because we think that the opportunities there are going to come through faster. Whilst if you look at something like Justice and Equality, for example, many of the benefits of transformation there, whether it is in terms of the way law enforcement works with the courts or whether it is in terms of investing in preventative measures, are much longer term.

1235 That, again, is going to be a conversation that needs to be had between all the parties as to what is realistic in terms of what can be delivered and that is part of our regular dialogue with principally Health, Education and Home. At the moment it is trying to understand the real pattern of when they can deliver transformation, what will be the impact of that, what will be the benefits of that, how we can bank that and what we should use the savings for.

1240 **Mr Whitfield:** I think just to add to that, this is why you do require cross-organisational discipline in organisational design. Although we have moved on from this, one of the first things in our deep-dive analysis that we did on the organisation at the beginning of public service reform, we talk about approximately 5,200 FTEs: there were over 8,000 posts still on the books. Why? Because jobs are created, people move on and the jobs are left hanging. So we have done a clean-up on that.

1245 But one has to be realistic that you do not know always what is around the corner. So we have had GDPR for example where that is a fresh and a new requirement where we have to apply new resources. The ageing demographic will put pressures on care in the community and other aspects

of delivery of services where we will need staff that we have not got today. The absolute for me is that we do not just keep asking for more, that we actually bank the benefits and the deliverables that we are saying we are going to achieve through public service reform and the associated projects. So therefore you have a clean stop and say you may well have removed the £2.5 million from Education, but it does not stop them presenting a fresh case for new things. But you are not adding on and I think that is incredibly important.

**Mrs Morris:** So my impression of a lot of what you have said this morning is that, where we might have thought a few years back that the Transformation team was, to quote Advocate Harwood's point, a 'task and finish'. This does not sound like a 'task and finish' team at all. It sounds like it is here for a good long while.

**Deputy St Pier:** I think you have absolutely grasped it. If I go back five years when I was sat in this seat, in possibly another room, dealing with questions from probably a different group of people in relation to the Financial Transformation Programme, obviously we were then focused on a task and finish project, which was about delivering £30 million of savings out of Government over a defined time period, but we also talked then about what was to follow. The language then was 'what does FTP2 look like?' I said at the time, what it must look like is not like FTP. It must be 'son of' and this is what we are now talking about.

This programme is son of FTP and it is understanding ... In fact we have got a schematic which we will be very happy, if you have got two minutes for us to talk you through it, because we think it helps explain what the linkages. There is a clear link between the Policy & Resource Plan, Government's overall objective, the Medium Term Financial Plan which underpins that in terms of being able to have the resources to deliver Government's priorities. The need for public service reform is critical to the MTFP and then you have got all these various different projects which themselves are dependent on each other.

So we have already identified, FDS is critical to delivering Transformation in Health and how it also helps deliver the transformation of something else, like the Revenue Service, for example. So that, rather than it being task and finish for either a series of individual cost-saving measures, which is what the FTP was about, this is about systemic, ongoing change *ad infinitum* – as long as one can think of it.

**The Chairman:** A permanent revolution.

**Mr Whitfield:** But I would add to that, this is not by accident but it is by design. You can witness large transformation approaches elsewhere and see some of the difficulties. But, in terms of methodology, this is iterative and it is implemented in an incremental fashion. So it is a build approach, but it is not a grab out and saying, 'Grab resources, grab cost savings and actually the organisation will look different.' This is a complete and holistic, as you say, once-in-a-lifetime opportunity to get this right in terms of Transformation, and it is a very considered and structured approach.

**Deputy Merrett:** Okay, thank you –

**Mrs Morris:** I am sorry, I have got just two supplementaries –

**Deputy Merrett:** I just want to pick up on 'revolution', is that okay? (**Mrs Morris:** Yes, quickly!)

So we do become a revolution rather than evolution. I am a bit concerned about some of the basic poor housekeeping of not deleting job positions, I just find that quite concerning.

1295 **Mr Whitfield:** Well, I would just say that that is where we have come from. We have inherited that.

**Deputy Merrett:** But are we having this revolution rather than evolution because it has been a failure to plan, or was it really because IT has literally, as in your own words, crept up on us? I find that quite astounding that IT has crept up on us.

**Deputy St Pier:** I would challenge the Chairman's description of it as a permanent revolution. I think it is a permanent evolution and that I think is how we should see it. It should be a new state of permanent change, and that requires permanent change management as well.

1305 **Mrs Morris:** Okay. That leads on beautifully to my last two questions.

**Deputy Merrett:** There you go, so I helped you out!

1310 **Mrs Morris:** So the first one was you spoke before about limited resources and that it is P&R's remit to allocate those properly. How are you going to deal with the fact that we have got 22 priorities now and limited resources? I cannot see a prioritisation within that list because to me it just looks like a list. So, is there prioritisation and if so, are Committees aware of that and are they ready for the conversation, the dialogue with P&R which says, 'D'you know what? It is a great idea, but this one comes first'?

1315 Sorry, lots of questions.

**Deputy St Pier:** No, an excellent series of questions. Prioritisation – I think, to be frank, at the moment, our prioritisation in capital space I think is pretty good. It has been running for 10 years and I think we now got a good discipline and good process around that.

Our prioritisation in other areas I think is rudimentary and I think it is critical that we up our game in that and I think the first iteration of the Policy & Resource Plan, the 22 priorities, is too many. I have said that before. I think that the next iteration does need to be honed down and I think it is really distinguishing between ... We need to be clearer at separating out those things which Government needs to just do, because that is what governments are there for – providing education, for example – and those things that we are looking to change which should then become the priorities of that Government. And I think that is probably where ... I do not think we are there yet.

1325 But I am comfortable and confident that we have come a significant way in this journey in the last few years, and I am sure it will improve further. But I am not going to try and sugar coat it. It is not perfect by any means and it is definitely a work in progress and it will require difficult conversations and a different mindset within Committees as well, to think about 'Well, actually we cannot do everything that we want to do within our Committee; actually we will have to put something on hold and deprioritise it.'

1335 **The Chairman:** Do you have any more?

**Mrs Morris:** I do. I have one more, which is about lessons learned. So we talked a little bit about lessons learned earlier and we have circulated a paper about lessons learned in relation to capital projects. Is there something similar in terms of post-implementation review that we are doing on projects that are not about building stuff?

1340 **Mr Whitfield:** Yes, we have a 'lessons learned' database capture on lessons learned from reasonably small-scale projects to large-scale projects. There are so many and because they are so diverse in theme, what we are trying to do is capture themes of learning that can be ... Otherwise for those who use that as a research tool to say, 'I am approaching this project, how can I do this

better, what has been learned?' it is to try and place that on a theme base, so you can say if it is a social project, if it is a financial project, whatever, you can go and look at those particular lessons.

**Mrs Morris:** So that is being shared across the Committees?

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**Mr Whitfield:** It is accessible. It is on our internal SharePoint site, particularly for programme and project managers and Committees that might be working within a particular area.

**Mrs Morris:** Okay.

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**Advocate Harwood:** Should you not go further actually and impose it as part of a discipline: that if there is anybody putting forward a project, one of the things they need to do is actually confirm they have looked at the Lessons to be Learned, just as a matter of discipline.

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**Mr Whitfield:** I think yes, we could.

**The Chairman:** Okay. Can we move to some closing questions now? I think I have got two.

Mr Whitfield, I think it is probably best for you to answer this. Do you believe that at present in-house, within the Civil Service, we have sufficient skills and resources to really make a full success of this Transformation Programme? Or is it that we are going to have to perhaps continue to utilise outside sources to really make this work? If it is a once-in-a-lifetime opportunity, do we have what it takes inside, in-house, or do we need to use external?

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**Mr Whitfield:** I will answer that in two ways. Firstly, I would say Guernsey has a Civil Service public sector it can be justifiably proud of. I think in comparison with nearly any other jurisdiction, we are already leaner, which might sound a contradiction to talking about the 200 positions. But as I said before, it is not about that; it is about the work that we do and use our human capital, our people in the most effective way.

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Have we got enough? Most definitely not. Our biggest issue in supporting all the Committees and working with the Committees and the core programmes, is the fact that we have not got capacity to deal with all the things, and it is a continuous tension that we simply have not got people. When I say we have not; *Guernsey* has not. And so then, when you are talking about very, very large-span projects across people, across health, across all these, we are going to have to become more mature to the fact that we need to use other people to support us.

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And why would you not? Because we still do too many things that we really do not need to do. One discipline I do not think we have got right within Guernsey is understanding that sometimes we need to decommission things that are in place, as well as keep on commissioning new pieces of work.

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**Deputy St Pier:** But building on that response to that question, I think in terms of the skill set, we should not be afraid to acquire skills from outside the organisation. I have certainly been encouraged in what I have seen of some of the work and some of the bits that have come before us, that these projects and programmes have not been afraid to engage external advice on a temporary basis. So rather than thinking, well actually, the solution to this is we go out and recruit a permanent resource to see this particular part of whatever it is we are trying to do, whether it is a piece of design or piece of implementation and requiring skills that we do not have, so we contract that in, whether it is contract work or as a consultant. But it is there for a defined piece of task and finish within the wider ongoing evolution. I think that is entirely appropriate, and certainly some of the people who come and sit in front of P&R to present and be challenged on business cases, I think have been a great acquisition for us in that, but without having to be a permanent member of the payroll, which would neither suit them nor indeed us, and I commend the Chief Executive and his team for ensuring that approach is being adopted.

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**The Chairman:** Okay. Thank you, I think I understand that.

1400 Can I make this the final question then? I want to return to where we started, which was the reform of the highest rung of the Senior Leadership Team of the Civil Service, because there is kind of overarching concern at a political level about some of these changes. I was just wondering, Mr Whitfield, Deputy St Pier, whether some further bridges need to be built with those politicians who sit on certain Principal Committees, because certainly the messages that we are hearing is that there is significant concern about some of those changes.

1405 I just wonder whether you would take this opportunity to perhaps reflect on whether actually there is a case for building some bridges to make sure that there is better communication, better understanding, better shared understanding of what this is actually going to be like?

1410 **Mr Whitfield:** Absolutely. And as I think I mentioned earlier on, diarised from today, there is a schedule of meeting with Presidents and other delegated Members, if they are coming, to meet with myself and members of the team on aspects of this senior leadership structure and how this accountability and responsibility is going to work.

1415 **The Chairman:** Okay. Deputy St Pier?

1420 **Deputy St Pier:** Yes, I agree, I think there is always room for dialogue and conversation. I think there is clearly some concern within some areas. I think we should be very clear that some areas are more comfortable than others, and we need to listen, absolutely, and the Chief Executive needs to engage and listen to those concerns; but ultimately also we need to get on and make some decisions and start to implement some kind of organisational changes in the context of the whole of what we are doing here. It is an integral part of that, and also we should have confidence to be able to say, well actually, if something is not found to be working or an individual in a particular post is not found to be delivering, then we will change it.

1425 That is part of the ongoing role and responsibility of the Chief Executive and his leadership team, and I think there is a demonstrable track record over the last couple of years of that happening. When there has been concern at a political level around particular support for them in their roles, that has been escalated and changes have been made, and there is absolutely no reason to not believe that that will continue. I think really, to echo a point which is very firmly part of Paul's philosophy, is that we should not see anything as a permanent state.

1430 So if this design, as you said ... your challenge earlier was how has it arisen? Has it arisen out of the Chief Executive's head or as a result of input from elsewhere? But if it is found not to be working, then it should be changed. But that should not paralyse us into not making any changes for fear of it not working. We should make change and then change again, if we need to.

1435 **The Chairman:** But you would agree, surely, that when making such a fundamental transformation to the senior leadership of the Civil Service, it makes sense to have as much support as possible from the Principal Committees that will be affected?

1440 **Deputy St Pier:** Absolutely, I agree and that is why I think it is appropriate that there is an ongoing conversation to be had. But I hope we do get to a point where we can make change and also have confidence that ongoing dialogue in turn will enable us to make further change if it is required. I think that is the mature way to approach this challenge.

1445 **The Chairman:** Okay. Any other ...? I think we are done.

Thank you very much. There will be a *Hansard* transcript of this hearing. Thank you very much to our witnesses for attending. Thank you to members of the public.

*The Committee adjourned at 12 noon.*