

POLICY & RESOURCES COMMITTEE
COMMITTEE POLICY PLAN

Introduction

This document comprises the Policy & Resources Committee's response to Phase One of the Policy & Resource Plan agreed by the States in November 2016. It sets out, at a high level, the policy priorities of the Policy & Resources Committee, together with an outline of the anticipated benefits and the work needed to realise those benefits, plus an estimate of the resources required to deliver those pieces of policy work.

Our responsibilities

The main powers and duties of the Committee essentially sit in four categories, as follows:

- Leadership and co-ordination of the work of the States
- Fiscal policy, economic affairs and the financial and other resources of the States
- External relations and international and constitutional affairs
- Other matters delegated to the Committee

In considering which matters to prioritise in terms of its own policy responsibilities, the Committee first considered the relationship between its mandate and the outcomes identified in Phase One of the Policy & Resource Plan – Future Guernsey. Whilst links can be found between all areas of the Committee's mandate and most of the outcomes, the table overleaf shows only the strongest links. Leading and co-ordinating the work of the States is of course equally relevant to all themes and outcomes, and in discharging its responsibilities in this respect the Committee will doubtless become involved in ensuring all of the outcomes set out in Future Guernsey are realised.

Outcome	Leadership and co-ordination of the work of the States	Fiscal policy, economic affairs and the financial and other resources of the States	External relations and international and constitutional affairs
Strong, sustainable and growing economy	✓	✓	✓
Sustainable public finances	✓	✓	
Healthy community	✓		
Safe and secure place to live	✓	✓	✓
One community: inclusive and committed to social justice	✓		
Lifelong learning	✓		
Centre of excellence and innovation	✓	✓	
Mature international identity	✓	✓	✓

Policy Priorities for the Policy & Resources Committee

The Policy & Resources Committee's policy-making responsibilities are mostly concerned with fiscal policy. Other than that, its role focuses on: policy co-ordination (as opposed to development); the allocation and management of resources, including the States' budget; and facilitating cross-Committee policy development. Importantly, it also has responsibility for developing and promoting the States' overall policy objectives as well as leading the policy planning process. Given its mandate it is not surprising that the Committee's Policy Plan is couched more in terms of supporting and co-ordinating policy development than producing new policies, with fiscal policy the obvious exception.

Having regard to the long-term vision and shorter-term objectives set out in Phase One, the Committee therefore concluded that a significant focus of its work over the current political term would be coordinating and supporting the development and implementation of strategies already approved by the previous Assembly.

Such co-ordination activity sits in its Plan alongside the progression of those policy areas for which it has specific responsibility, with emphasis on fiscal policy and external relations, particularly in respect of the protection of the Island's interests in the aftermath of Brexit, which will be a significant focus of the Committee's work in the short- to medium-term.

Outcomes and Objectives

The Committee's response to the specific outcomes and objectives agreed by the States are explained below.

Strong, sustainable and growing economy

Relevant to: Fiscal policy, economic affairs and the financial and other resources of the States

The Committee believes that this outcome warrants considerable focus because creating the right economic climate will support the achievement of many other outcomes and objectives articulated in Future Guernsey. Most of the specific objectives that will contribute to the creation of the desired economic conditions will be led by other Committees but, for its part, the Policy & Resources Committee intends to focus on two, namely maintaining an appropriately-sized working population and maintaining, enhancing and promoting Guernsey's rich marine and terrestrial environment as a high value resource which underpins our economy.

Objectives

Ensure conditions that encourage and foster enterprise and remove barriers to business, keeping regulation appropriate and proportionate, whilst respecting environmental and social safeguards

The Committee *for* Economic Development will be leading on work streams that contribute to this objective; for example, working to ensure that Guernsey meets existing standards and takes part in the development of international standards; developing policies that facilitate inward investment; and developing measures to reduce red tape for existing and emerging businesses.

Alongside this work, the Policy & Resources Committee will be looking to develop States' procurement policies to seek to maximise the benefit to the local economy of States' spending. The Committee would be looking to roll out any new policies by the end of 2018.

Ensure the provision of reliable, sustainable and affordable sea and air links

The provision of air and sea links sits within the mandate of the Committee *for* Economic Development but these issues are of such strategic significance that the Policy & Resources Committee is keen that they should be afforded a very high priority. Feedback from the community also focused on air and sea links as vital issues. Accordingly, the Committee will be prioritising the support of this objective, and intends to work closely with the Committee *for* Economic Development to investigate and evaluate various options for securing sustainable strategic transport links.

Maintain an appropriately-sized working population

The size and composition of the population, and in particular the working population, is a significant factor in Guernsey's economic prosperity. Therefore it will be important to develop strategic population policies that underpin the economy. Whilst the Committee *for* Economic Development clearly has an interest in this policy area and the Committee *for* Home Affairs is an important stakeholder because of its responsibility for administering the Population Management regime. Neither explicitly has strategic population policy in its mandate. In recognition of this, and also in line with the Policy & Resources Committee's, responsibility for developing and promoting the States' overall policy objectives in March 2017 (Billet d'Etat VII) the States approved an amendment directing the Policy & Resources Committee to take the lead in a review of the Population Management Law and its underpinning policies. At the time of writing, the Committee was in the process of preparing for such a review in conjunction with important stakeholders, namely the Committees *for* Home Affairs, Economic Development and the Environment & Infrastructure.

Future work will include consideration of how dependency ratios might be improved, an area where the Committee *for* Employment & Social Security also has a role to play in respect of its ongoing project on Longer Working Lives.

For its part, the Committee will focus on developing strategic population policies that will enable the economy to flourish whilst respecting the fact that Guernsey's infrastructure is unable to support unlimited immigration. As set out in the former Policy Council's report entitled "Managing the Working Population" (Billet d'Etat XXIV, 2015) composition of the population will be of much greater importance than a population target, which is both unhelpful and ultimately unachievable because there are so many factors relevant to population increases and decreases over which government can have virtually no control.

In accordance with the terms of the amendment referred to above, the Committee intends to put any new policy to the States for consideration by the end of Q1 2019. For the avoidance of doubt, in the meantime the States' population objective will remain unchanged – i.e. that, as far as practicable, Guernsey's population should, in the long-term be kept to the lowest level possible to achieve the outcomes set out in Future Guernsey. (The existing population objective refers to "the 'Statement of Aims'

in this plan” – i.e. the States’ Strategic Plan – and this point of reference therefore needs to be updated but the objective itself remains the same.)

Maintain, enhance and promote Guernsey’s rich marine and terrestrial environment as a high value resource which underpins our economy

The Committee believes that establishing extended territorial seas, including the seabed, is integral to meeting this objective, and forms part of its responsibility for constitutional and external relations. The Committee therefore intends to pursue negotiations in this respect, with a view to establishing extended territorial seas before 2020.

Sustainable Public Finances

Relevant to: Fiscal policy, economic affairs and the financial and other resources of the States

Given its mandated responsibility for fiscal policy, economic affairs and the financial and other resources of the States, achievement of this outcome will form a core part of the Committee’s activity over the current political term (and beyond). The production of a medium-term financial plan will address many of the objectives identified as contributing to this outcome. Specific activities are likely to include:

- Reforming personal tax allowances
- Progressing the resolutions arising from the Personal Tax and Benefits Review, in conjunction with the Committee *for* Employment & Social Security

Further details are not included here, as they will form part of the medium-term financial plan that will be published and considered alongside the Policy & Resource Plan.

Objectives

Provide leadership of the transformation agenda and support the Public Service Reform agenda in order to manage both short and long-term spending pressures

The Committee recognises that the organisation needs to look carefully at how it operates, with a view to making fundamental and radical changes to the way in which services are delivered, as this is the only way to ensure that expenditure is targeted appropriately. The Public Service Reform agenda is highly relevant to this, and the Committee fully supports that agenda, as set out by the Chief Executive and endorsed by the States in September 2015. Whilst all Committees will need to get behind the agendas of both transformation and Public Service Reform, the Policy & Resources

Committee recognises that it must also demonstrate political leadership of this crucial work.

Ensure that the States' commercial and semi-commercial entities and other States' assets are maximised, making an appropriate return to the States but without placing a disproportionate burden on customers, many of whom are inevitably on low incomes

The Committee's response to this will largely be encapsulated in the medium-term financial plan but it is important to highlight the reference to States' assets being used to ensure an appropriate return to the States. In line with its responsibility for the financial **and other** assets of the States, the Committee will be ensuring that a property strategy is produced, to give clear policy direction to the custodian of those assets, namely the States Trading Supervisory Board.

Ensure competitive recruitment and retention of quality, skilled professionals, balanced with appropriate scrutiny including control and review of staffing costs, grading and pay awards, and effective performance management within the public sector

This is relevant to the Committee in terms of its role as the employer of all States' employees and also in respect of its political leadership of the Public Service Reform agenda. The production and implementation of a strategic HR road map and People Plan for the organisation will make a significant contribution to the achievement of this objective.

Given the complexity involved across many aspects of the programme, the delivery of projects are short-, medium- and long-term across the 10-year public sector reform agenda. There are, however, other pieces of work in train that will see quicker results. For example, a new employee representative forum is in place, comprising representatives of all employee groups. This will play an important part in ensuring adequate staff engagement throughout other pieces of strategic HR work, which is one of the reasons why the establishment of this forum has been programmed early in the process. In a similar vein, the intention is to put in place a new communications platform for all staff by the end of 2017.

Healthy Community

Relevant to: Leadership and co-ordination of the work of the States

The Policy & Resources Committee has no policy responsibilities with a direct impact on the achievement of this outcome. Nevertheless, there are a number of existing strategies – notably the Children and Young People's Plan, the Mental Health and Wellbeing Strategy, the Healthy Weight Strategy and the Supported Living and Ageing Well Strategy – that must be progressed as a priority if the goal of being a healthy

community is to be achieved. All of these strategies involve collaborative working between Committees, and the Policy & Resources Committee has an important role to play in ensuring that cross-Committee working is suitably co-ordinated, and supported by appropriate governance structures.

Work to implement these – and other – strategies is already under way and governance structures have already been set up by the Policy & Resources Committee in the form of the Children and Young People’s Plan and SLAWS Supervisory Groups. Through these groups, the Committee is able to ensure that priorities are identified and addressed, and that progress is maintained towards achieving the desired outcomes.

Many of the strategies agreed by the previous Assembly are very complex and involve cross-cutting work streams. As a result, it will be necessary to prioritise and co-ordinate these work streams very carefully to ensure that focus is maintained on meeting the outcomes and objectives already agreed by the States as part of Future Guernsey. Future approaches to the States in respect of these cross-cutting work streams are unlikely to be made in terms of the progression of only one strategy, as they have all become very much interlinked.

Objectives

Focus on the promotion of health and wellbeing, and the prevention of, early intervention in, and protection from negative health outcomes

Focusing on these issues in order to protect the community from negative health outcomes is crucial if we are to achieve the vision of being among the happiest and healthiest places in the world. If early intervention can reduce the incidence of many “lifestyle” conditions, such as type 2 diabetes or smoking-related lung conditions, then healthcare costs related to the treatment of such ailments will reduce commensurately, allowing expenditure to be targeted elsewhere.

Consequently, the Committee is very keen to work with the Committee *for* Health & Social Care and the Committee *for* Education, Sport & Culture to co-ordinate and progress relevant work streams. In this respect, the Policy & Resources Committee considers that the development of an Early Years Strategy and the development and implementation of the Healthy Weight Strategy should be prioritised. Both are integral to the Children and Young People’s Plan, with the Healthy Weight Strategy also contributing to the progression of the Mental Health and Wellbeing Strategy.

Support the continuing transformation of the health and social care system, across and in partnership with the public, private and voluntary sectors

The Committee *for* Health & Social Care is already progressing its transformation programme, an important aspect of which will involve identifying suitable partners for the delivery of services, where appropriate.

In order to support this work, and also to support other Committees that might also be looking for service delivery partners, the Policy & Resources Committee will be developing and implementing a commissioning framework so that, in future, it will be easier for the States as an organisation to commission services and monitor their delivery. This is in line with commitments made in the Social Compact and also reflects feedback from the community to the effect that the States ought to focus on core government services and allow others, who may be better placed to do so, to deliver other services.

Safe and secure place to live

***Relevant to: External relations and international and constitutional affairs
Fiscal policy, economic affairs and the financial and other resources of
the States***

Feeling safe is an important part of becoming one of the happiest and healthiest places in the world. By definition, a community that lives in fear of crime is not happy, even if that fear is based on an erroneous perception rather than a reality. In today's world where there is ever more reliance on technology in both work and personal lives, the scope for crime has broadened. For example, fraudsters may carry out online crimes against individuals or businesses and it is necessary to protect all personal and/or sensitive data that is held online.

Ensuring that Guernsey is a safe and secure place will not only contribute to the wellbeing of the community but will also potentially attract businesses to Guernsey, which will in turn make a contribution to the economy. Thus the achievement of this outcome will have many positive aspects.

Objectives

Be proactive in monitoring potential threats to our way of life both internally and externally and, where necessary, make provision to mitigate the effects

Given the increasing reliance on digital technology, it makes sense to prioritise digital security and the Committee is therefore fully supportive of the development of a cyber security strategy by the Committee *for* Home Affairs and the Committee *for* Economic Development. Whilst it is these Committees which will lead the work, the Policy & Resources Committee will have an important role to play, in light of its mandated responsibility for developing and implementing policy on assets and corporate services, including information and communication technology, combined with its responsibility for external relations.

One community: inclusive and committed to social justice

Relevant to: Leadership and co-ordination of the work of the States

Clearly the achievement of this outcome should be at the heart of every Committee's thinking if Guernsey is to achieve its aspiration of being "better tomorrow". The Policy & Resources Committee will maintain a keen interest in progression towards this outcome and sees its role in this respect as providing crucial cross-Committee support

and co-ordination in the implementation of a suite of social policy strategies agreed by the previous Assembly. These include:

- Disability and Inclusion Strategy
- Supported Living and Ageing Well Strategy (SLAWS)
- Mental Health and Wellbeing Strategy
- Children and Young People's Plan
- Development of a social welfare system which unifies housing and income benefits and directs financial assistance to those in most need, as developed by the former Social Welfare Benefits Investigation Committee

Work on all of these areas is already under way and the Committee expects to see considerable progress during the current political term, with significant existing resources dedicated to the furthering of these agendas, supplemented where appropriate by additional temporary resource funded by the Transformation and Transition Fund.

The Committee will continue to provide support to help ensure Guernsey meets its international obligations for human rights and assist Principal Committees with the extension of the UK ratification of any relevant convention, as part of its responsibility for external and constitutional relations.

Objectives

Foster integration within our community

There is one objective relevant to this outcome that does not sit specifically within the mandate of a Principal Committee, although it is relevant to the progression of the Disability and Inclusion Strategy, and that is the reform of the Matrimonial Causes Law (Guernsey), 1939. Consequently, the Policy & Resources Committee has determined that it will take this forward, with the assistance of HM Greffier.

This Law is outdated and does not meet the needs of modern society. The disconnect will become increasingly apparent following the introduction of same-sex marriage legislation. Therefore, the Committee would wish to see this matter addressed by the end of 2018 and has prioritised this work stream accordingly.

Provide support to informal carers

This work stream sits within the Supported Living and Ageing Well Strategy, which is being led by the Committee for Employment & Social Security. It is also relevant to the

Mental Health and Wellbeing Strategy. The Policy & Resources Committee is keen to see this work prioritised, on the basis that it has the potential to improve the wellbeing of both carers and those for whom they care, as well as potentially enabling some carers to take up/increase paid employment, which will also bring about economic benefits.

Centre of excellence and innovation

Relevant to: Leadership and co-ordination of the work of the States

Fiscal policy, economic affairs and the financial and other resources of the States

The Committee's role in contributing to this outcome will be largely one of supporting and co-ordinating other Committees' work, as a number of the objectives in this area can only be achieved through close cross-Departmental co-ordination. However, it is anticipated that this may prove significant in terms of resourcing.

Objectives

Invest in digital infrastructure to improve reliability and reduce costs

The Committee *for* Economic Development and the Committee *for* Home Affairs will be working together to develop a strategy for:

- 5G mobile connectivity
- Adopting a Universal Service Obligation for broadband
- Reducing cost for investment in core network

The Policy & Resources Committee will be closely involved in this work, in terms of providing governance oversight and critical resources for it to progress.

Encourage the growth of digital and information businesses through the Future Guernsey Economic Fund

Again, this is an initiative where the Committee *for* Economic Development will lead with significant support from the Policy & Resources Committee in the development of a digital strategy (SMART Guernsey).

Ensure conditions that encourage enterprise

In this respect, the Committee intends to pursue the development of an innovation fund, in partnership with the private sector, which could be used to support initiatives with potential economic benefits for the island. Use of any such fund would of course

need to be carefully regulated, with any proposals having to meet clear investment criteria before funds could be released. For the avoidance of doubt, the Committee does not believe it would be best placed to make decisions about the allocation of funds and recommends that this be the responsibility of others who would be better placed to make such decisions. Work with the private sector to support the development of an innovation fund is under way and the Committee is cautiously optimistic that the fund will be in place by the end of 2017.

A further specific work stream that will be progressed by the Policy & Resources Committee in pursuit of the above objective is the investigation into establishing an international university presence in Guernsey. If feasible, the benefits of establishing such a presence would be primarily economic but, owing to the variety of stakeholders involved, and the complexity of some of the issues, it has been agreed that the Policy & Resources Committee will lead on this work, supported by the Committees for Economic Development and Education, Sport & Culture.

Define the level of risk with which Guernsey is comfortable

The Committee considers it a priority to establish some parameters around risk appetite and, to this end, will be working closely with the Guernsey Financial Services Commission (GFSC) to develop policy that will address this matter.

Promote innovation within the public sector and its partners, and in pursuit of the realisation of government policies and strategies

All Committees clearly have a role to play in fulfilling this objective but given its role in leading on Civil Service Reform and its responsibility for the development of public policy, it is considered appropriate that the Policy & Resources Committee should take the lead.

Mature international identity

Relevant to: External relations and international and constitutional affairs

Attainment of this outcome will be a significant focus for the Committee in view of its responsibility for external relations and international and constitutional affairs.

Objectives

Ensure our interests are taken into account in the UK / EU exit agreement and seek new opportunities where possible

The Committee considers this one of its top priorities, particularly given the need to act swiftly in order to take advantage of the potential opportunities offered by the UK's decision to exit the EU. In order to fulfil this objective, the Committee intends to

develop an International Relations and Constitutional Affairs Policy. This will be a comprehensive policy that will set out how we will seek to:

- Maintain our trading relationship with the UK
- Establish a new trading relationship with the EU
- Set up new trading relationships with the rest of the world

The Committee has already taken steps towards ensuring that Guernsey's interests are protected in the light of Brexit. The External Relations team is liaising closely with officers in the UK Department for Exiting the European Union, and has drawn together a team of officers from across the States of Guernsey to ensure that all aspects of the UK's withdrawal from the EU are taken into account in so far as they affect us. This team is to be strengthened with additional resource from across the organisation redeployed on a temporary basis while this work is a high priority.

Ensure Guernsey continues to meet existing and emerging international standards in relation to market access

This will be particularly important in the context of Guernsey's changing relationship with the EU and wider world in the light of Brexit. In order to ensure that the Island is well-placed to take advantage of emerging opportunities, the Committee has prioritised the development of financial crime policy and financial stability policy. In developing these policies it will be working closely with the Committee for Economic Development. It is anticipated that areas to be covered will include:

- Anti-money laundering
- Combating the financing of terrorism
- Continuing ongoing work and evaluation with MoneyVal, the IMF, the World Bank and the OECD on financial stability and transparency
- Providing technical and policy oversight on the development of a Beneficial Ownership Register
- Delivering a data protection law and regulatory framework that ensure Data Adequacy with the EU GDPR Regulations

Seek greater autonomy from the UK in respect of the legislative process and international agreements

This arises from the recommendations of the Constitutional Investigation Committee (Billet d'Etat I, 2016) and is even more pertinent now in view of the UK's changing relationship with the EU, which will of course have consequential implications for Guernsey. The Committee recognises that it will need to work with the States' Assembly and Constitution Committee in the pursuance of the relevant States'

resolutions, with the aim of securing greater autonomy in matters pertaining to the granting of royal sanction for legislation; the extension of international agreements; and the ability to enter into agreements under entrustment no later than 2020.

Context

The Committee was acutely aware of the need to take account of the context against which it was determining its policy priorities. For example, recent events such as Brexit have brought to the fore certain issues that, whilst undoubtedly important, might otherwise have been allocated a lower priority in the Committee's policy portfolio.

Recent public engagement also gave the Committee the opportunity to reflect on the desires of the community, which was useful, as the Policy & Resource Plan is a community plan and it is incumbent upon government to take the community's desires and aspirations into account when drafting and implementing a plan of this nature. Naturally, those desires and aspirations have to be balanced with the obligations of government and the need to respond to international development outside of the States, and this balancing act takes place against a backdrop of the need to constrain public spending. It will come as no surprise that this is a demanding exercise but the Committee was heartened at the recognition of these tensions that emerged in the stakeholder workshops held in January 2017.

A general understanding prevailed that government cannot be expected to deliver everything that the community might like to see provided. However, there was an expectation that government should therefore seek out suitable service delivery partners in order to enable it to focus on its core functions, something that is reflected above in the commitment to develop a commissioning framework to support such activity.

Achievability of delivering objectives

The Committee has not identified any significant barriers to the achievement of its own policy objectives, which it considers to be deliverable within existing resources. It is, however, acutely aware that it will be called upon to provide support and co-ordination for a number of work streams being led by other Committees. Whilst comfortable that it has sufficient capacity to support the overarching priorities for government set out in the Policy & Resource Plan, the Committee would caution that any significant changes to the work streams already agreed will potentially result in resources being spread too thinly to be effective.

This does not mean that it will not be possible to respond appropriately to changing situations. On the contrary, if the Policy & Resource Plan is to succeed then it will have to be sufficiently flexible to enable government to react appropriately to unforeseen events. (Last year's decision by the UK to exit the EU would be one such example.)

However, it needs to be understood equally that if it should be necessary urgently to pursue some policy work not originally envisaged when the Plan was put together, then it must follow that other work will need to be deprioritised in order to free up the resources necessary to support the new priority work stream.

Overview of policy delivery and outline of resources needed to develop and implement

As set out earlier, the Committee has sufficient internal resources to be able to develop those policy initiatives it has prioritised. Specific work streams, notably those associated with Brexit, require additional resource beyond those usually dedicated to service areas that support the Policy & Resources Committee. These have been secured already at minimal cost to the organisation.

Notwithstanding the Committee's confidence that it is appropriately resourced to deliver its policy priorities as well as to support others in the development of their own policy work, the Committee considers it important to flag up that in the future staffing resources will need to be more mobile in order to ensure that priority work can be addressed. This is in keeping with the intent of the SRC policy letters approved by the States in 2015 and 2016 that the States as an organisation should, as far as possible, ignore the largely artificial barriers between different areas when looking at the development of policy. The Committee is pleased to report that this is starting to happen but it must continue and increase if we are to make the most effective use of our existing resources.