



BILLET D'ÉTAT

TUESDAY, 30th JULY 2013

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BILLET D'ÉTAT

TO THE MEMBERS OF THE STATES OF THE ISLAND OF GUERNSEY

I hereby give notice that a Meeting of the States of Deliberation will be held at **THE ROYAL COURT HOUSE**, on **TUESDAY**, the **30th JULY, 2013** at **9.30 a.m.**, to consider the items contained in this Billet d'État which have been submitted for debate.

R. J. COLLAS
Bailiff and Presiding Officer

The Royal Court House
Guernsey

21st June 2013

THE SUPPLEMENTARY BENEFIT (CLASSES OF PERSONS TO WHOM THE LAW APPLIES) (AMENDMENT) ORDINANCE, 2013

The States are asked to decide:-

I.- Whether they are of the opinion to approve the draft Ordinance entitled “The Supplementary Benefit (Classes of persons to whom the Law applies) (Amendment) Ordinance, 2013”, and to direct that the same shall have effect as an Ordinance of the States.

THE EMPLOYMENT AGENCIES (ENABLING PROVISIONS) (BAILIWICK OF GUERNSEY) LAW, 2012 (COMMENCEMENT) (GUERNSEY AND ALDERNEY) ORDINANCE, 2013

The States are asked to decide:-

II.- Whether they are of the opinion to approve the draft Ordinance entitled “The Employment Agencies (Enabling Provisions) (Bailiwick of Guernsey) Law, 2012 (Commencement) (Guernsey and Alderney) Ordinance, 2013”, and to direct that the same shall have effect as an Ordinance of the States.

TREASURY AND RESOURCES DEPARTMENT

ELECTION OF NON-VOTING MEMBER

III.- To elect as a non-voting member of the Treasury and Resources Department, Mr John Charles Hollis who has been nominated in that behalf by that Department, to serve until May 2016 in accordance with Rule 4 (2) of the Constitution and Operation of States Departments and Committees.

(NB Rule 4 (2) of the Constitution and Operation of States Departments and Committees provides:

“Any Department may nominate up to two non-voting members, who shall not be sitting Members of the States, and whose appointments shall expire at the same time as the terms of office of the four sitting Members of the States. No other nomination may be made. Such Members shall have the same rights and duties as ordinary Members (other than the right to vote).”

(NB The Treasury and Resources Department has provided the following profile of Mr Hollis:

Mr Hollis qualified as a Chartered Accountant in 1977. He joined Accenture (international management consultants) in 1978 becoming a global partner in 1986 and held various lead partner responsibility roles including United Kingdom and

European Financial Systems Practices; Global Financial Planning and Reporting Practice; United Kingdom and European Retail and Consumer Products Practices; and Consumer Industries Research and Development, benchmarking and Board Workshop Centre. His vast experience in industry includes Retail, Consumer Products, Media, Oil, Insurance and Government and he worked in locations including Europe, Scandinavia, USA, Africa and Pakistan. His clients have included Tesco, BP, Procter and Gamble, Mars Confectionary, Lloyds TSB, British Council, Marks & Spencer, Coca-Cola, Boots, B&Q, The Independent, News International, BASF, SAP, Crown Estate Commissioners and others. He retired in 2003. He has been elected to serve as President of the Rotary Club of Guernsey from June 2015.)

POLICY COUNCIL

DEVELOPING A GOVERNMENT SERVICE PLAN

1. **Executive Summary**

- 1.1 This Report lays out the reasons why the Policy Council recommends that a Government Service Plan (GSP) should be developed, describes for States Members what such a plan would enable the organisation to do and lays out the process by which this will be undertaken. It seeks commitment from the States to the development of this single overarching plan for the delivery of services in the short to medium term.
- 1.2 The report makes it clear that the States' current approach to planning is uncoordinated and somewhat haphazard. There are currently more than 250 significant projects being developed across all Departments with no way of knowing whether these are the ones which have the support of this Assembly or deliver on its political objectives. It is also clear that, in trying to manage so many projects, resources are not being adequately dedicated to these initiatives in order to ensure success. The GSP will allow the States to decide on the projects and programmes they want to progress in accordance with their political objectives and allocate funding and other resources as required.
- 1.3 In addition, due to historic circumstance, the States takes an incremental approach to both service delivery and budgeting. The starting point is always 'what we do and spend today' with additional services being developed as funding becomes available. It is time to look initially at the services we offer and assess whether they are still required, are fit for purpose and provide value for money. We have to accept that some services may need to be scaled down or ceased altogether.
- 1.4 Developing a GSP will allow the States not only to set the programme of work that best meets their objectives but then allows delivery to be monitored. It is about making sure that the 'right' things are being done at the 'right' time.
- 1.5 We should not underestimate the challenge that pulling such a plan together will represent across our organisation and the report outlines the incremental approach being recommended which ensures the best chance of success. This also recognises the burden already placed on teams and that they cannot be expected to change their ways of working overnight.
- 1.6 An important step towards being able to develop the first GSP will be the agreement of clear political objectives for the current term. The Policy Council intends to bring a report to the States in October this year for such objectives to be debated and agreed. This will enable a clear message to be given about the intentions of the Assembly. It will then be possible to prioritise scarce resources against these political objectives.

- 1.7 Once the objectives are agreed, the planning process can commence using these as the guide that will enable the first plan to be pulled together for debate in the summer of 2014.

2. Purpose of this Report

- 2.1 The objective of this report is to describe the purpose of developing a States of Guernsey GSP and seeks States commitment to developing a single overarching plan for the delivery of services in the short to medium term. Such a plan would act as a mechanism for the States to identify the current services that should be delivered for the people of Guernsey, those that are no longer a priority and the changes that the Government are committed to in order to deliver on their short and medium term objectives and work towards their long term aims as described in the States Strategic Plan.
- 2.2 The Report will begin by describing the current approach to the development of policies and services and demonstrate why this approach is no longer sustainable given the limited resources available, both human and financial. It will go on to show how the effective prioritisation of projects and services can resolve this and ensure that, to the greatest degree possible, all effort is contributing to the political priorities developed and agreed by the Assembly.
- 2.3 It will outline what a GSP will look like and give the Assembly a flavour of how the plan might look in the future. It will outline the integration with the budget setting process and how this will improve the States' financial planning. Finally, it will summarise the journey required over the remainder of this Assembly's term to embed this comprehensive integrated plan.
- 2.4 The following quotation, from 'Strategic Management for the Public Services'¹, explains the purpose of having a GSP as a mechanism for strategic management:

'The information contained in strategic plans on missions, goals and performance can be seen as a way of making public service activities more transparent to politicians and thus assist them when making budget allocations. In a sense, the language of strategic planning provides a vocabulary for discussing how politicians' intent (expressed through laws, directives, guidance etc) is being understood by managers, how the managers intend to achieve the results desired by politicians, the resources they require to achieve these results and how well they have done.'

The desire to move public services away from a bureaucratic and complacent culture to a more entrepreneurial one is also the source of a desire to closely link strategic and budget systems. This represents a new twist in the older story of corporate planning since there is a clear concern to allocate resources in line with public policy goals, but with the added idea that the spending of public money should be results-orientated.'

¹ Paul Joyce, *Strategic Management for the Public Services*, Oxford University Press

One problem for any strategic planning process is the acquisition of resources needed to implement a strategic change, and this means very often the problem of ensuring that the strategic plan influences the budget allocation process. If strategic planning is not effectively integrated with the annual budget process (and with other key management systems), then it is likely that the implementation of strategy is ineffective. There is, in other words, strategic planning but not strategic management.....Strategic management is the successful combination of both strategic planning and strategic implementation.'

3. Building on Solid Foundations

- 3.1 Historically the States has operated a first come first served approach to policy development and the allocation of financial resources. Departments developed policy papers which were presented to the Assembly for approval in isolation as and when they were ready. In the past there was limited financial constraint as budget surpluses were the norm and therefore the States was also able to allocate additional budget to Departments in order to deliver on these new policies and services.
- 3.2 The States' business planning framework has evolved substantially over recent years first through the Government Business Plan and latterly the States Strategic Plan (SSP). The SSP has brought together a family of policy plans and developed resource plans which underpin those. However, the SSP is now rightly focussed on the longer term and where the States wants to be out to a 25 year horizon.
- 3.3 Similarly, the financial planning of the States has evolved with the introduction of the Capital Prioritisation process, the development of the Fiscal and Economic Plan (FEP) and the evolving multi-year financial planning process contained within recent iterations of the SSP. Through the FEP, the States has introduced a financial planning framework by setting fiscal targets. Quite properly, the budget is now put together within these fiscal constraints which mean that there is a clearly defined but limited financial envelope within which to deliver everything the Assembly wishes to do.
- 3.4 However, the States has not yet managed to integrate business and financial planning or align capital investment with revenue budgets.
- 3.5 The drive to develop the business planning of the States and to integrate that with financial planning and budgeting has been around for many years but has become stronger over recent years as the States financial position has become more challenging. In October 2009, the States debated the first States Strategic Plan (Billet D'Etat XXVI 2009) which said in the Executive Summary:

"Over many years, the States Policy and Resource Plan (in its old form) and then the Government Business Plan, reiterated that the States would only be able to set a direction for government by bringing together policy planning

(what the majority of members wish to achieve) with financial management (the management of public money to make those things happen).

- 3.6 The 2013 SSP (Billet D'état VI 2013) introduced States Members to the Government Service Plan as the mechanism for delivering this shorter term business planning need and said:

“Unless and until the States establishes a clear connection between the broad objectives of the SSP and the short term policies and activities of each Department the SSP will be of little practical value.

Currently there is a visible disconnection between the component parts of effective government because:

- *There is no agreed political agenda setting the direction of travel;*
- *There is no corporate mechanism to implement such an agenda even if it existed; and*
- *The annual budget is largely based on an historic approach to funding Departments – rather than focusing funding on delivering the wider corporate agenda*

As a consequence there is no genuine relationship between the strategic objectives and the way priorities are actually decided, rather the government simply reacts to demanding short term pressures with too little attention to long term outcomes”

- 3.7 If the States wishes to more effectively control and direct the policy emphasis and ensure the clarity required for the organisation to deliver the political direction more effectively, then a coherent plan which is realistic, affordable and measurable is a vital and necessary tool which is long overdue.

4. The Current Approach

- 4.1 The current framework within which decisions about priorities and the application of resources are made are:

- The States Strategic Plan which was first adopted by the States in 2009 and now aims to set the 0-25 year planning horizon and the high level strategic policy.
- The Budget which includes the annual provision of financial resources to Departments and Committees based on historic allocations and actual spend.
- Departmental Business Plans (DBPs) put together by each Department and designed to deliver the political priorities of that Board.

- Capital Prioritisation which considers all bids for investment through the capital reserve and allocates scarce funding based on need and strategic fit.
 - The Financial Transformation Programme which was launched by the Assembly in 2009 and re-affirmed at the beginning of 2013. This five year programme aims to reduce recurring general revenue spend by at least £31m by the end of 2014.
- 4.2 There are currently some links between the different planning elements, but they are largely prepared in isolation and do not have any coherence as a set of plans or a clearly defined link to delivering the long term priorities as defined in the Strategic Plan. This means that, although there is rigour around the budget setting process, the States is not able to ensure it is spending its revenues in the right place on the right things.
- 4.3 The projects and programmes within the FTP portfolio are not always integrated with DPBs or with the longer term visions and policies developed through the policy plans of the SSP. This can lead to competing demands on resources and apparent conflicting priorities between the short-term necessities and longer term objectives.
- 4.4 The disjointed nature of the planning within the States means that there is no overall view as to all of the projects currently underway, the resources available or necessary to deliver them or how they contribute to the overall political priorities. During 2012 the Policy Council undertook a ‘stock take’ of all of the strategic and high level operational initiatives underway across all Departments in order to get a picture, for the first time, of the totality of change currently ongoing across the States. This exercise has recently been refreshed and Appendices B and C contain the results. In addition to the 195 projects contained in the stocktake lists, must be added the 40 FTP projects which are underway within and across Departments (although it should be noted that there are 209 projects in total within the FTP Portfolio, many of which are tasks and small projects) and the 18 live projects within the current capital programme.

Current States Workstreams by Project

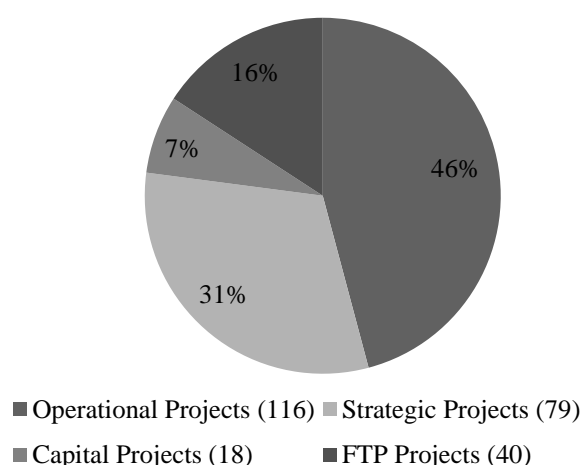


Figure 1

- 4.5 The Appendices demonstrate that the reasons for embarking on the projects are varied. Some have come about through the States Policy Plans, others in order to discharge the requirements of a previous States Resolution and some because they deliver on a Departmental priority.
- 4.6 Similarly, when examining the costs of the various projects it can be seen that budgetary provision has been made for some but not others. A large number have not quantified the cost of delivering the project at this stage and it is therefore impossible to assess whether we are capable of delivering the project development within our existing or projected financial resources.
- 4.7 Figure 2 below shows the sheer volume of the projects that are currently underway within Departments.

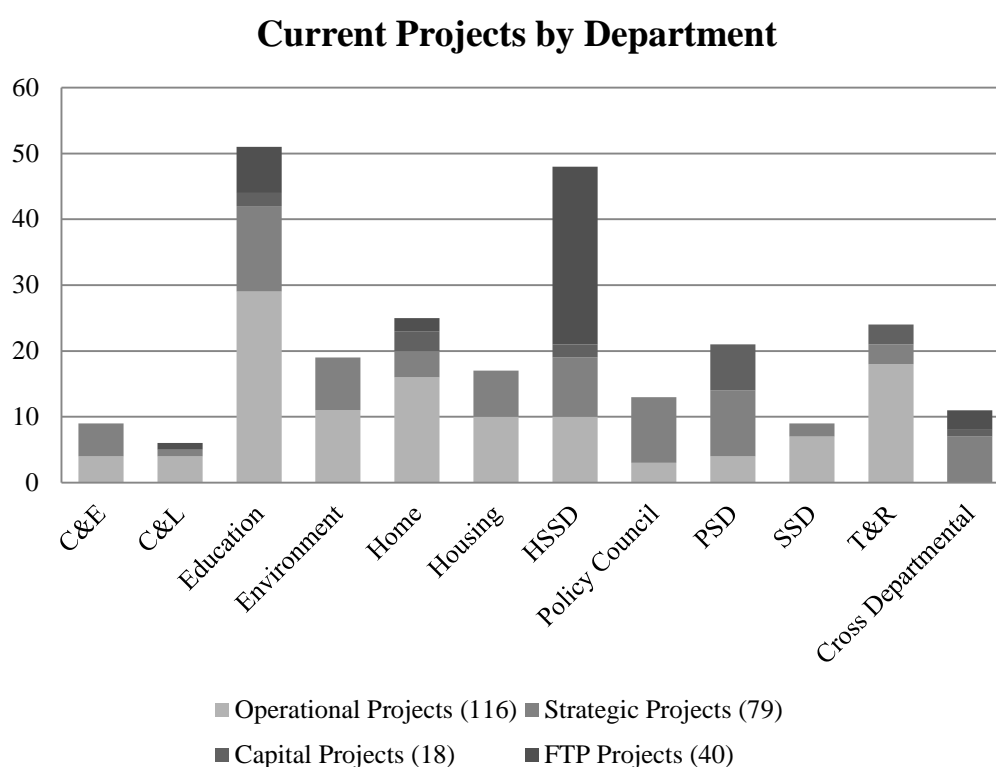


Figure 2

The chart above cannot portray the complexity of the projects and the inter-relationships that exist between many of them. There is currently no way of reconciling the human resource requirements to deliver them with the actual limited human resources available. Nor is there a mechanism to determine whether the people already in place have been deployed in the most effective way across Departments. Without clearly set out short term political objectives it is not possible to assess how they deliver on the priorities for the Assembly and

it is impossible to assess the relative political or operational importance of each one.

- 4.8 It is clear that this approach to running our services is at best disjointed and is likely to lead to abortive work on projects which do not have sufficient political backing, human resources available to complete or the availability of financial resources to implement policies developed.
- 4.9 Although the majority of the projects on the list are being delivered within our existing resources, it is clear that there are choices available as to the whether this is the best use of these precious people and funds.
- 4.10 It should also be noted that this is not an exhaustive list. Many more operational projects are underway at any time across all Departments which are all competing for the same resources although we do not have an organisation wide view of these at this time.

5. Why We Need to Prioritise

- 5.1 It is clear from the section above that the organisation is attempting to undertake a huge number of projects in order to deliver on priorities set by previous States Assemblies, current political Boards, Policy Plans, legislative requirements, capital prioritisation and the FTP. These are all in addition to the day to day activities of service provision within Departments.
- 5.2 There has been, for some time, recognition that a system for the re-prioritisation of services needed to be developed. When the Treasury and Resources Department announced that they intended to undertake a Fundamental Spending Review (FSR) in the 2008 Budget Report, one of the four key objectives was that *'Departments' services (including corporate services and initiatives) are prioritised effectively and broadly in accordance with the aspirations of the Government Business Plan'* (now the SSP);
- 5.3 The Treasury and Resources Department recognised at that time the need for effective prioritisation of services in an environment of scarce resources. Indeed, the States had already recognised the need to take a holistic view and prioritise projects through the introduction of the Capital Prioritisation process in 2006. This process evolved in the 2009 iteration to include a scoring process by which projects were objectively assessed and grouped against agreed objectives and criteria.
- 5.4 The States currently has, as part of the FTP, developed a process which was used successfully to prioritise new service bids against funds set aside as part of the previous SSP. More recently, the process has been used in the latest round of capital prioritisation. It enables an impartial scoring team to rank a list of diverse projects against agreed criteria.
- 5.5 It is intended that this process will be used again to score and rank all projects and services as part of the GSP. Initially, it is proposed that all service developments, policy developments and transformation projects be subject to

scoring and prioritisation. However the GSP will ultimately be the means by which the States seeks to prioritise all services. This is important in order to be able to determine whether all of the services that are being delivered are necessary or fit with the agreed objectives of the Assembly. It is perfectly possible, and likely, that some services, which were considered necessary when they were developed, are no longer needed. The States has tended to take an incremental approach to the delivery of services in the past. Additional services have been developed as resources allowed without any questioning of the 'business as usual'. New services have been an 'extra' not an 'alternative'.

- 5.6 In the current, and likely future, fiscal environment it will be necessary to deliver the services which are most important to the States from within limited resources. This can only be done and service developments or new services introduced if other things are ceased or scaled down.
- 5.7 The Policy Council does not underestimate the complexity and challenges of prioritising the diverse requirements of the different Departments and of scoring necessary services versus attractive ones. The scoring matrix which has been developed to date will need to evolve and mature in order to be able to successfully deliver the challenge of examining all services.
- 5.8 This appraisal will need to take into account the depth and breadth of any impact of the service with options appraisals and the financial implications. The very process of examining all services within Departments will enhance the ongoing questioning that is part of the standard business planning and budget setting process, namely is this particular output or service required and if so why.
- 5.9 This list of prioritised services will enable open and honest debate regarding limited resource allocation and the requirement to redirect resources away from low priority services into new or current but higher priority services.
- 5.10 It is important to stress that the aim of the plan is to move away from a historically based process with a Departmental focus, which supported the system of incremental increases and towards a service led and priority driven budgeting process that aims to support the States strategic aims. This enables States Members to ensure that the right services are being delivered and seeks to avoid the frustrations experienced by elected representatives within the current planning system.

6. *What Do We Prioritise Against?*

- 6.1 The Assembly, through the SSP has set out its Statement of Aims as follows:

The government of Guernsey aims to protect and improve:

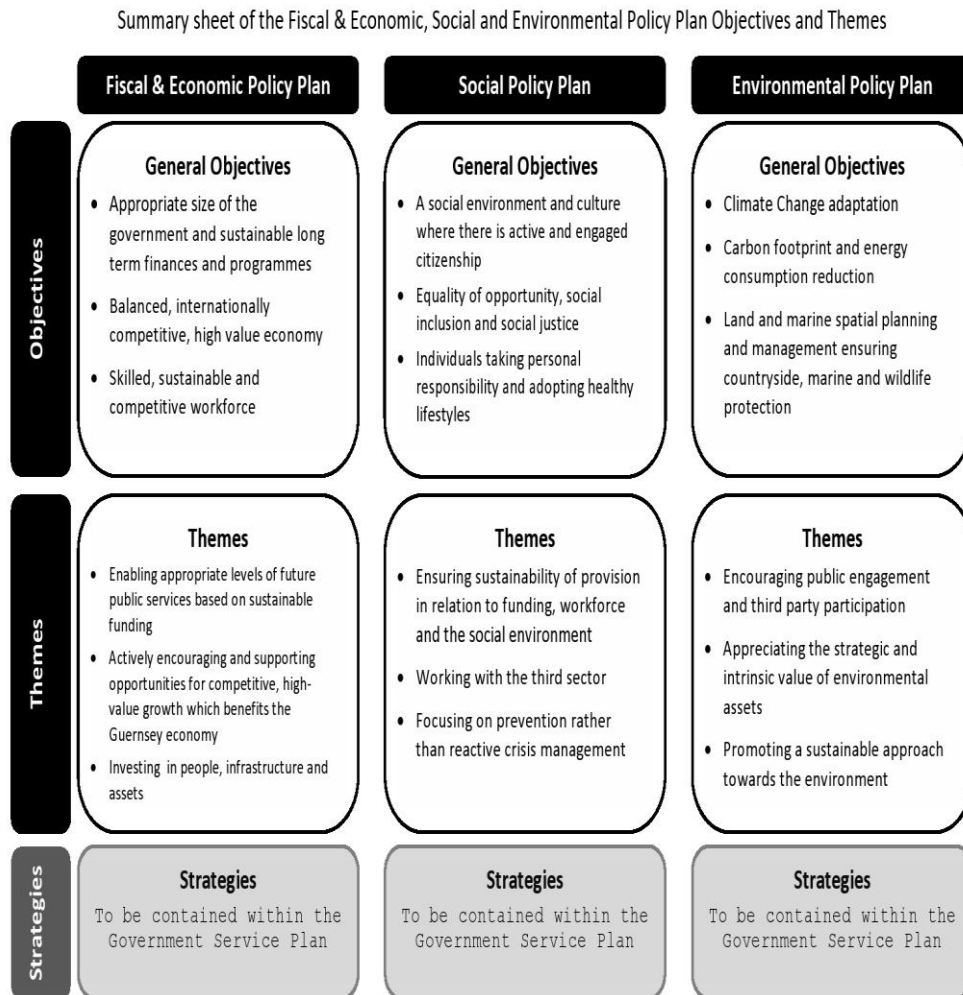
- The quality of life of Islanders.
- The Island's economic future.

- The Island's environment, unique cultural identity and rich heritage.

6.2 It recognises that this requires:

- Maintenance and enhancement of Guernsey's standing in the global community.
- Sustainable economic growth and effective public services without increasing population to the detriment of our environment and way of life.
- Conditions that encourage enterprise and successful business.
- Wise long-term management of Island resources including the maintenance of a highly-skilled and well-educated workforce.
- Efficient transport and communication systems including digital connectivity.
- Good governance and public engagement.
- Co-ordinated and cost-effective delivery of public services through cooperative working and transformation change management.
- Improved awareness of the culture and identity of Guernsey both internally (within the Island) and externally.
- All people having opportunities and support where needed, to enable them to reach their full potential.
- Policies which protect the natural environment and its biodiversity by accounting for the wider impacts that human activity has on it.

6.3 In addition, Policy Plan Objectives and Themes have been laid out as shown in the diagram below:



6.4 These Themes start to lay the foundation of those things the States wants to see progressed in this term in order to deliver towards the overall objectives and aims.

6.5 Furthermore, the SSP laid out statements which represent the majority consensus of views within the present States which should be used when interpreting the Statement of Aims, General Objectives and Themes and recognise the importance of having:

- A clear vision of the future and ability to deal with change.
- Inclusive leadership from a Policy Council that listens and communicates well with all States Members.
- A strong sense of Guernsey as a distinctive and successful community that is adaptable, resilient and sustainable.
- The willingness to face challenges rationally and make radical decisions where necessary to meet them.
- Respect for fairness and equity.
- Recognition that burdens, including financial burdens, need to be shared in a way that promotes and maintains the sense of being one community.
- A self-reliant community where individuals take personal responsibility for their own well-being wherever possible.
- An efficient government that does not do what other agencies, including the third sector, could do as effectively, or better than government.
- Recognition that spending on public services has to be prioritised.
- A long-term focus on capital investment that explores and carefully considers alternative ways of funding.
- A positive and enabling approach towards businesses that deliver benefits to Guernsey.
- High standards of education and skills.
- Regular informal discussions between States Members about government policy exploring the complex relationships between policy areas and how to minimise conflict and maximise benefits across government.

6.6 In addition, the States considered that it would be helpful for certain matters of particular strategic importance to be brought forward for debate in this Term so that progress can be made to take the States Strategic Plan forward:

- Review of Population Management;
- Review of the 2007 Population Policy;
- Reviews of personal (direct and indirect) taxation and benefits;

- Measures to ensure the reduction of the States Budget deficit;
- Economic Development Plan for Guernsey (to complete the Fiscal and Economic Plan);
- A vision for the future of Health and Social Services;
- A vision for the future of Education Services;
- The replacement of the Urban and Rural Area Plans with a new Development Plan in line with the Strategic Land Use Plan; and
- A strategy for climate change protection.

6.7 All of the above set the context for what this Assembly wants to achieve over the remainder of this term. The themes, statements and strategic priorities outlined above provide for an extremely broad range of goals and provide a starting point. However, it would not be possible to prioritise the services that should be delivered and those policies and services that should be developed against such a broad ranging list. Much more targeted objectives are required that will enable a consensus of political priorities to be developed and, importantly, delivered.

6.8 The objectives will need to be in a form that will allow us to create a GSP that is a link to the programme for action for the states term and allows strategic priorities to appropriately inform the preparation of the States budget. Additionally, they will need to be sufficiently well defined to allow Departments to demonstrate what is being done in the short-term to meet said longer term aims and objectives.

6.9 In order to be effective, these objectives should:

- Be outcome focussed and capable of objectively describing what 'success' looks like. They will describe the changed state of the external environment after policies or projects have been delivered.
- Be measureable since the Assembly will want to be able to assess whether the objective has been delivered.
- Describe what we are trying to achieve, rather than how we will go about achieving it.
- Reflect what has been agreed to be most important in terms of what is to be achieved and focus on the big things, rather than the less important interim or 'enabling' objectives.
- Outline those things that the majority of members agree to focus on in this term.

- 6.10 The aim is to provide a set of strategic objectives that will allow the rational evidence based prioritisation of resources. It is the intention of the Policy Council to bring a report to the October States Meeting which will outline its suggested specific key States objectives which are vital to the success of the GSP.
- 6.11 The Policy Council has already hosted a series of substantial discussions with States Members during 2012 about the big policy challenges that Guernsey faces over the next 25 years and how best to tackle them. These discussions informed the review of the States Aims and the new, more concise expression of States General Objectives and the Themes or lines of approach, to be taken towards achieving those objectives. The Policy Council now intends to work with Members to develop the more specific political objectives for the remainder of this term to be debated by the Assembly in October. This will enable a clear message to be given about the intentions of the Assembly, allow success to be judged against delivery of those objectives and , importantly, facilitate the prioritisation of scarce resources (both financial and human) to those areas which will deliver the greatest benefit to achieving both the short and long term aims and objectives.

7. What is the Government Service Plan?

- 7.1 One of the key recommendations of the Tribal FSR Report was to develop a medium term business plan. They argued that *“A well developed business planning process is fundamental to any business and certainly represents best practice in government. An appropriately constructed business plan represents an agreed set of objectives, outlines the reasons they are to be pursued, details how they will be achieved and summarises the costs associated with achieving them. It is the link between strategy and operations. It allows the ‘golden thread’ to be traced from Strategic Plan through Departmental Plans to Operational Plans, thus ensuring that all expenditure is incurred in pursuit of an established corporate aspiration.*

It is recommended that the States moves to a fully costed business plan which links required inputs, financial and non-financial, with identified outputs that contribute to the delivery of strategic priorities. A five year planning horizon is suggested. Once implemented such a plan will:

- *Enhance budgetary control and decision making via improved transparency and data quality;*
- *Facilitate the alignment of resources with those policy objectives that support the States’ long term strategic aims;*
- *Facilitate effective performance management;*
- *Allow realistic budgets to be set using a robust costing process;*

- *Introduce the economic concept of choice – some activities will only be able to be pursued at the expense of others as activity is linked to budget, and budgets are constrained;*
- *Contribute to correcting the fiscal imbalance between available resources and expenditure plans by informing long term fiscal strategy;*
- *Facilitate long term modelling and scenario planning against forecast economic and fiscal trends;*
- *Allow best fit solutions to be selected without the artificial time constraint of annualised budgetary allocations;*
- *Provide improved certainty for project funding”.*

7.2 The Building Business Excellence (BBE) Programme, one of the four sub programmes within the FTP structure, mandate reads: *“To develop and implement a single, integrated approach to business and financial planning and performance management, across the Public Sector in Guernsey”*. It aims to ensure that political priorities have resources directed to them to ensure that the right things are delivered and to give a structure through which the States can monitor progress.

7.3 The GSP will:

- Be a multiyear business and financial planning process that embeds and supports effective decision making for the allocation of scarce States resources.
- Provide a link between the SSP and delivery
- Highlight the ‘golden thread’ that flows from the SSP overall themes to operational delivery within Departments and the allocation of budgets.
- Be produced initially for debate by the Assembly in 2014 to underpin the 2015 Budget.
- Be updated annually to ensure it is up to date, relevant and accurate and to take account of any changes or urgent requirements.
- Mature into a four-year rolling plan as it is developed further to include all services, capital and revenue projects.
- Will be updated in full every four years running from the second year of each Assembly. For example, the first full four year plan will be debated in the summer of 2017 allowing the new Assembly the first year to agree on their priorities before pulling a plan together.

- Decide on the expenditure requirements of the States and integrate with the Budget.
- Include major projects and milestones and report on them annually.
- Integrate capital and revenue planning which are currently undertaken in a disjointed fashion.
- Contain a summarised section for each Department setting out its major projects and budget and therefore inform the development of Departmental Business Plans which will flow from it. This ensures that Departments are working to deliver agreed objectives of the States.
- Allow States Members to ensure that the right things are being delivered and have sufficient resource directed to them to enable them to succeed.

8. How Does it Link with Budgeting?

8.1 Over time the States has developed a system of budget setting which has more or less been able to deliver Departmental mandates. The budget setting process currently in place has the following characteristics:

- Each Department is allocated a cash limit within which to prepare a budget. This cash limit is calculated based on historic allocations to that Department and adjusted for any cyclical elements, service developments, cost pressures, general inflation allowances and any efficiency targets. However, there is no test or challenge of whether the baseline allocation is correct. Some Departments generate material recurring under-spends while others face significant annual pressure delivering within cash limit.
- The cash limit has no direct relationship to the services being delivered. Departments are requested to construct their budgets using zero basing principles. This means that budgets should be built from the bottom up. However, the system in place means that, at best, we tend to cost the service currently in place year in year out. At worst, there is no challenge of the budget level and an incremental allocation is given based on what has been spent in the past.
- In recent years the States has developed financial discipline in the allocation of any new budget through the SSP new service developments process. Once initiatives or services are given priority through the planning process by making the strategic case, a budget is only allocated once a detailed business case has been developed which demonstrates how the project can be practically delivered (or the new service implemented) and how much it will cost. This is good practice and a new discipline across the States. However it is only currently in place for under 2% of the overall budget, and even then only for service commencement with no further review.

9. How Would we Like Budgeting to Look?

- 9.1 In order for the States to be truly confident that its limited fiscal resources are being most effectively deployed, the kind of rigour applied to new services needs to be expanded to cover the entire £350m revenue expenditure budget. The most effective way of doing this is to develop a zero based budgeting model, which truly costs services from the ground up based on requirements rather than history. This will develop a robust baseline for all Departments which directly links to the services provided. Having properly costed services enables informed decision to be made about the financial efficiency and sustainability of those services. When this is coupled with a prioritisation system, it allows the States to make decisions about which services it wants to deliver and can afford. This facilitates demonstration of value for money and best use of taxpayers' money.
- 9.2 It should be stressed that this system fully integrates the planning and budgeting processes. They become one and the same and the GSP, as well as deciding on the projects and services to be pursued in furtherance of the States objectives, also expresses the budget required to deliver those services.

10. How Do We Get There?

- 10.1 In order to deliver the first GSP in September 2014, a huge amount of preparation and development work will need to take place.

10.2 *Timelines*

- 10.2.1 The key pieces of work required and milestones are shown below:

30 July 2013	Developing a GSP States Report
August 2013	Establish Policy Council Sub Group
August 2013 to December 2013	Create Tools and Templates for Departmental and Central prioritisation
August 2013 to June 2014	Roll out technical solution function to allow for multiyear budgeting
30 October 2013	GSP Political Objectives to be debated
30 October 2013	2014 Annual Budget Debate
January 2014 to July 2014	Departmental prioritisation
April 2014 to September 2014	2015 Corporate Planning and Budget setting process
July 2014 to	Policy Council review prioritisation

September 2014

24 September 2014 1st GSP Debate

29 October 2014 2015 Annual Budget Debate

- 10.2.2 In order to progress this important project, the Policy Council proposes that a sub group be established with responsibility for overseeing the development of the first GSP in September 2014. It is intended that this group is made up of the Chief Minister, two other Ministers plus two further States Deputies. This group will monitor the development and delivery of the plan to ensure it captures the political expectations of the Assembly.

11. Resource Implications

11.1 Project Resource

- 11.1.1 The work to develop an initial GSP is being run as a project within the Building Business Excellence Programme. This programme consists of a series of enabling projects designed to provide the States with a robust legacy once the FTP is delivered. To construct the first GSP, one off project resource will be required. Although business planning and budget setting currently occurs annually in all Departments, the revised planning and budgeting process needed to fulfil the requirements of the GSP will need significant support, training and change management.
- 11.1.2 The Policy Council acknowledges that this will place an additional burden on Departmental teams who are already working hard to deliver on the many projects identified in section 4 above. It is partly for this reason that the Council is proposing phasing the full effects of delivering this important project over several years and recognising the requirement to invest in the training of staff to equip them to fulfil these new requirements. However, it should be recognised that a properly targeted and prioritised plan for the States should allow those working across the organisation to ultimately better focus their efforts on the things deemed really important. Therefore, although there will be considerable work to get there, the new system should ease the strain and reduce the number of projects actively under development.
- 11.1.3 The key areas of focus for this one off resource are to provide the physical tools to complete the process, the training and up skilling of staff in the processes required, as well as in such key themes as zero-based budgeting and the resources required in a central support capacity to actually co-ordinate the production of the GSP document.
- 11.1.4 The project budget is shown in the table below and has been compiled to ensure that sufficient experienced resource can be dedicated to this important project and that all staff are suitably trained and supported.

<i>Description</i>	<i>Amount (£)</i>
Project staffing	57,000
Technology Development	120,000
Training	68,000
Miscellaneous	10,000
<i>Total</i>	<i>255,000</i>

11.2 Ongoing Resource Implications

- 11.2.1 There will be a staff level requirement to develop the annual and multiyear service plan and budget as an organisation and by Department. In addition, information on key performance indicators will need to be collected and monitored. At this stage, it is estimated that this will be contained within existing resources as it replaces the current processes.
- 11.2.2 In addition, if the States is to get best value from the delivery of the projects and initiatives contained within the GSP, then it is important that they are managed coherently as a States programme and appropriately managed and monitored both departmentally and organisation wide. Basically this is about making sure that the right programmes and projects are delivered in the right way in order to give them the best chance of success and deliver value for money.
- 11.2.3 In order to do this effectively, it will be necessary to develop an in-house governance and support structure that means projects and programmes are resourced with directly employed qualified and capable individuals and managed effectively. There should not always be an expectation that busy operational staff should be able to take on key strategic projects in addition to the day job. We need to ensure that the right people with the right skills are available to do this which can most effectively be achieved by creating a centre of excellence that develops standards in order to enable the realisation of project benefits and a team of project and programme managers who can work across the organisation as required. The Policy Council will make more detailed recommendations as to how this should be managed in the GSP.

12. Conclusions

- 12.1 The organisation is currently attempting to deliver more than 400 projects simultaneously and on top of the 'day job'. These projects are being driven by different aims and objectives, some States driven, some Departmental, some legal. However, there is no overarching view of what the States considers are the important things that should be delivered as a priority, no mechanism for deciding on these and no structured reporting on progress.
- 12.2 In addition, the services delivered across the States have evolved incrementally over time and are not routinely reviewed to ensure they are still necessary and fit for purpose.

- 12.3 Finally, the budget allocated to Departments is historically based rather than service and project focussed meaning there is no check that scarce public money is being used to provide the most important things.
- 12.4 The development of a GSP enables these issues to be addressed by putting together and then delivering a plan which will very clearly deliver on the majority political priorities and allows the States to allocate resources where they are most required. It then provides a mechanism for monitoring delivery.
- 12.5 A GSP can be delivered for the 2015 planning round in 2014 which will start to tackle this although such a major undertaking with inevitably take time to mature and evolve into a robust four year rolling programme for the Assembly.

13. Recommendations

The Policy Council recommends the States to:

- (i) Approve the development of a Government Service Plan as the corporate mechanism for allocating the resources available to the States in accordance with States strategic aims and objectives and agreed priorities.
- (ii) Note the Policy Council's intention to bring a Report to the States in October 2013 recommending political objectives for the period to 2017 that will guide the prioritisation of States revenue spending through the Government Service Plan process.
- (iii) Approve a one off project budget of up to £255,000 to be charged to the Fundamental Spending Review Fund to deliver the Government Service Plan project.
- (iv) Delegate authority to the Treasury and Resources Department to approve the detailed project budget.
- (v) Endorse the principle that in future a direct link, or golden thread, will be established ensuring that Departmental Business Plans deliver the corporate priorities and services agreed as part of the Government Service Plan.

P. A. Harwood
Chief Minister

3rd June 2013

J P Le Tocq, Deputy Chief Minister

G A St Pier
R Domaille
D B Jones

A H Langlois
K A Stewart
M H Dorey

R W Sillars
P A Luxon
M G O'Hara

Appendix A

Links to Department / Area Business Plans

Commerce and Employment

Business Plan 2013

<http://www.gov.gg/CHttpHandler.ashx?id=80773&p=0>

Culture and Leisure

Cultural Strategy 2011 – 2015

<http://www.gov.gg/CHttpHandler.ashx?id=3405&p=0>

CI Lottery Plan 2010 – 2014

<http://www.gov.gg/CHttpHandler.ashx?id=4687&p=0>

Leisure Services Strategy 2010 – 2014

<http://www.gov.gg/CHttpHandler.ashx?id=4685&p=0>

Museums Service Strategy 2010 – 2014

<http://www.gov.gg/CHttpHandler.ashx?id=4686&p=0>

Education

Education Department Policy Plan Summary 2012 – 2017

<http://www.gov.gg/CHttpHandler.ashx?id=81162&p=0>

Environment

Operational Plan 2011 – 2015

<http://www.gov.gg/CHttpHandler.ashx?id=4657&p=0>

Health and Social Services

Future 2020 Vision of the Health and Services Department

<http://www.gov.gg/CHttpHandler.ashx?id=4655&p=0>

2020 Vision Update 2013

<http://www.gov.gg/CHttpHandler.ashx?id=81085&p=0>

Home

Home Department Business Plan 2013 - 2016

<http://www.gov.gg/CHttpHandler.ashx?id=81292&p=0>

Public Services

Public Services Department strategy 2012 – 2016

<http://www.gov.gg/CHttpHandler.ashx?id=58450&p=0>

Social Security

Business Plan 2013

<http://www.gov.gg/CHttpHandler.ashx?id=81168&p=0>

Treasury and Resources

Business Plan 2012 – 2016

<http://www.gov.gg/CHttpHandler.ashx?id=3989&p=0>

Scrutiny Committee

2012 Scrutiny Policy Plan Summary

<http://www.gov.gg/CHttpHandler.ashx?id=74820&p=0>

APPENDIX B - STATES STRATEGIC STOCK TAKE

Department	Initiative Title	Description	Justification - inc any SSP Objectives Achieved	Current anticipated cost	Funding Options	Estimated Completion Date	Details - inc any States Resolutions
C&E	Dairy Industry Commission (DIC)	Comprehensive review of the future of the Dairy Industry	States Resolution November 2011	Budget Agreed			Strategy Dev.
C&E	Economic Development Strategy	Preparing Economic Development Strategy for Guernsey	C&E Mandate & SSP, including references to specific stand alone sector work plans (e.g. finance, retail)		Other funding		Strategy Dev.
C&E	Finance Sector Strategy	Develop a strategy for the next decade for the financial services sector.	C&E Business Plan 2013		Dept. Funding		Strategy Dev.
C&E	Renewable Energy Strategy	Renewable energy strategy to support the States Energy Resource Plan	States Resolution 2008 & hopefully January 2012 Resolution	Budget Agreed	Capital Funding		Strategy Dev.
C&E	Skills Strategy	Creation of holistic Skills Strategy for Guernsey modelled on the successful Jersey model	Improve economic productivity & social inclusion FEPG & SPG	Budget Agreed	Dept. Funding		
C&L	Museums Strategy	Establishment of strategy to determine clear direction of the work of the museums service and to ensure that resources are applied in a manner that will best meet objectives	In keeping with SSP objective of aiming to protect and improve the Island's environment, unique cultural identity and rich heritage		Dept. Funding	2013	
Education	GILE 2	Refresh of Guernsey Integrated Learning Environment	Service delivery relating to educational outcomes	£1.7 m	Revenue Funding	Three year programme	Legislative (Also Service Dev.)
Education	Grammar Refurbishment	Refurbishment of Grammar School site	In need of repair		Capital Prioritisation Bid		Strategy Dev.
Education	Guernsey Local Management of Schools	Development of Guernsey version of local management of schools				2014	
Education	La Mare de Carteret Schools	Rebuild of High School & Primary School	No longer fit for purpose		Capital Prioritisation Bid		
Education	Les Ozouets Campus	Redevelopment of LOC site to allow the CFE to move from Coutanchez to LOC	Consistent with SAM if approved by the States		Capital Prioritisation Bid		
Education	Pre-School Education	Development of pre- school education for all in partnership with private pre-schools, playgroups & Primary schools Provision of entitlement to 15 hours pre school for 3-4 year olds in Guernsey	Unable to deliver pre-school education currently	£1.7 m		2013 or 2014	States Report late 2013 or early 2014.
Education	Review of Selection	Consultation on 11+ in 21st Century	SSP, Social Policy Plan & improve educational outcomes			2014	
Education	Revised Education (Guernsey) Law	Review of the Law	Age of existing Law				

Education	Sustainable Higher Education Funding	To ensure that students have the opportunity to develop their learning by attending University at a cost which is affordable to them, their parents & the States	To ensure the Island has high-calibre employees of the future					
Education	Tertiary College	New structure for governance of College of Further Education as first stage, seeking to consolidate all States provision of post 16 education within Education Dept.	Greater efficiency & effectiveness		2013			
Education	Transforming Primary Sector	Addressing surplus capacity in primary sector to improve educational outcomes & value for money	SSP, Social Policy Plan & ensure value for money		2014			
Education	Transforming Secondary Sector	Seeking to ensure closer collaboration with federated approach to secondary education	SSP, Social Policy Plan & ensure value for money		2014			
Education	Vision	Setting out strategic direction for next 20 years for Guernsey's education system	Consistent with SSP					
Environment	Biodiversity Strategy	To set the overarching strategy under which biodiversity policies & actions can be delivered for both public & private land.	Part of Environmental Policy Plan priorities	Primarily staff resource	2015	Dept. Funding		States report this year after which work becomes operational, funding could be linked to strategy income.
Environment	Bus infrastructure	Bus depot and replacement bus fleet	Strategic infrastructure and service provision	£20m	2014	Capital prioritisation bid		Subject to road Transport strategy and Capital priority debates
Environment	Climate Change Adaptation Strategies	Each Dept. to identify climate change impacts to business as usual & plan adaptation	Part of Environmental policy Plan priorities.	Primarily staff resource		Other funding		Now being led by Env Policy Group. Each Dept. to ID & plan implementation (including funding) of its own adaptation strategies.
Environment	Coastal Defence Strategy	Construction / maintenance of the Island's defences including seawalls, cliffs, shingle banks & dunes to protect road network, services & property. Includes the implications of climate change & potential sea level rise together with options for addressing defence for the most vulnerable low lying areas.	Environmental Plan objective: Climate change impacts in particular coastal defence	£20m	2013	Capital Funding		States report this year setting out works for phase 1.
Environment	Integrated Road Transport Strategy	To adopt a new vision, objectives, policies & workstreams to deliver sustainable on Island transport. This includes all on Island traffic including pedestrians & cyclists but excludes off Island boat & plane travel.	Part of the environmental Policy Agenda & result of States resolution	£2m	2013	Other funding		
Environment	Listed buildings review	To review criteria and composition of the schedule of listed buildings	Legal requirement	£100k	2016	Dept. Funding		

Environment	Marine Spatial Plan	To provide overarching policy to control the development of the territorial seas & link to land planning at the intertidal zone.	Part of Environmental policy Plan priorities	Primarily staff resource	Dept. Funding	2017	Legislative changes needed, governance structure required, draft policies to be consulted on, planning inquiry of some form followed by states debate.
Environment	Review of the Detailed Development Plans - Urban Area Plan (2002) & Rural Area Plan (2005)	Renew the DDPs in accordance with the revised States approved Strategic Land Use Plan	Legal requirement	Primarily staff resource	Dept Funding	2015	Options papers and visioning to be consulted on. Draft policies to be consulted on, planning inquiry followed by States debate.
Home	Criminal Justice	To develop a Criminal Justice IT Framework to interface across CJ agencies (LiSR 2)	Parts of the CJ service as a whole have operated in isolation in terms of IT connectivity. This leads to inefficiencies in the exchange & transfer of core information through the CJ process	£1.2 million	Capital Prioritisation Bid	2016	Phase II bid
Home	Criminal Justice Strategy	To develop & implement an overarching CJ Strategy in order to make CJ processes & services as effective & efficient as possible.	Development of a CJ Strategy Framework was noted by the States in 2012. This is in the final stages of completion. The framework provides continuity across the delivery of Criminal Justice & the ability to monitor progress & performance				Service Dev.
Home	Future of Law Enforcement	To ensure that the delivery & structure of Law Enforcement services is commensurate with future needs	Current Legislation is not fit for purpose. Law enforcement operational activity requires an independent oversight which may be provided by a Commission, under the Law Enforcement Commission, Bailiwick of Guernsey Law, 2011. To avoid the duplication of effort. A further report will be put before the States in late 2013				Report Date 31st July 2008 - Billet XII (24th September 2008) and Report Date 7th September 2010 - Billet XXIII (24th November 2010)
Home	Review & Rationalisation of Services	To review & rationalise HD services & structures for the future	To ensure that public services are kept as high as possible against a backdrop of decreasing budgets				
Housing	2011 Housing Needs Survey & Target Indicator	The States has agreed that a Housing Needs Survey should be carried out every five years. The 2011 Survey was published in December 2012 & will be presented to the States in Autumn 2013. The States Report will also make recommendations on the targets / indicators for the number of planning permissions to be granted & for the number of new dwellings to be built each year. It is intended for this to be a joint report with the Environment Dept..	In order to meet the Housing Strategy, Action Area F of the Corporate Housing Programme (CHP) focuses on ensuring up to date information about the Island's housing position is collected; from this policy development can be informed. The Housing Needs Survey is a reliable, & detailed, source of information gathering feeding into this Action Area. Having up to date information on the Island's housing needs is important when shaping proposals for the Dept.'s future development programme & supports both strategic & operational decision making. In doing so, it is aligned to the SSP's Statement of Aim "the government of Guernsey aims to protect & improve the quality of life of Islanders" & the draft Social Policy Plan's general objective of "equality of opportunity, social inclusion & social justice".			The Housing Needs Survey was published in December 2012. It is intended to publish States Report in September 2013.	The Development of a Housing Strategy and Corporate Housing Programme' - Billet d'Elat II 2003 'Corporate Housing Programme - Progress against the 2009 Action Plans and Future Strategy' - Billet d'Elat XI May 2010

Housing	Closure of the Rent Rebate Scheme	<p>The proposal is to cease the Rent Rebate Scheme, on a phased basis & to ensure that social housing tenants receive the financial support they require from SSD's proposed new Supplementary Benefit Scheme.</p>	<p>The Rent Rebate Scheme will be closed when the Supplementary Benefit Scheme has been re-engineered (as part of the wider welfare review) so that it better assists social housing tenants (and low income households generally) with the cost of rent & their daily living costs. This initiative will help to ensure parity of treatment between social housing tenants & those renting in the private sector, & reduce the administrative overhead of two Depts. means-testing some of the same households. This work stream is aligned to SSP's Statement of Aim, "the government of Guernsey aims to protect & improve the quality of life of Islanders" & the draft Social Policy Plan's general objective of "equality of opportunity, social inclusion & social justice".</p>	Unknown - to be detailed as part of the review	Other funding	<p>The SSD intends to present its proposals to the States for debate in Autumn 2013. If the rebate scheme is to close such closure will take place in phases.</p>	SSD/Housing States Report - 'Future of Supplementary Benefit and Rent Rebate Schemes' (Billet d'Etat XIII July 2011); SSD 'Modernisation of the Supplementary Benefit Scheme Phase 1' (Billet d'Etat V March 2012)
Housing	Future of the Housing Target Areas (HTAs), including Bellegreve Vinery	<p>At a joint meeting in November 2012, the Housing Dept. & Environment Dept. Boards agreed that the Housing Dept. commence negotiations with the landowners of four HTAs (Franc Frief, La Vrangue, Pointes Rocques & Salt pans) to seek to agree conditions upon which each HTA could be recommended for development, which includes the first application of Planning Covenants to development. Negotiations are scheduled to conclude early summer 2013, after which it is intended for a joint Housing Dept. & Environment Dept. States Report to be published, recommending the release of one or more HTAs to meet Guernsey's identified housing needs. The release of Bellegreve HTA for development is not being considered at this time, but will be referenced in the report.</p>	<p>The Housing Dept. is strongly of the view that there is a need to release one or more of the HTAs for development to go some way to meeting Guernsey's identified housing needs; it has relied on land from HTAs being released for development within its Housing Development Plan 2013 - 2022, which is the subject of a current capital prioritisation bid. The release of one or more of the HTAs fits within that Plan, which directly meets the objectives of the States Housing Strategy; Action Areas B, C & E of the Corporate Housing Programme; & the SSP's Statement of Aim "the government of Guernsey aims to protect & improve the quality of life of Islanders" & the draft Social Policy Plan's general objective of "equality of opportunity, social inclusion & social justice".</p>	(See housing development programme 2013 - 2022.)	Other funding	<p>It is intended for the States to debate the release of one or more HTAs in Autumn 2013, after which the development proposals will be subject to the an extended planning process that involves a Planning Inquiry and a further report to the States. Development is unlikely to commence before 2015.</p>	<p>The Development of a Housing Strategy and Corporate Housing Programme' - Billet d'Etat II 2003 'Corporate Housing Programme - Progress against the 2009 Action Plans and Future Strategy' - Billet d'Etat XI May 2010</p>

Housing	Home Deposit Loan Scheme	Researching the feasibility of a bespoke Home Deposit Loan Scheme for implementation in Guernsey.	The Housing board has requested research into whether a Home Deposit Scheme is feasible for Guernsey to assist first-time buyers to access the private housing market; the cost implications & the benefits that could be achieved will be key decision-making issues within this research. Action Area C of the Corporate Housing Programme seeks to ensure that the needs of the intermediate housing market are met & this work stream directly links to this. In doing so, it is aligned to the SSP's Statement of Aim, "the government of Guernsey aims to protect & improve the quality of life of Islanders" & the draft Social Policy Plan's general objective of "equality of opportunity, social inclusion & social justice".	Unknown - to be researched as part of the review	No existing budget	Research to be completed during 2013 and presented to the Housing board	The Development of a Housing Strategy and Corporate Housing Programme' - Billet d'Etat II 2003 'Corporate Housing Programme - Progress against the 2009 Action Plans and Future Strategy' - Billet d'Etat XI May 2010
Housing	Key Worker Housing Strategy	This initiative examines how the States recruits, retains & accommodates 'key worker' staff recruited from off-Island. Upon completion of this, work is intended to commence on researching an equity loan scheme for key workers.	A 'green paper' scoping out a range of issues was approved by the States in March 2007. There is a requirement to report back to the States & to firm up proposals for changes to the ways that key workers are accommodated, the subsidies they receive, the level of rents that are paid, & how all of these elements can be delivered in a more cost-effective way. This fits with the objectives of the Housing Strategy, CHP Action Area B & C & the SSP's Statement of Aim "the government of Guernsey aims to protect & improve the quality of life of Islanders" & the draft Social Policy Plan's general objective of "equality of opportunity, social inclusion & social justice".		Capital prioritisation bid to use CHP Fund monies to meet development costs.	Yet to be determined	Provision for some investment is included in the Housing Development Programme 2013 - 2022 (see below), but the scope of the relevant stock, its condition, and any changes to key worker rents, are to be established as part of the strategy.
Housing	Proposals for a new Housing Law /HMO Registration System	This initiative was originally limited in scope to focus on the introduction of a registration & licensing system for improving the standard of accommodation in houses in multiple occupation (HMO's). However, subject to Housing /HSSD / SSD Board approval in early Jan 2012, it is intended to widen the scope of this work stream to ensure a minimum standard in all accommodation & to deal with a wider variety of different issues & problems. To implement any such proposals would require a new piece of primary legislation.	There has long been a political drive to introduce a system to regulate the standard of accommodation in HMO's, as they house some of the most vulnerable people in society who very often lack choice about their accommodation options e.g. people on low incomes & guest workers. There is a close relationship between poor housing conditions & poor mental &/or physical health & well-being. This work stream meets the objectives of the Housing Strategy & fits with CHP Action Area E & the SSP's Statement of Aim "the government of Guernsey aims to protect & improve the quality of life of Islanders" & the draft Social Policy Plan's general objective of "equality of opportunity, social inclusion & social justice".	Unknown at this point and not decided who will administer the new regime	Possible SSP bid if funding required	It is intended to prepare a joint HSSD and Housing Department States Report by early 2014	The Development of a Housing Strategy and Corporate Housing Programme' - Billet d'Etat II 2003 'Corporate Housing Programme - Progress against the 2009 Action Plans and Future Strategy' - Billet d'Etat XI May 2010

Housing	Review of the Social Housing Eligibility Criteria & Allocations Policy	The Housing Dept. & Guernsey Housing Association (GHA) currently operate separate waiting lists & apply separate eligibility criteria. In order to increase service delivery efficiencies & ensure consistency in the allocation of social rented housing, work is underway to implement a joint waiting list, joint eligibility criteria & a joint (and revised) allocations system. The allocations system will move away from a points-based system.	Confusion can exist as applicants need to consider two different criteria & two different waiting lists. Inefficiencies are also present in the allocation of properties. A joint system, with a revised allocation system, will eliminate inconsistencies & increase understanding & service delivery efficiencies. This work stream meets the objectives of the Housing Strategy & links with CHP Action Area D, which are aligned to the SSP's Statement of Aim. "the government of Guernsey aims to protect & improve the quality of life of Islanders" & the draft Social Policy Plan's general objective of "equality of opportunity, social inclusion & social justice".	Major costs will be if States agree to extend the rebate scheme to GHA tenants c. £600,000-£1.2m p.a.	To be considered as part of the review of the CHP Fund and the transfer of the rent rebate scheme to SSD. (See elsewhere.)	It is intended to prepare a States Report for consideration in Autumn 2013	The Development of a Housing Strategy and Corporate Housing Programme - Billet d'Etat II 2003 'Corporate Housing Programme - Progress against the 2009 Action Plans and Future Strategy' - Billet d'Etat XI May 2010
HSSD	2020 Vision	This sets the strategic direction for the future of the Health and Social Care System, ensuring that Guernsey has a sustainable, integrated, accountable and affordable system for the 21st century. This has been broken down into four programmes - Health Improvement looking at tobacco, healthy weight, sexual health etc projects - Health Care covering projects on the healthcare review, PEH re-profiling, A and E review etc - Social Care Framework covering supported living and ageing well, Children and Young People's Plan, Mental Health etc - Health Protection and Care Regulation covering governance and quality assurance, regulation of healthcare, environmental health legislation etc.	The current model is ad hoc, unplanned, not integrated, lacks clear accountability & is not a sustainable option for the future, this represents a portfolio of actions, strategies & other programmes for delivering the vision		Dept. Funding	2020 (and beyond!)	HSSD 2013 Corporate Operational Plan (Developments in 2013-2016):- "Continue to develop extra-care housing projects with the Housing Dept." ; "Develop a Supported Living & Ageing Well Strategy & review Long-term Care Funding" Debate on Extra-Care Housing (May 2011) led to LTCF working party; Fallaize amendment placed ? 2012 tasked Social Security with reporting back on future of LTCF by end 2014; Strategy a core component of 2020 Vision (May 2011/Jan 2013) & prioritised by Social Policy Group for 2013.
HSSD	Health Care Strategic Framework	To identify and prioritise the long-term developments needed to support 2020 Vision's priority - "improving outcomes for people who use health care services". These include Health Care Review, PEH re-profiling, A and E review etc	Ties in with the Social Policy Plan theme in the SSP of "ensuring sustainability of provision in relation to funding ..." Is required to look at what the long term provision should be for new contracts as the old ones expire.	See Health System Review below which will be the main cost.	See below	2015	
HSSD	Health Improvement Strategic Framework	To identify & prioritise the long-term developments needed to support 2020 Vision's priority - "promoting good health & wellbeing". These include tackling lifestyle risks through the Tobacco Control Strategy & the Drug & Alcohol Strategy.	Ties in with Social Policy objective - prevention of poor outcomes for individuals & society. Keeping people healthy & well reduces demand on health services social services & other public services.	Unknown	Dept. Funding	States Report by end 2013	HSSD 2013 Corporate Operational Plan (Developments in 2013-2016):- "Develop care regulation jointly with Jersey" ; "Create Strategic Frameworks for Health Protection & Care Regulation"

HSSD	Health Protection & Care Regulation Strategic Framework	To identify & prioritise the long-term developments needed to support 2020 Vision's priority - "protecting people through high-quality well-regulated services". These include increased regulation of care services & professionals & environmental health strategies. Introduce Responsible Officer role for revalidation of doctors.	Ties In with Social Policy & Environmental Policy plans. Key to achieving 2020 Vision aim of "protecting people through high-quality, well-regulated services"	Unknown; up to £100 k for Responsible Officer	SSP-type funding; part funding with SSD	States Report by end 2013	HSSD 2013 Corporate Operational Plan (Developments in 2013-2016):- "Contribute to the Disability & Inclusion Strategy" 2009 States' decision to introduce a Disability Officer post leading to the drafting of a Disability & Inclusion Strategy
HSSD	Health System Review	To conduct a fundamental review of the health system in Guernsey, before the expiry of major contracts (MSG/GPG in 2017 & A&E in 2018). To design a health system which is fit for the future, with a funding structure which incentivises positive behaviours. THIS INCORPORATES "2020 FINANCIAL MODEL"; "2020 ORGANISATIONAL MODEL" & "CANCER STRATEGY"	Review of health system becoming urgent due to structural challenges & financial & demographic pressures. Expiry of two major contracts presents a short window of opportunity.	£1.6m Significant saving opportunities from restructuring the system.	Strategic Investment Fund; part-funding by SSD	End 2014	Soft tendering exercise undertaken June 2013
HSSD	Mental Health & Well Being Strategy	The Mental Health & Wellbeing Strategy sets out the strategic overview for this area for the next decade & focuses not on providing services for those with Mental Health problems but avoiding the problems in the first place	The development of a Mental Health & Wellbeing Strategy may have valuable social & economic consequences for society. [Research, such as the National Adult Psychiatric Morbidity Survey (Health & Social Care Information Centre, 2009), suggests that at any one time approximately 16% of adults in the UK are experiencing anxiety &/or depression to an extent which meets diagnostic criteria. Recently obtained local prevalence data confirms that Guernsey experiences similar incidence rates of anxiety & depression (Johnson, Bridgman, Cataroche & Hinshaw, 2010).] This strategy provides a vision to support the development of Phase 6B & the introduction of the new Law.	Unknown	Unknown	MH Development complete Q1 2015	Now moved into implementation, along with the introduction of the new MH Law & the start of Phase 6B. HSSD 2013 Corporate Operational Plan (Developments in 2013-2016):- "Cooperate with voluntary & private sector providers to meet needs effectively" A Mental Health & Wellbeing Implementation Group will be set up during 2013.
HSSD	Needs Assessments	Programme of standardised needs assessments enabling better design & targeting of services; links closely with Health Improvement Strategic Framework & Priority-Setting Programme	Ensures that services are based on evidence & targeted towards recognised needs.	Unknown	No existing budget	Unknown	HSSD 2013 Corporate Operational Plan (Developments in 2013-2016):- "Produce the new Children & Young People's Plan" Children Law 2008
HSSD	Priority-Setting Programme	Agreeing standard processes for prioritising service developments & disinvestments. Scope of the programme still in definition.	Enables better financial planning, prioritisation & targeting of services.	£32K	T&R	Q3 2013	HSSD 2013 Corporate Operational Plan (Developments in 2013-2016):- "Develop a prioritisation process for Service Redesign & disinvestments" cf 2020 Vision States Reports

HSSD	Social Care Strategic Framework	To identify and prioritise the long-term developments needed to support 2020 Vision's priority - "improving outcomes for people who use social care services". Projects under this framework include implementation of the Mental Health and Wellbeing Strategy; renewal and implementation of the Children and Young People's Plan; the development of a Supported Living and Ageing Well Strategy etc.	Ties in with the Social Policy Plan theme in the SSP of "ensuring sustainability of provision in relation to funding ..." Is required to look at what the long term provision should be to meet the projected demographic changes.	Children approx £200K, rest of social care unknown currently.	Strategic Investment Fund	2020	HSSD 2013 Corporate Operational Plan (Developments in 2013-2016):- "Develop a programme of standardised needs assessments" [linked to Health Improvement Strategic Framework]
HSSD & Policy Council	Capacity Law & Adult Safeguarding	Cross-Departmental work required to develop a Capacity Law and a common framework for Adult Safeguarding. This is a work stream under the Disability and Inclusion Strategy currently	Ensures that vulnerable people have appropriate protection from abuse & exploitation.	Unknown	Unknown	2016	HSSD 2013 Corporate Operational Plan (Developments in 2013-2016):- "Renegotiate or replace key contracts which expire over the next 5 years"; "Begin a fundamental Health System Review" Raised in 2020 Vision States Report (Jan 2013); States Report on Health System Review currently pending.
HSSD & Policy Council	Disability & Inclusion Strategy	To develop a Disability Strategy which: - Identifies the prevalence of disability in Guernsey & the needs of disabled Islanders; - Plans for changes in services, benefits, policies, laws & culture to ensure full inclusion of disabled persons in the community & the workforce; - Considers the scope for introducing Disability Discrimination legislation; - Identifies the steps that would need to be taken to extend the UK's ratification of the UN Convention on the Rights of Disabled Persons to Guernsey	The 2002 Townsend Report identified a strong link between disability & poverty (and therefore social exclusion) in Guernsey. The Disability Forum called for the appointment of a Disability Officer & the development of a Disability Strategy in 2009. The Disability Strategy has been a priority in the Social Policy Plan (Item 18) from 2009 onwards. Disabled Islanders & their organisations continue to show that there is a pressing need to improve access & inclusion for disabled people, & to campaign for change.	Up to £250 k over a phased implementation period.	Department funding; SSP-type funding	States Report by end 2013	HSSD 2013 Corporate Operational Plan (Developments in 2013-2016):- "Establish a Health Improvement Strategic Framework" Strategy a core component of 2020 Vision (May 2011/Jan 2013)
HSSD & Policy Council	Voluntary and Community Sector	Social Policy Group initiative to enhance cooperation between the States and the voluntary sector.	Key to Economic Policy objective of "right-sizing" the State" - requires new ways of working, including cooperation with the voluntary and private sectors to provide services (and shape policy) where appropriate.	Unknown	No existing budget	2016	Report Date 31st July 2008 - Billet XII (24th September 2008) and Report Date 7th September 2010 - Billet XXIII (24th November 2010)
HSSD, Education & Policy Council	Children & Young People's Plan	CYP will be agreed inter-Departmentally; themes are likely to include a focus on providing appropriate support to families who use multiple government services for various reasons. Developments in the context of the CYP will also include work on the Adoption Law; ratification of UN Convention on Rights of the Child; roll out of the Child's Plan; accommodation for Looked-after Children.	Production of 3-yearly CYP is a legal requirement within Children Law 2008; Social Policy Group commitment to supporting families who rely on multiple services.	Unknown	No existing budget	End 2013	Report date 5th March 2012 - Billet XI (30th May 2012). States Report late 2013 or early 2014.

HSSD, SSD & Housing	Supported Living and Ageing Well Strategy	SLAWS encompasses supported living for adults of all ages, while planning for an increasingly ageing population. It takes forward the work of the Long-term Care Working Party and looks at the provision, development & funding of long-term care. The proposed programme is for the development of an Older Peoples' Strategy (OPS) and Action Plan. It includes a workstream on transforming continuing care, and is a project under the 2020 Vision, Social Care Framework Programme in HSSDs 2020 Vision.	It is recognised that a great deal of research and ground work has been undertaken to inform the development of an Older People's Strategy for Guernsey and Alderney. However there is further work needed to turn that research into a strategy. There are limited supported housing options in the Island at this time. This workstream meets the objectives of the Housing Strategy and works towards CHP Action Area B, C and E, which are aligned to the SSP's Statement of Aim "the government of Guernsey aims to protect and improve the quality of life of Islanders" and the draft Social Policy Plan's general objective of "equality of opportunity, social inclusion and social justice". This is presently ongoing, and is being jointly led by HSSD, Housing and Social Security.	Unknown	No existing budget	States Report by end 2013	Policy Council resolution June 2008; States SSP amendment 2010; Crowe Report published 2011; PC agree non-statutory approach 2012; States Report July 2013
Policy Council	Access to States Information Strategy (ASIS)	Further Develop Transparency, Open Government & Accountability Through Implementing A Comprehensive & Consistent Strategy Of Information Communication & Access	States Strategic Plan Amendment 2010		No existing budget	Ongoing	Strategy Dev.
Policy Council	Energy Resource Plan	The Energy Resource Plan describes Guernsey's sources & use of energy & sets out key objectives that will affect future energy decisions	In June 2008 the States approved the previous version of the Energy Plan, which included a recommendation to amend & report back to the States within 5 years.				
Policy Council	Equality and Rights Programme	A programme of projects to develop equality of opportunity, rights and responsibilities for the people of Guernsey. This programme includes: ratification of the UN Convention on the Elimination of All Forms of Discrimination Against Women (UN CEDAW); Disability and Inclusion Strategy; Civil Union; UN Convention on the Rights of the Child and other international matters relating to children and young people; domestic legislation on race; other protection	This links to the social policy objectives and themes of the States Strategic Plan. In particular in relation to equality of opportunity, social inclusion and social justice and individuals taking personal responsibility. The need to ensure opportunities are provided helps ensure a sustainable workforce and provides a legislative framework for challenges and protection, as well as education and assistance resulting in changing attitudes.	See individual projects	No existing budget	2016	HSSD 2013 Corporate Operational Plan (Developments in 2013-2016):- "Produce the new Children and Young People's Plan" Children Law 2008
Policy Council	Financial Stability	Assessment of financial stability	IMF Assessment				Strategy Dev.
Policy Council	Government & Civil Service Structural Review	A review of the Government & Civil Service Structure	Efficiency & effectiveness & good Governance in Government & the Civil Service				Strategy Dev.
Policy Council	Health & Safety	Develop, implement & commence embedding a corporate H&S management framework covering the States of Guernsey. This will boost H&S maturity, reduce risk of serious injury across the States, reduce regulatory censure, boost understanding of H&S risk.	Will result in reduced H&S risk & the implementation of the internal audit recommendations resulting from the February 2012 internal audit review of Health & Safety Leadership across the States.	£91.5 k inc		2014	Strategy Dev.

Policy Council	Options of Population Management	To develop options for a legal & administrative framework for a comprehensive population management regime					Legislative (2nd Choice Strategic Dev.)
Policy Council	Risk Management	Develop, implement & commence embedding a corporate risk management framework covering the States of Guernsey. This will boost risk management maturity, increase likelihood of successful achievement of objectives, reduce crises, boost understanding of risk, develop a corporate risk - & Dept.al - registers.	April 2012 PAC report on Risk Management & Insurance in the States of Guernsey.	£71k inc		2014	
Policy Council	Strategic Land Use Plan	The Strategic Land Use Plan sets out a 20-year agenda for land use planning in Guernsey. It does this by guiding the Environment Dept. in the preparation of detailed land use policies set out within the Development Plans. It can reviewed at the request of SLPG or Policy Council.	The Strategic Land Use Plan is a statutory document prepared by the Strategic Land Planning Group under the terms of the Land Planning & Development (Guernsey) Law, 2005				
Policy Council	Strategic Water & Stone Provision	The Policy Council has established a working group to review the current & future arrangements for stone extraction & importation, water storage & the disposal of inert (stone-based) waste. Triggered by Ronez request to discuss the potential exchange of Les Vardes Quarry for the Mont Cuet Headland (to enable Les Vardes to be used for water storage & the headland to be quarried) the group is currently investigating whether such an exchange represents the best way to meet the Island's future water & stone requirements.	Ronez's desire to firm up its business plan & the corresponding need for government to understand all of the issues. In line with the SSP, the group will be seeking to achieve a sustainable approach through the wise, long-term management of Island resources.	Not known		End 2013	
PSD	Alderney Breakwater - Long-Term Solution	Breakwater is a long term structure & a long-term commitment it requires a long term strategy for its upkeep.	Following two abortive debates nearly a decade ago the States has no clear long-term strategy for maintaining the structure & therefore is dealing with it on a year by year maintenance basis which may not be the best use of funds.	Unknown			Infrastructure
PSD	Commercialisation - Options Assessment for trading activities	To assess the viability of commercialising the Department's trading activities	To assess the extent to which efficiency/productivity could be enhanced within the constraints of States existing corporate arrangements; having regard to funding processes and protocols, and customer responsiveness.	Expected to be carried out by Departmental staff	Department funding	2014	

PSD	Deep Water Berths, St Sampson's	To provide safe and reliable fuel discharge facilities to secure the ongoing need of fuel imports for the Island community.	Predictions are the current unsatisfactory arrangements for allowing fuel ships to dry out within St Sampson's Harbour will cease to be acceptable to fuel companies given the risks in particular of reputation should an explosion occur refineries may refuse to supply such ships. Included within Master Plan.	Dependent on solution	Capital Reserve and/or Departmental funding	2025	
PSD	Enhanced Management of Public Highways	To improve the long-term management of the public highways and provide enhanced maintenance of this asset. This will be done in part through the development of a Highways Asset Management Plan.	To interconnect with the Island Infrastructure Plan	To be developed from within annual budgets	Department funding	Ongoing	The Development of a Housing Strategy and Corporate Housing Programme' - Billet d'Etat II 2003 'Corporate Housing Programme - Progress against the 2009 Action Plans and Future Strategy' - Billet d'Etat XI May 2010
PSD	Enhancing facilities for cruise liner passengers arriving by tender.	Improving the facilities for passengers arriving and departing by tender from cruise ships and enhancing the "Gateway to Guernsey"	108 cruise liners are visiting Guernsey in 2013 and although the facilities have been improved, further upgrading is needed to improve the welcome and departure. St Peter Port Harbour is a gateway to Guernsey and needs enhancing. It is worth noting that thirty per cent of passengers arrive by sea.	Consultation needed on level of works required	Department funding		The Development of a Housing Strategy and Corporate Housing Programme' - Billet d'Etat II 2003 'Corporate Housing Programme - Progress against the 2009 Action Plans and Future Strategy' - Billet d'Etat XI May 2010
PSD	Fish Quay refurbishment	Upgrade to Fish Quay facilities.	Provision of appropriate facilities for fishing fleet. Included within Master Plan.	Full solution yet to be determined.	Capital Reserve and/or Departmental funding		Housing Department and Health and Social Services Department - An Integrated Corporate Strategy to Meet the Island's Needs for "Key Workers" Billet d'Etat XI 2007 'The Development of a Housing Strategy and Corporate Housing Programme' - Billet d'Etat II 2003 'Corporate Housing Programme - Progress against the 2009 Action Plans and Future Strategy' - Billet d'Etat XI May 2010
PSD	Harbour commercial area development	Upgrade of layout in secure area at St Peter Port to meet future requirements. Includes possible relocation of the Guernsey Border Agency's shed.	Compliance with International Security requirements; improvements in efficiency. Included within Master Plan.	Full solution yet to be determined.	Capital Reserve and/or Departmental funding		SSD/Housing States Report - 'Future of Supplementary Benefit and Rent Rebate Schemes' (Billet d'Etat XIII July 2011); SSD 'Modernisation of the Supplementary Benefit Scheme Phase 1' (Billet d'Etat V March 2012)
PSD	Harbours Master Plan	High level long term vision including various work streams.	Key to structured development, alignment and input to parallel initiatives and strategies.	Significant	Capital Reserve and/or Departmental funding	2038	The Development of a Housing Strategy and Corporate Housing Programme' - Billet d'Etat II 2003 'Corporate Housing Programme - Progress against the 2009 Action Plans and Future Strategy' - Billet d'Etat XI May 2010

PSD	Implementation of Island Waste Strategy	To provide a medium-long term solution for disposal of Island's residual waste.	Current disposal route (Mont Cuet) nearing the end of its life (approx. 9 years remain). Landfill is no longer considered an acceptable means of waste disposal & in any event there are no suitable quarries available, hence the need to take a new approach to waste management.	£29.7 m	Loan	End 2015	The Development of a Housing Strategy and Corporate Housing Programme' - Billet d'Etat II 2003 Corporate Housing Programme - Progress against the 2009 Action Plans and Future Strategy' - Billet d'Etat XI May 2010
PSD	Structured long term planning for key Infrastructure	Secure provision of appropriate infrastructure for the Island for at least the next 25 years	To support the Island Infrastructure Plan	To be developed	Capital Reserve and Departmental funding	Ongoing	The Development of a Housing Strategy and Corporate Housing Programme' - Billet d'Etat II 2003 Corporate Housing Programme - Progress against the 2009 Action Plans and Future Strategy' - Billet d'Etat XI May 2010
SSD	Modernisation of Supplementary Benefit Scheme	Proposals for a modernised system of supplementary benefit were taken to the States in March 2012 (Billet d'Etat V of 2012) but were largely rejected, principally on grounds of magnitude & uncertainty of costs. SSD will report back to the States in October 2013 with revised proposals for reform.	Equality of opportunity, social inclusion & social justice.	Unknown	Changes to supplementary benefit scope, rules & rates would be a charge to formula-led General Revenue.	Proposals to October 2013 States meeting.	Service Dev.
SSD	Review of Secondary Healthcare Contracts	Expiry of the current 15 year contracts with the Medical Specialist Group & the Guernsey Physiotherapy Group, at the end of 2017, offer the opportunity for fundamental review of the delivery & financing of the healthcare system in Guernsey & Alderney. This is a joint initiative with HSSD.	Contracts expire at end of 2017 & some form of replacement is essential.	Unknown	Option for joint funding of review from General Revenue & Guernsey Health Service Fund.	End of 2014 for review phase	States Report required
T&R	Financial Transformation Programme	States-wide transformation programme to deliver significant savings to 2009 baseline by 2014.	Fundamental Spending Review findings	Budget Agreed			Service Dev.
T&R	SAP - STSC	Continue to maximise benefits of the implementation of the enhanced SAP system; & introduction of Shared Services Centre for the provision of transactional services for all Depts.	To transform the manner in which back office services are delivered & to create efficiency savings of c£1.7 m pa	Budget Agreed			Service Dev.
T&R	Transforming Support Services	An FTP programme aimed at delivering support services more efficiently & effectively	Fundamental Spending Review findings	Budget Agreed			

T&R & SSD	Personal Income Tax & Benefits Review	Reserves of the Guernsey Insurance Fund will be exhausted by 2040 & large increases in the pay-as-you-go contribution rate will be necessary if no changes or benefit up rating policies. Financial sustainability of the State pension scheme has become subsumed within the Personal Tax & Benefits Review.	Actuarial Review 2004 to 2009	Budget Agreed	Proposals to October 2013 States meeting & October 2014 States Meeting.	Resolution XIV 10 Billet d'Eiat XX of 2012 - To direct the SSD Dept. to report to the States of Deliberation by no later than October, 2013 with proposals setting out any structural reforms & changes to contribution &/or benefit rates which it considers necessary in order to ensure the long-term sustainability of the Guernsey Insurance Fund. Resolution VI 10 Billet d'Eiat IV of 2012 - To direct the SSD Dept. to report back to the States, at the same time it reports on the funding of other benefits, with proposals for funding & requesting the preparation of the necessary legislation to provide for: a) Changes to the maternity grant to make it available to all new mothers. b) Changes to maternity allowance to split it into a maternal health allowance & a new born care allowance with the rate of both being £180 per week (2011 rate) & the conditions as set out in paragraphs 7.10 to 7.25. c) A new adoption grant at same rate as a maternity grant in the case of adoption for a child under 18. d) a new benefit of parental allowance of £180 per week (2011 rate) which can be claimed by either parent immediately following the adoption of a child under 18 years of age Resolution XIV 11 Billet d'Eiat XX of 2012 - To direct the SSD Dept. to report to the States of Deliberation by no later than October, 2014 with proposals setting out any structural reforms & changes to contribution &/or benefit rates which it considers necessary in order to ensure the long-term sustainability of the Long-Term Care Insurance Fund.
T&R & Policy Council	Strategic Asset Management Plan	To develop a Strategic Asset Management Plan to align the use of States' land and property with the achievement of strategic and service objectives. Rationalise accommodation to as few sites as possible and maximise efficiency of space utilisation. Improve integrated service delivery to the public.	Is intended to fill a gap in strategic planning and to complement the Island Infrastructure Plan	Net Costs of £3.3m for Phase 1	Capital	2017

APPENDIX C - STATES OPERATIONAL STOCK TAKE

Department	Initiative Title	Description	Justification (inc which SSP Objectives are delivered)	Current Anticipated Cost (if any)	Funding Options	Estimated Completion Date	Details - include date of States Resolution if appropriate
T&R	Benchmarking for States Land & Property portfolio	Establish benchmarks for the use & maintenance of land & property to enable efficiencies & best value use of these assets	Corporate Property Plan		No existing budget		
T&R	Commercialisation of States Properties	Use the States land & buildings in a more commercial way, eliminating hidden subsidies to reveal & utilise the real cost of built assets	States Resolution from 2007 & 2009 VFM & revenue savings, & revenue & capital creation				Billet d'Etat XXIV 2007
T&R	Document Duty	Levy duty on the transfer in beneficial ownership of real property by share transfer	Address concerns about avoidance of duty by sale of properties through share transfer and increase States' revenues		No existing budget	2014	
T&R	Ecclesiastical Court	Review of Existing Funding Model	Address concerns over existing funding model		No existing budget	2014	
T&R	Energy Monitoring & energy saving	Monitoring of energy consumption through the SoG with a view to saving energy & reducing spend	FTP		Budget Agreed		
T&R	Foulton Cemetery	Replacement crematorium and ancillary works	Renew and upgrade obsolete crematorium equipment to meet current regulations	£2.25m	SSP Funding	2016	
T&R	Historic Sites and Listed Buildings	Address maintenance backlog and undertake large scale catch-up repairs	Catch-up repair works identified through the Condition Survey required to be carried out on States' properties and built structures to put these into a reasonable condition	£5.2m	SSP Funding	2018	
T&R	Income Tax Electronic Document and Records Management System	Replace existing system and upgrade workflow software	Efficient assessment and collection of tax revenues for States	£570k	SSP Funding	2017	
T&R	Income Tax Online Services Enhancement	To expand the use of online facilities for taxpayers to comply with their obligations to file returns of income including an automatic assessing function	Backlogs of work for Income Tax Officers / outmoded manual systems				
T&R	International Tax Agreements	To expand the number of international tax agreements the island has	Meeting the desire of Government to meet international standards & the needs of industry		Budget Agreed		

T&R	IT Consolidated infrastructure	Consolidation of corporate IT infrastructure, ultimately into two data centres with common servers, data storage, business continuity, network etc	Builds on efficiency savings from consolidation of areas of duplication. Much has already been done for smaller Depts.		No existing budget		
T&R	IT Corporate Service	Provision of corporate ICT Service across States. The scope is being developed & is likely to be developed over time	Builds on efficiency savings from consolidation of areas of duplication. Much has already been done for smaller Depts.		Other funding		
T&R	Land Registry Review Project	Review the feasibility of introducing a Land Registry in Guernsey. The scope of the review includes consultation with stakeholders, a review of legislation, review of Land Registry models, Data Impact Assessment & review of resources. On completion of the review, the objective is to report back to the States with findings & recommendations.	The opportunity to introduce a Land Registry in Guernsey was first identified as part of the Tax on Real Property (TRP) project, although the previous T&R Board received some political requests (for the Dept.) to review the opportunities to introduce a Land Registry on completion of the TRP project.		Other funding	States Report October 2009, States Report - Tax on Real Property - June 2007	
T&R	Rationalisation of States Land & Property	Only retaining that land & property necessary for service delivery or held for strategic reasons is approved policy	Corporate Property Plan		No existing budget	Corporate Property Plan	
T&R	Reduction of tax returns issued	To reduce the number of tax returns issued to those with straightforward tax affairs	Backlogs of work for Income Tax Officers / outmoded manual systems			Part of Previous States transport strategies	
T&R	Regulation of Utilities	Review current model of economic regulation of utility companies	Identify associated costs and benefits associated with existing regulatory regime and consider alternative models, with specific reference to utilities owned by the States		No existing budget	2013	
T&R	Resource Accounting	Introduce resource accounting and IPSAS to address deficiencies in current States' accounting model	Identify value of assets in use by the States and their true cost of use. Improved financial information will inform decision making processes. A full asset register will encourage better use of assets.	£1.3m	Other funding		
T&R	Sir Charles Frossard House	Phased refurbishment of the building	Upgrade to meet current M&E standards and improve utilisation of office space	£1.2m	SoG Capital funding	2017	

APPENDIX D - CAPITAL PROGRAMME PROJECTS

Department	Initiative Title	Description	Justification (inc which SSP Objectives are delivered)	Current Anticipated Cost (if any)	Funding Options	Estimated Completion Date	Details - include date of States Resolution if appropriate
Education	College of Further Education Phase 2b	Reuse of the former St Peter Port Secondary School to become the Ozouets Campus		£3.6 million	SoG Capital funding	Unknown	See Billet D'Etat XIII July 2011
Education	Les Beaucamps High School	Completion of the redevelopment of the High School	Complete sports facilities	£38.1 million	SoG Capital funding	Unknown	
Home	eBorders, eCustoms and Passport IT system	To allow people & goods to continue to move freely between the UK & Islands To enable local residents to continue to be able to obtain Guernsey version British Passports	International & UK increased security processes necessitate the Islands having similar procedures To enable local residents to continue to be able to obtain Guernsey version British Passports	£1 million	SoG Capital funding	Jan 2014	Capital Prioritisation Business Case to T&R Summer 2013
Home	Replace Police Core IT System	To replace the current Police IT platform which is not supported	Current system not supported & not compatible with other criminal justice systems leading to inefficiencies	£1.5 million & £190 K revenue from existing Home budget	SoG Capital funding	2014	States Report September 2013
Home	Tetra Radio	Replace existing TETRA Emergency Services radio infrastructure		£1.8 million	SoG Capital funding	2014	Vote open
HSSD	Home for Adults with Learning Disabilities	Proposal to develop the facilities in conjunction with the Housing Department and the Guernsey Housing Association. Funding provided by a grant from the Corporate Housing Programme and a loan from Guernsey Housing Association.	To provide fit for purpose facilities for people with disabilities and to reduce the overall revenue costs of building maintenance, general running costs and the cost of off island placements.	£5.6 million	SoG Capital funding	2015	
HSSD	Mental Health / Phase 6b Development / Mental Health Law	A multi-million pound capital build to provide fit for purpose Mental Health facilities & services; this aligned to the Mental Health & Wellbeing Strategy & the mental health legislation enacted in April 2013.	To provide fit for purpose facilities for Mental Health in line with the Mental Health & Wellbeing Strategy, previous service reviews, legislation & regulation. To reduce the overall revenue costs of building maintenance & general running costs. This would also reduce estate trades commitment to buildings no longer on the HSSD portfolio Following the completion of the new Mental Health Development allowing the Castel to become redundant for the HSSD & allow the building to be handed back to T&R	£24 million	SoG Capital funding	2015	HSSD 2013 Corporate Operational Plan (Developments in 2013-2016):- "Introduce the new Mental Health Law & associated support"; "Build a new Mental Health & Wellbeing Centre" Phase 6b Plans, Mental Health legislation (2010), 2020 Vision, Mental Health & Wellbeing Strategy States Report (February 2013)
PSD	Airport 2040 Project	To renovate the Airport to ensure it meets current Civil Aviation Standards in accordance with plans approved by the States.	Airport is critical & yet lighting, runway strength, parking areas etc have reached a condition whereby commercial traffic could be required to stop using certain areas.	£80.4 million	SoG Capital funding	Mid 2014	Works to refurbish existing airport infrastructure, including paved areas, safety areas, airport ground lighting, drainage & pollution control approved by States of Deliberation - 28 July 2011 - Billet D'Etat XIII.

PSD	Airport Radar	Install a replacement Primary Surveillance Radar with a co-mounted Secondary Radar at Guernsey Airport	Securing a fundamental element of air navigation service provision for Bailiwick of Guernsey to maintain and enhance Guernsey's standing in the global community.	£3.25 million	SoG Capital funding	Unknown	See Billet D'Etat XXI December 2011
PSD	Belgrave Wastewater Phase IV	To replace the Long Sea Outfall serving Belle Greve Wastewater Centre including diffusers to provide adequate dispersion to achieve the required environmental standards	Fits in with liquid waste objective within SSP and aligns with the specific objective to ensure protection of marine environment.	£15.0m	SoG Capital funding	Aug 2014	See Billet D'Etat IV February 2012
PSD	Belgrave Wastewater Phase V	To provide screening to all sewage flows that arrives at Belle Greve Wastewater Centre (almost 100% of the Islands foul flows) prior to discharge to sea. Also to provide 4000m ³ of storm water storage. Screening and grit removal building and storm tanks will be odour controlled	Fits in with liquid waste objective within SSP and aligns with the specific objective to ensure protection of marine environment	£11.03m	SoG Capital funding	Summer 2015	See Billet D'Etat VI March 2013
PSD	Harbour Cranes Strategy - Berths 4, 5 & 6	To replace the cranes & the supporting berths structures to guaranteed supply to Guernsey of load on load off freight.	Existing cranes are at end of life & optimum replacement is with mobile cranes on a stronger surface. If cranes breakdown at present the Island would rapidly fall short on certain key supplies.	£13.7 million	SoG Capital funding	Aug 2014	See Billet D'Etat IV February 2012
PSD	Sarnia Work Boat	Replacement of vessel	"Sarnia" is at the end of its useful working life	£1.5 million	SoG Capital funding	Unknown	
PSD	Solid Waste Solution	To provide a medium-long term solution for disposal of Island's residual waste.	Current disposal route (Mont Cuet) nearing the end of its life (approx. 9 years remain). Landfill is no longer considered an acceptable means of waste disposal and in any event there are no suitable quarries available, hence the need to take a new approach to waste management.	29.7 million	Loan	Dec 2015	The revised waste strategy was approved by the States in February 2012 (Billet d'Etat IV, 2012) and is based on high levels of minimisation, reuse and recycling with residual waste being shipped off island for heat treatment.
PSD	St Peter Port Harbour Pontoon	Floating marina pontoon replacement	Most pontoons are in excess of 20 years old and beyond the end of their useful life. A 5 year rolling replacement programme was commenced.	£0.5 million (2 years at £0.25m per annum)	SoG Capital funding	Unknown	
T&R	Corporate Asset Management IT system	Introduction of an integrated Asset and Real Estate system	A strategic approach to Asset and Real Estate management through the introduction of SAP Real Estate Management, integrated with the planned financial and procurement functionality, will deliver a significant improvement in the ability of the States to enhance the management of its significant property and asset portfolio.	£0.84 million	SoG Capital funding	In conjunction with the SAP Project	See Billet D'Etat XVII October 2011
T&R	States of Guernsey Wide Area Network	Provision of a Wide Area Network to support data, voice & CCTV across all States sites, to be provided by a third party & owned by corporate IT	£1.1 m capital investment through the provision of a new design & consolidated management. Will enable some associated revenue savings. This provides a platform to enable many other States strategic projects including provision of SAP across the enterprise & further consolidation of ICT infrastructure.	£1.09 million	SoG Capital funding	2013	States Report January 2012, FSR Report 2009, Capital prioritisation report 2008
T&R and SSD	Social Security / Income Tax IT System	Replace two separate mainframe collections systems with a comprehensive multi-functional system	Obsolescence of current mainframe systems, diminishing pool of key people, opportunities for rationalisation	£11 million	SoG Capital funding	2017	Resubmitted as part of 2014 - 2017 Capital Prioritisation process.

- (NB The Treasury and Resources Department strongly supports this States Report. It is of the firm view that it is absolutely vital that a clear and robust mechanism for the corporate assessment and prioritisation of service delivery and consequential resource allocation in the most efficient manner is introduced as soon as reasonably possible.

In order to ensure that the best value for money is obtained for government expenditure, it is necessary to ensure that services provided are actually required, are fit for purpose, comply with States' strategic objectives and have been prioritised by the Assembly. This will inevitably mean that the redirection of resources away from lower priority services into new or current but higher priority services could represent the best value for money.

It is acknowledged that it will take a number of years for the Government Service Plan (GSP) to mature into a focussed multi-year business plan and its development is integrally linked with the introduction of zero based budgeting.

Finally, the Department supports the allocation of a one-off budget from the Fundamental Spending Review Fund to enable the provision of sufficient, appropriately skilled resource, training and tools to support the development of the initial GSP.)

The States are asked to decide:-

IV.- Whether, after consideration of the Report dated 3rd June, 2013, of the Policy Council, they are of the opinion:-

1. To approve the development of a Government Service Plan as the corporate mechanism for allocating the resources available to the States in accordance with States strategic aims and objectives and agreed priorities.
2. To note the Policy Council's intention to bring a Report to the States in October 2013 recommending political objectives for the period to 2017 that will guide the prioritisation of States revenue spending through the Government Service Plan process.
3. To approve a one off project budget of up to £255,000 to be charged to the Fundamental Spending Review Fund to deliver the Government Service Plan project.
4. To delegate authority to the Treasury and Resources Department to approve the detailed project budget.
5. To endorse the principle that in future a direct link, or golden thread, will be established ensuring that Departmental Business Plans deliver the corporate priorities and services agreed as part of the Government Service Plan.

POLICY COUNCIL

STATES OF GUERNSEY POLICY FOR ACCESS TO PUBLIC INFORMATION

1. Executive summary

- 1.1. This States Report recognises that in a modern democracy it is desirable to make it easy for people to obtain information about their government and public services. The recommendations in this report will help develop the culture of openness through the ongoing development of guidelines and bespoke policies, rather than through legislation. It also recognises that a sensible balance needs to be struck between the desire for information and the cost of producing it.
- 1.2. The report considers the issues surrounding the ongoing development of an Access to Public Information policy for the States of Guernsey, and asks the States to agree to the guiding principles for a Code of Practice on Access to Public Information, namely:
 - A presumption of disclosure;
 - A corporate approach;
 - A culture of openness;
 - Proactive publication; and
 - Effective record management.
- 1.3. The States needs to balance meeting the expectations of the community for transparency against maintaining confidentiality, where necessary and justifiable. The presumption of disclosure will therefore need to be subject to an express list of circumstances where it is considered necessary to override that presumption in order to protect legal, commercial, competitive and public interests. This will provide clarity on why some information may be withheld from publication.
- 1.4. In order to provide this clarity appended to this report is a 'Code of Practice on Access to Public Information' and a 'Policy on the Use of Confidentiality in Contracts and Agreements' to be agreed by the Assembly and which will provide guidance for the States and its Departments and Committees.

2. Developing States-wide Policy for Access to Public Information

Rationale and context

- 2.1. Meeting clear and consistent principles of access to information held by the States of Guernsey should increase the transparency and openness of the government and make government more accountable. Such an approach should also help to create stronger engagement and dialogue between the States of Guernsey and the people it serves.

- 2.2. The United Nations, OECD and Council of Europe all promote the principles of open government. These principles are embraced by over 80 countries which have access to information regimes. Ensuring that the States can demonstrate that it also embraces these principles is important to helping maintain the Island's reputation as a jurisdiction that embraces modern democratic values.
- 2.3. The over-arching aim of the policy for Access to Public Information (API) is to achieve a balance in meeting the expectations of the community for transparency whilst maintaining confidentiality, where necessary and justifiable. It needs to be accepted that circumstances exist where confidentiality must be maintained. For example where disclosure: is restricted by law; may undermine individual privacy; may damage the States' financial interests; or may prejudice Guernsey's competitive position, strategic objectives or security. It also aims to ensure that the cost of such public access is not disproportionate to the benefits.
- 2.4. On 27 October 2010 (Billet d'État No XIX) the States resolved to direct the Policy Council to: *"consult with all States Departments and Committees and then to report to the States of Deliberation by no later than December 2011, setting out options for improving open government and transparency and establishing a corporate policy on freedom of information and open government"*.
- 2.5. In order to investigate the policy options the Policy Council commissioned an independent report into the issues surrounding Freedom of Information (FoI) in general and their applicability in the Guernsey context. Belinda Crowe, a UK FoI expert was commissioned to produce a report on these options. The preparation of the independent report included consultation with States Departments and Committees, fulfilling the requirement to consult that was set by the States. The resultant report, entitled "Information Strategy", set out a suggested approach for the States to adopt in order to further increase the openness and accountability of Guernsey's public bodies. This Report was published in September 2011 on the States of Guernsey website alongside a call for comments from the general public. It did not recommend simply transposing the UK FoI model into Guernsey. A copy of that independent report is appended to this States Report as Appendix One. Following the receipt, publication of and consultation on this report it became apparent it would not be possible to report formally to the States as had been intended and the matter was therefore deferred pending the general election held in April 2012.
- 2.6. The Policy Council considered this matter in June 2012 and concluded that one of two approaches can be developed. The first would be to build on existing good practice with a codified but non-statutory approach, in other words, to implement a Code of Practice. The second would be to move towards legislation. Having weighed up the costs and benefits of each approach. The Policy Council is of the view that the former would be more appropriate for Guernsey than the latter, as a way of delivering an effective and efficient API policy. The Policy Council agreed that the non-statutory approach should reflect the following guiding principles:

- A presumption of disclosure;
- A corporate approach;
- A culture of openness;
- Proactive publication; and
- Effective record management.

Whilst recognising that it would be necessary to identify exceptions to these principles.

Importance of the bigger picture

- 2.7. An important consideration in operating an API policy is to ensure that it fits in with all of the stages of information use and management - creation, classification, storage, retention, security, access, publication, destruction and reuse. Effective communication and stakeholder engagement can only happen if these important foundations are in place. For example, previously the collation of Ministerial travel costs meant the interrogation of a number of data sources, which took a significant amount of staff time. The establishment of new systems of reporting and the roll out of the upgraded SAP computer system will greatly reduce the burden on resources in supplying information. Future developments on document management, data protection, sharing information and information security will also help to ensure the infrastructure is in place to enable the successful delivery of this API policy.
- 2.8. When data is supplied it is important that it is given relevant context in order for it to be clearly understood. It will be the responsibility of the States Department or Committee to manage the dissemination of public information under the API policy to ensure that where appropriate data is explained in plain English and in a manner than can be easily understood by the general population. Research conducted in Jersey into the implementation of FoI legislation found that the management of information under a FoI regime would need significant support infrastructure. This would have considerable cost and resource implications, particularly for a jurisdiction of Guernsey's size and scale. However, by developing existing good practice, which is supported by the existing infrastructure as far as is possible, clear progress can be sought without having to introduce expensive and disproportionate processes and the supporting infrastructure. Whilst there is no formal corporate communication office, at this stage officers at the Policy Council will be best placed to provide advice on the presentation of information.

Proportionality

- 2.9. It is important that any actions taken to increase transparency and open government are proportionate to the public interest, particularly in terms of cost. As Lord McNally, the Ministry of Justice's Minister with responsibility for FoI, as

well as the relationship with Crown Dependencies, said in a speech in October 2011: *“I want to say something about the cost of Freedom of Information and the wider transparency agenda. It is important that our actions are proportionate to the public interest. We need to get the balance right. There is no point, for instance, in pushing out a wealth of information if the cost of doing so far outweighs the potential benefits to be gained... The cost of Freedom of Information is something that the [United Kingdom] Government is acutely aware of, especially in the current financial climate. I know that this is an issue of concern across the public sector.”*

- 2.10. An important aspect of proportionality in relation to the API policy is that information can only be provided where that information exists, or can be collated from existing sources without a disproportionate allocation of resource. Being a small jurisdiction means that there are limited resources dedicated to any particular service delivery. This means that responding to requests promptly can significantly impact the ability to supply essential services. When considering how to prioritise responding to requests the overriding objective of the Departments and Committees will be to provide cost effective services in line with the strategic aims of the States. This approach will minimise levels of disruption in the delivery of such services.
- 2.11. This also means ensuring that irrational, vexatious or frivolous requests for information are recognised as such, as has become the case in other jurisdictions, and that the criteria for a request to be regarded as either *vexatious or demanding of resource disproportionate to the public interest* is uniformly applied across the organisation.

Status of information over time

- 2.12. When considering sensitive information the States should be mindful that the status of information will vary over time. The reason that information may be considered confidential today may not be a valid reason for keeping that information confidential in the future. Information should not be kept confidential to hide past mistakes. Being able to identify previous administrative successes and failures is an important part of evaluating, developing and improving the administration and supply of public services.
- 2.13. The purchase of fuel tankships highlighted the fragility of fuel supply in Guernsey. It provides a prime example of handling information in confidence for the community's benefit for a period of time and then communicating policy decisions at the appropriate moment accepting that the status of that information had changed. The full details surrounding this executive decision made by the Policy Council are outlined in Billet d'État IV 2009. Had the fact of the fragility of fuel supply been made public at the outset it could have led to the unnecessary panic buying of motor and domestic fuel oil leading to rapid depletion of stocks to the detriment of the community as a whole. In addition to this, if the fact that the States were bidding to purchase two fuel tankships been made public at the time

of negotiations the potential cost to the taxpayer could have been much higher. If the vendors could have discovered the identity of the potential purchaser and that it was a financially stable government, this could have led to an artificial inflation of the price during negotiations. However, following the purchase of the tankships and rectification to the supply weaknesses the issue was no longer required to be kept confidential. It was only right and proper that the decision was published and the public were allowed the opportunity to understand what measures were taken to react to this strategic weakness in the Island's infrastructure and at what cost. The States were accordingly given the opportunity to debate this issue in January 2009.

3. Current developments and progress

Where we are now

3.1. The States already publishes a great deal of data and information, though not always in a way that is in accordance with a coherent policy. Guernsey's machinery of government has intrinsic transparency. When the States of Deliberation acts as the overriding executive and agrees major policy it does so by debating a States Report in public. This process has at its core openness and accountability. As a result of this process of government policy formation the public can:

- read proposals before they are debated;
- be informed about the decisions of government;
- understand how those decisions were made;
- be aware of the financial and legislative implications of any decision;
- attend the States meeting in person or listen to a live broadcast on local media;
- read a transcript of the debate after the event (Hansard); and
- hold each member of the Assembly to account for their views in relation to any given policy.

3.2. There are also many examples of ongoing good practice across States Departments on publishing information, but greater cohesion is needed so that the public understands what it can expect, what the boundaries are, and why those boundaries exist. A number of current examples of access to information from the States are set out in Appendix Two, ranging from:

- Policy Council - major public engagement exercises such as *Guernsey Tomorrow*;
- Home Department - crime and rehabilitation key performance indicators;
- Social Security Department - unemployment statistics;
- Treasury and Resources Department - Cadastre register of properties;
- Environment Department - details of planning and building control applications;
- Policy Council – minima and maxima salary scales for civil servants.

3.3. The Policy and Research Unit at the Policy Council releases a wide range of data online including Policy and Research publications including the:

- States Strategic Plan;
- States Strategic Monitoring Report;
- Independent Fiscal Policy Review;
- Guernsey Facts and Figures booklet;
- Annual Economic overview;
- Greenhouse Gas Bulletin;
- Annual Housing Stock Bulletin;
- Population Bulletin;
- Inflation Bulletin and the Inflation Outlook Bulletin;
- Labour Market Bulletin;
- Residential Property Prices Bulletin.

3.4. In relation to requests for information it is important to acknowledge that the public and States Members have long been able to ask for information even though no formal policy existed. The public already make requests for information to States Departments and Committees in writing, by email or telephone. Contact information for officials in Departments and Committees are published in materials generated by the States and on the States of Guernsey website. Press releases published contain details for the reader to contact someone should they require further information. Furthermore, States Members can ask oral or written questions about public information under the Rules of Procedure of the States. The development of a policy for API is designed to describe and standardise the mechanism by which the public can request information, how such requests are considered and how they can complain if any request is not dealt with satisfactorily.

Independent report and recommendations

3.5. In early 2011, the Policy Council commissioned independent research into options for the development of an access to information strategy. The independent discussion paper *Information Strategy* was researched and written in spring and summer 2011 by Belinda Crowe, a former senior civil servant at the Ministry of Justice who has a long track record leading on the UK's FoI strategy and is also familiar with Guernsey and its machinery of government. In commissioning the paper, the Policy Council recognised that transparency goes wider than having legislation in place to create a right for the public to request information. The Policy Council accepts that information is a strategic asset which, if exploited properly, will contribute towards the delivery of the States' objectives and support increasing openness and accountability of Guernsey's public bodies.

3.6. The *Information Strategy* discussion paper set out high-level principles and a suggested approach for the States to adopt in order to further increase the openness and accountability of Guernsey's public bodies. Many of the ideas and

approaches in the discussion paper are reflected in current good practice in information management in different departments or public bodies and are aligned with the principles of good governance.

- 3.7. Alongside increased availability of information, the report highlighted the need to make sure that information is properly protected. Routinely releasing agreed information into the public domain does not mean there should be a 'free for all', and much information created, received and used by public authorities should not be released, either purposely or accidentally. The paper highlights that getting the balance right in this respect offers one of the greatest challenges to implementing an effective API policy.
- 3.8. The independent discussion paper does not prescribe whether or not proactive information strategy should lead to FoI legislation. It is clear that putting an effective API process in place will create a solid foundation for proper consideration of the right statutory framework for Guernsey, in due course. The timeline suggested in the paper is three years, this timeline should be seen as a set of milestones which need to be met along the way to an effective and consistently implemented API policy. The timeline is not intended to be prescriptive; it is indicative.
- 3.9. The previous Chief Minister's letter to States Members, dated 21 September 2011, which accompanied the publication of Belinda Crowe's paper, set out that the purpose of this States Report would be to "*pave the way for the new States, after the General Election in April, to take the strategy forward should they decide to.*"

Meeting the independent recommendations

- 3.10. Belinda Crowe's paper recommended that a number of co-ordinated next steps should be taken in order to demonstrate commitment on the part of public bodies in Guernsey to implement such an API. These steps will begin to foster a greater culture of openness and transparency that is consistent across States Departments and Committees. They will also be steps that can be taken relatively easily, with minimal impact, in a way which will make a tangible difference. The recommendations included publishing the *Information Strategy* paper to signal intent, which was done on 23 September 2011. It also included introducing a 'Hansard' for States debates – a recommendation made by the States Assembly and Constitution Committee and approved by the States in October 2011 (Billet D'État XV Volume 2). This has been operational since May 2012.
- 3.11. A further recommendation was that there should be greater co-ordination of States' communications. Officials from Policy Council and the Departments are working together more closely to ensure information and key messages are published in a more readily accessible format than has previously been the case. The culture of more joined-up and consistent communications across States of Guernsey Departments is reinforced by the States of Guernsey website, as well as

the work undertaken by the parliamentary committees on public engagement and standards of governance.

4. UK Freedom of Information Act

- 4.1. It is worthy of note that more than 80 different jurisdictions have statutory freedom of information frameworks in place, and that many different approaches exist in addition to the UK-type model. The UK introduced an Access to Government Information code of practice in 1994 which was superseded by the Freedom of Information Act 2000 ('the UK FoI Act') which came into force in 2005. The UK FoI Act provides a right of access to recorded information held by public authorities; creates exceptions from the duty to disclose information; and establishes the arrangements for enforcement and appeal.
- 4.2. The key operational part of the UK FoI Act is the defined absolute and qualified exceptions. These exceptions recognise that safeguarding privacy is vital in order to preserve public trust and confidence in transparent government. The public interest is many-faceted and it is not necessarily advanced by asserting one value at the expense of all others.
- 4.3. In the UK the Information Commissioner's Office (ICO) is the independent authority established under the UK FoI Act and the Data Protection Act 1998 to uphold information rights in the public interest, promoting openness by public bodies and data privacy for individuals. The ICO plays an important role maintaining standards and enforcing the UK FoI Act. Decisions made by the ICO are available at www.ico.gov.uk. In order to provide some context below are three examples where information has been protected in the public interest.
 - i) In November 2006, the ICO supported the withholding of information used by Her Majesty's Treasury for information fed into the macroeconomic model used to forecast the performance of the UK economy to protect the UK economy.
 - ii) In November 2012, the ICO supported the withholding of information relating to the Papal visit 2010 to protect the formulation of government policy and international relations. This decision is subject to an appeal.
 - iii) In 2005, Lord Goldsmith's legal advice relating to the Iraq war was published in exceptional circumstances in the public interest. In February 2008, the ICO ordered the Cabinet Office to disclose copies of the minutes of two Cabinet meetings at which the Attorney General's legal advice concerning military action against Iraq was considered and discussed. That decision was subject of an appeal to the Information Tribunal. In February 2009, the Rt Hon Jack Straw MP, the then Secretary of State for Justice, issued a ministerial veto available under the UK FoI Act. This was the first use of the ministerial veto since the coming into force of the UK FoI Act; to date it has been used six times in

total. In June 2010, the Iraq Inquiry released further details of the legal advice given to the Cabinet prior to the invasion of Iraq. This included draft legal advice that was previously kept confidential. The Cabinet Office stated that it had decided to de-classify this information now because of the "very exceptional" nature of the inquiry. The rest of the papers will be published in due course under the '30-year rule'. This example demonstrates the complexities in some cases and that the nature of public interest can change over time.

- 4.4. The UK has been assessing the effectiveness of its FoI regime. During 2012 the UK House of Commons Justice Committee reviewed the UK FoI Act. The Justice Committee concluded the UK Act was a "*significant enhancement of [the UK's] democracy*" and that "*the right of access public sector information was an important constitutional right*". The Justice Committee made recommendations to reduce its burden on public bodies. It acknowledged that significant costs in administering the law had benefits but had not met, and it was unlikely to meet, the objective of enhancing public confidence in Government. The Justice Committee also confirmed that its view is that Parliament's intention in bring forward the Act was to promote open government whilst still protecting the "safe space" that allows the necessary candour and open discussions that lead to policy formation.
- 4.5. In November 2012, the UK Ministry of Justice responded to the Committee's recommendations welcoming the Justice Committee's recognition of the positive impact the UK FoI Act had on the culture of openness. The Government proposed measures to allow for the UK FoI Act to be applied more consistently across the public sector. The recommendations of the Justice Committee supported the UK transparency agenda in developing the proactive publication of information. The UK advised that so far disclosure under the UK FoI Act only resulted in criticism of Government in the minority of cases.

5. Lessons from the other Crown Dependencies

- 5.1. In this area of policy development, there is scope to learn from the experiences of the other Crown Dependencies, whose governments, population and economies are of similar scale to Guernsey's. Initial research undertaken helps to set the context for discussion but more detailed examination of the current and proposed access to information arrangements in both Jersey and the Isle of Man would be needed as part of further work on this matter.
- 5.2. Both Jersey and the Isle of Man currently operate Codes of Practice on access to government information, dating back to the mid-to-late 1990s. Both Islands have also prepared FoI laws that draw upon the UK model of FoI legislation to varying degrees but neither jurisdiction has enacted the legislation to date.
- 5.3. The States of Jersey currently operates a Code of Practice on Access to Information held by the States, Committees of the States and Departments of the

States, which was adopted in 1999 and amended in 2004. It has made a new Freedom of Information (Jersey) Law which is due to come into force in 2015 and will replace the existing Code of Practice.

5.4. In April 2011, the States of Jersey's Council of Ministers published an independent report into the implementation requirements associated with enacting Freedom of Information legislation¹. The findings of the Jersey implementation assessment report suggest that the establishment costs would be around £2,000,000 with ongoing annual costs of more than £900,000 per annum. These costs related to a number of factors, including the cost of:

- new staff;
- training of existing staff who would be involved in implementation, both in terms of FoI and in terms of systems and applications;
- Information Commissioner, Deputy Information Commissioner and office manager;
- Information Rights Unit to advise on interpretation and compliance with the law;
- establishing Records management and cataloguing provision and staff;
- establishing a Records and Information Management team;
- impact on Human Resources and Law Officers Department;
- electronic document and records management software licenses;
- staffing of system support for electronic document and records management; and
- professional services and system support from a software provider.

5.5. The Isle of Man Government's non-statutory Code of Practice on Access to Government Information came into force on 1 September 1996. In July 2010, the Isle of Man's Council of Ministers issued a consultation document containing the draft Freedom of Information Bill together with a summary of the Bill's clauses. In its published summary of consultation responses, the Isle of Man's Council of Ministers, albeit without the benefit of a full impact assessment, stated: "*Drawing on the experience of other jurisdictions indicates that the establishment costs are likely to be in the region of £5,000,000 with ongoing annual costs of over £1,000,000*"

5.6. The revised Freedom of Information Bill 2011 was given its First Reading in the House of Keys on 28 June 2011. The Bill then became the subject of Parliamentary scrutiny. In November 2011, the Isle of Man's Council of Ministers agreed to produce a full impact assessment to clarify the cost of introducing Freedom of Information legislation. The Manx Chief Minister made a statement on progress in February 2012 which advised that, whilst the Isle of Man was committed to more open government, further work was required to "*achieve the right balance of rights of access with the obligation to respect a confidence*".

¹ <http://www.gov.je/Government/Pages/StatesReports.aspx?ReportID=576>

6. Codes of Practice and Policies on Access to Public Information

- 6.1. The Policy Council has developed a Code of Practice on Access to Public Information ('the Code of Practice') to develop a consistent and comprehensive States-wide approach to access to information. The first version of this Code is included in Appendix Three for the States of Deliberation to approve. The Code builds on existing good practice, on the insights from Belinda Crowe's paper, and on the lessons that can be learned from other jurisdictions, but it also reflects Guernsey's unique social, cultural and economic environment. Equally importantly the Code of Practice should continue to evolve as the guiding principles of access to information become firmly established in the States of Guernsey. The Code should be a living document adapted by the Policy Council and to be approved by the Assembly. This will allow for the Code of Practice to take into account other developments, such as any changes to the machinery of government that might follow the work of the States Review Committee.

- 6.2. The Code of Practice does not need to be made on a statutory basis; nor will it need to be assumed that it should lead to a statutory framework. The most important step at this time is to adopt consistent good practice across the States and develop the right climate and culture before beginning to consider if a statutory framework is required. The clear lesson from jurisdictions that have adopted statutory FoI frameworks is that, ironically, such frameworks can have a detrimental impact on open government unless consistent good practice to agreed and measurable standards is put in place first. This is reflected in the Justice Committee's post-legislative scrutiny of the UK FoI Act. The publication of the Scrutiny Committee's public engagement strategy is a good example of a codified non-statutory approach aimed at fostering consistent good practice across departments and trading bodies. By endorsing the recommendations of this report and the Code of Practice the States will be adopting a clear declaration of its commitment to open government and provide clear understanding of when information needs to be protected.

- 6.3. Alongside the Code of Practice issues are likely to arise that will need to be addressed by creating specific policies to provide guidance. Those further policies should be developed by the Policy Council and laid before the States, if appropriate, for agreement or endorsement. The first of these to be developed is the Policy on the Use of Confidentiality in Contracts and Agreements ('Confidentiality Policy'), and this is included in Appendix Four. This policy has been prepared principally following two particular out of court settlements, both of these settlements involved confidentiality for different reasons. The use of such clauses is routine in most out of court settlements in the private and public sector. However, the usage of such clauses by the States in two recent settlements has been heavily criticised. Part of this criticism is due to the perceived policy vacuum and lack of published guidance surrounding the use of these clauses. The Confidentiality Policy adapts the principles described in the Code of Practice to provide guidelines to be considered at every instance when considering whether seeking or agreeing to a confidentiality clause is appropriate either in a contract,

other agreement or out of court settlement. The Confidentiality Policy is predicated on the basis that, unless an exception applies, there is a presumption of disclosure.

- 6.4. Information is currently published in a variety of media, such as: through La Gazette Officielle; in Billets (including in an appendix to a Billet); in public buildings; and on the States of Guernsey website. Appendix Two demonstrates that the States already publishes a wide range of information. There are some extant States Resolutions that require the publication of information in an appendix to a Billet that predate the advent of the Internet. For example in October 1987 the States resolved to publish the minima and maxima of the established staff general grades as an appendix to a Billet² for the purposes of greater transparency. This information is still published as an appendix every year. However this information is now published months in advance on the States of Guernsey website which negates the need to publish in a appendix to a Billet. The Code of Practice represents a step towards developing a publication scheme for the States and demonstrates that it has modernised how it makes information available to the community. In recognition of this it is recommended that the States seek to repeal extant resolutions where publication in a Billet is no longer necessary or effective. There are likely to be a number of other similar changes that will be required as the Code of Practice is developed and these will be brought before the States in due course.
- 6.5. Currently in development are guidelines to be used to advise Departments and Committees as to what information to retain and what to destroy. These retention guidelines are being prepared by the Policy Council, led by the States Archives and the Internal Audit unit. The guidelines will take into account the statutory and legal requirement for retaining information as well as ensure that information of a constitutional or historical interest is not lost. The retention guidelines will also need to take into account the increasing reliance on electronic communication and electronic data storage. In addition a work stream is underway to modernise document management processes as part of the Financial Transformation Programme. These work streams will help ensure the implementation of the core principle of effective record management.

7. Conformance with States Policies and Good Governance

- 7.1. This report and the appended Code of Practice and Confidentiality Policy takes into account the report of the Joint Committees³ entitled 'Improving Governance in the States of Guernsey' published in January 2012⁴. It also takes into account the discussion document published by the Scrutiny Committee entitled 'Public Engagement in The States of Guernsey' published in March 2012. The principles of the API are fully conformant with the policies and objectives of the States Strategic Plan in terms of good governance and the co-ordinated and cost-

² Billet d'État XIX 1987 and States Resolution XXXVI of 28 October 1987

³ Public Accounts Committee, Scrutiny Committee and States Assembly and Constitution Committee

⁴ Billet d'État V 2012; in particular recommendation v)

effective delivery of public services.

Principles of good governance

- 7.2. The API policy is an essential part of open democratic government and intends to strengthen public confidence in it. It also helps to secure public engagement and responsible public service. The general principle of access to information is widely recognised to encourage public engagement and is a direct vehicle by which greater accountability can be embraced and demonstrated. At the same time, it is recognised that any transparency programme needs to be sustainable and for this to happen, it needs to retain public confidence. It should be acknowledged, therefore, that it is important to balance the maintenance of privacy and respect of confidentiality where appropriate, with the general principle of access to information.
- 7.3. Given that enhancing governance is at the core of this policy it conforms fully with all six principles of good governance. In particular it: promotes good values for the whole organisation; demonstrates the values of good governance through behaviour; encourages transparent decision making; engages stakeholders; and makes accountability real.

8. Impact on Resources

- 8.1. The implementation of the policy must be in line with the principle that ‘the overriding objective of the Departments and Committees is to provide cost effective services in line with the strategic aims of the States’. Provided that this principle is maintained no direct additional resources should be required; straight forward requests should be dealt within existing resources.
- 8.2. The Isle of Man Government keeps records of the number of refusals to requests and the reason for refusal. Records of total numbers of requests are not kept because they vary in nature and cannot easily be collated without creating additional bureaucracy. There were five refusals for the year ending 31 March 2011. This compares with eleven refusals for the period 1 September 2008 to 31 March 2010. The details of the refusals in 2010-2011 are outlined in Annex 11 to the Isle of Man Government Annual Report 2011⁵.
- 8.3. These proposals for maintaining and developing the Code of Practice are the next phase in the adoption of increased transparency and openness. If there are moves to achieve greater openness by any means, beyond the policy set out in this report or by prioritising the publication of information above the supply of essential services, there will be resource implications. There will also be resource implications associated with any future developments on document management and information security or if the Code of Practice is developed further. For this reason the Code of Practice seeks to balance the requirement to satisfy public demand so far as is reasonable and practicable with the costs of preparing and

⁵ <http://www.gov.im/lib/docs/cso/annualreport2011.pdf>

publishing information. This policy and the Code of Practice allow for a gradual approach and change in culture meaning that any resource implication can be minimised and managed effectively to ensure that the API policy does not unreasonably impact the delivery of public services. It is anticipated that as this culture develops the framework that supports this policy will also need to evolve. Should direct resources be required to secure progress in the implementation of this policy then it will be necessary to return to the States at that stage, following liaison with the Treasury and Resources Department.

9. Conclusions

9.1. In order to meet the objectives of the policy for Access to Public Information, the ongoing good practice across the States of Guernsey needs to be underpinned by a Code of Practice which puts in place a comprehensive and consistent framework for enhancing access to public information, and which can evolve further over time. This Code of Practice ensures that a number of things are made clear to the public, most importantly:

- i. the scope of information to be published;
- ii. the extent to which the public interest and legal requirements will be taken into account when analysing whether to withhold information and data; and
- iii. clarity and consistency on where confidentiality is required in order to protect Guernsey's legal, commercial, competitive or public interests.

9.2. This Code of Practice can be implemented through the adoption of the following guiding principles of:

- A presumption of disclosure;
- A corporate approach;
- A culture of openness;
- Proactive publication; and
- Effective record management.

The presumption of disclosure will need to be subject to certain stated exceptions in order to protect legal, financial, commercial, competitive and public interests.

9.3. The API policy will help develop the culture of openness through the ongoing development of guidelines and bespoke policies, rather than through legislation. It will be vital to the successful implementation of the API that it is proportionate to the public interest.

9.4. Lessons from other jurisdictions show that the most successful approach is one that is phased, and avoids any 'big bang' moments. The other Crown Dependencies, for example, have raised expectations by developing Freedom of Information or Access to Information legislation. Whilst Jersey is implementing

its legislation and the Isle of Man is revising its proposals both currently rely on codes of practice. There is much good practice to build on across the States of Guernsey, and further progress which develops this good practice should be phased in through the adoption of the API policy.

- 9.5. In order to maximise the effectiveness of a phased approach, once the Code of Practice has been approved by the States of Deliberation its progress could be measured and benchmarked by one of the parliamentary scrutiny committees. Furthermore any changes to or modification of the Code of Practice will be laid before the States.

10. Recommendations

The States of Deliberation is asked to:

- i) Agree the guiding principles outlined in this policy for Access to Public Information:
 - A presumption of disclosure;
 - A corporate approach;
 - A culture of openness;
 - Proactive publication; and
 - Effective record management.
- ii) Agree that the presumption of disclosure will need to be subject to certain stated exceptions in order to protect legal, financial, commercial, competitive and public interests which will be agreed by the States from time to time.
- iii) Agree the Code of Practice on Access to Public Information in Appendix Three which will apply to all States Departments and Committees and which incorporates the guiding principles and describes the exceptions.
- iv) Endorse the Policy on the Use of Confidentiality in Contracts and Agreements contained in Appendix Four.

P A Harwood
Chief Minister

20th May 2013

J P Le Tocq, Deputy Chief Minister

G A St Pier
R Domaille
P A Luxon

A H Langlois
K A Stewart

D B Jones
M G O'Hara

M H Dorey
R W Sillars

APPENDIX ONE:

INDEPENDENT REPORT

INFORMATION STRATEGY

BY BELINDA CROWE

This report has been prepared for the States of Guernsey in accordance with the terms of my engagement, agreed by the Policy Council on 18 April 2011. The report is written and produced so that it may be published in full, or parts of it extracted and published as standalone documents.

The content of this report has been informed by interviews and discussions with a variety of interested parties in Guernsey and my knowledge and experience of information issues. Although I have taken into account the information, views and opinions I was offered, the ideas and recommendations in this report should not be taken to represent the views of any individual except the author.

Introduction

Background

The Policy Council of the States of Guernsey commissioned a report and an Information Strategy to further its aim of increased transparency and openness and to inform its thinking on possible Access to Information legislation. In commissioning this report the Policy Council recognises that transparency goes wider than having legislation in place to create a right for the public to request information. The Policy Council understands that information is a strategic asset which if exploited properly will contribute towards the delivery of the States Strategic Plan and support increasing openness and accountability of Guernsey's public bodies.

Scope

This report is not based on a detailed audit of information practices within Guernsey's public authorities, nor detailed research of existing legislation. It is a high level report which sets out a strategic approach to information in an Information Strategy and the steps needed to deliver the Strategy. The report itself explains the rationale for the approach in the Strategy. It also recommends actions which could be implemented quickly to give a clear signal of intent and represent a significant step change towards greater transparency and accountability.

Rationale for the Information Strategy

Information is now widely accepted as a strategic business asset, and excellent information management is as vital as the excellent management of money and people.

In the 'information age' more information is created than ever before, arising from everyday use of tools such as email and databases. Increasingly, public and private sector organisations are trying to get to grips with this information overload. To do so is transformational. Failure to do so means that more and more information is created without any real assessment of whether the right information is being created and held; who should have access to it, and how long it should be kept. As a result resources are wasted on storage (electronic and paper) and time spent on staff locating the information that they need to do their job. The stories of what can go wrong if information is not properly managed are well documented, and the cost of righting wrongs is often more expensive than the upfront costs of getting it right first time.

Alongside this is an ever increasing demand by residents to be able to access public information and for it to be accurate, up to date and available when they need it. This is true of personal and non-personal information.

This Strategy takes a holistic approach to information. It sets out high level principles and a three-year plan which covers the whole information picture: creation, storage, retention, security, access, publication, destruction and reuse. It considers information from the perspective of government with its responsibility as custodians of the information; the residents who need knowledge and information to access services, engage with government and hold it to account; and the staff working in public authorities who need the right information at the right time to deliver efficient and effective services.

Managing information well to increase transparency will enhance Guernsey's global reputation in line with its strategic aims. The United Nations, OECD and the Council of Europe all promote the principles of open government and that the public's right of access to government information should be enshrined in law. Over 80 countries have Access to Information legislation. If, when and how to legislate is a matter for the States but much can be done now, without legislation, to make transparency and openness meaningful, and accountability real, by making information available proactively at the earliest possible time. This 'push' rather than 'pull' approach is non adversarial, makes it clear that government wants the public to be well informed, and avoids the time and costs of processing requests. Issues to address when considering legislation are set out on page 23 of this report.

The domestic benefits to increased openness are better informed and more knowledgeable residents, whose scrutiny and engagement drives better decision-making.

Alongside increased availability of information is the need to make sure that information is properly protected. Routinely releasing information that should properly be in the public domain does not mean a 'free for all'. Much information created, received and used by public authorities should not be released, either purposely or accidentally. Care is needed to protect personal and commercially confidential information and information rightly protected by other laws. Important conventions such as legal professional privilege must be protected as must the integrity of the judicial system. Government must be able to keep information confidential to protect national security, international relations or where disclosure would otherwise harm good

government. For example, where disclosure might have an adverse effect on frankness during the policy development process, or intrudes on the space needed to formulate policy and debate live issues without hindrance from external pressures.⁶

Getting the balance right is challenging. Especially so because Guernsey is a small island community where people who work in government use the same shops, schools and other facilities as the public they serve. Information should not be kept secret because its disclosure would be embarrassing. A key benefit of transparency is shining a spotlight into the workings of government, but openness should not adversely inhibit debate or the maintenance of proper records.

Taking the time to put the right information management processes in place and to create the right culture, whilst steadily increasing its proactive release of information, will create a solid foundation for proper consideration of the right statutory framework for Guernsey. Adopting the Strategy will mean that if, and when, the States decide to legislate to create a statutory right to information it will already be proactively releasing the majority of the information it would be prepared to release under any statutory regime. In addition it will already have the processes in place to keep implementation costs to a minimum.

Costs and resources

Excellent information practices can be transformational, but they are not achieved overnight. Nor are they achieved without effort, rigorous oversight and resources. The foundations of organisational culture, systems and processes must be laid and ‘baked’ into the way Guernsey’s public authorities work to create real transformation. The Strategy sets out a journey in such a way that the resources required to make the transformation do not need to be found all at once. Where possible, they should be achieved by recycling costs from efficiencies made through streamlined information practices. Many existing inefficiencies are ‘soft’ costs, related to wasted staff time and are not easily identifiable – but it is worth trying to quantify these to make the business case.

As part of its Financial Transformation Programme the States has established a project to rationalise and modernise its IT service. This project is looking at the consolidation of Information and Communication Technology (ICT) staff and infrastructure in order to provide an efficient, cost effective, value added corporate ICT service for the States of Guernsey. The consolidation of infrastructure provides a driver for investing in improved information practices. It provides the opportunity to ensure that new systems are not designed to hold obsolete data, or to support inefficient practices. Further, IT enhancements could be used to automate publication of some information if decisions on what to publish are made early.

There is no requirement for all public information to be provided free and charging arrangements can be considered for certain types of public information, or information provided in a particular format to cover the cost of providing the information.

⁶ Extensive guidance based on UK and Scottish Freedom of Information legislation on the balance between the need to maintain confidentiality and the public interest in disclosure of information can be found at www.ico.gov.uk , www.itspublicknowledge.info and www.justice.gov.uk

Financial and business models for the reuse of commercially valuable information, for example Digimap Guernsey, should be evaluated to determine whether they are still relevant and how freeing up potentially valuable government held data could create opportunities for developers, businesses and members of the public to generate economic and social benefits.

Recommended First Steps

The Information Strategy, if adequately resourced, could be delivered in three years. Upfront funding, especially to resource significant early actions which make a real step change, will demonstrate commitment to increasing public access to information and generate efficiencies and benefits in the future.

The following recommendations set out some ‘quick win’ First Steps from the Strategy which could be taken easily, at minimum cost, to make a real difference.

1. *Publish the Information Strategy to signal intent.*
2. *Create a strategic communications functions to get information out quickly and consistently.*
3. *Publish information about expenses and salary ranges of key public figures.*
4. *Introduces a “Hansard” system for States and Parliamentary Committee business to maximize public access to a written transcript.*
5. *Allow public access to Scrutiny and other Committee meetings.*
6. *Identify the resources to implement the Information Strategy.*

Impact and benefits of the First Steps

These First Steps are all part of a package to signal change. The Strategy’s approach on the one hand will require the public to search out information they want, and on the other require public authorities to make sure that information is easily available and accessible. A high impact communication campaign is needed to make sure as many people as possible are aware of the changes planned so that they know what to look for. Otherwise change will go unnoticed.

1. Publish the Information Strategy to signal intent.

A high impact campaign to publish the Strategy is an important first step. The Strategy sets out a journey rather than one off change. It sets out a particular approach to access to information so that the public is clear about what increased transparency means to the States and what they can expect. It contains sufficient detail to allow progress to be monitored.

Consider:

- *A professional handling strategy for publication with consistent messages*
- *Publishing the Strategy with an information set which would not otherwise be made available to demonstrate commitment and intent*
- *Using a variety of media to announce the Strategy for maximum reach*
- *Engaging a number of people to announce and support the Strategy including States members and other key public figures.*

2. Create a strategic communications function to get information out quickly and consistently

Having a small, properly resourced central strategic communications capability is vital to getting news and information out quickly and consistently.

Local media takes the role of the ‘opposition’ to government in the absence of party politics. Press freedom is vital for a healthy democracy and fundamental to the public’s right to information. It is right for the media to provide news, analysis and to comment on the performance of government and what happens in the States. However, the lack of a strategic, proactive and consistent approach to government communication means that the public relies almost entirely on the media for information, and that government itself has no mechanism for getting information out to tell its story – which puts it on the back foot.

The new States’ website should make a difference. It needs to be populated with useful, up-to-date information, presented in an attractive way, and supplemented by other social media such as Facebook and Twitter. The Scrutiny Committee’s use of Facebook shows a willingness to engage with different social media and should be developed and extended to all States and government activity. At present Departments take different approaches to news stories and a small, high quality strategic team at the centre of government, working with Departmental Boards, could drive a consistent and proactive approach to keeping the public informed of key issues and provide the expertise on information releases as the Strategy is implemented.

The benefits would be a more positive public perception of government domestically and internationally, and less time spent on reacting to stories in the media.

Consider:

- i. Identifying and allocating resources for a central communications team*
- ii. Using a communications professional to manage the team, with the authority necessary to drive consistent and improved communications*
- iii. The processes necessary to join up communications*
- iv. How best to use the States’ website and different social media, and how to keep them current. Media such as Twitter and Facebook are only effective*

when kept current, otherwise they are not used and the benefits and investment are lost.

3. Publish information about expenses and salary ranges of key public figures

This information has been called for in the past and has been seen in other jurisdictions as an important transparency measure, particularly in the current economic climate. In publishing salary and expenses information care must be taken not to compromise security or create undue difficulties for individuals and their families. Guernsey is a small island community where people who work in government live, shop and socialise. Their children are educated in a closer proximity to the people they serve than are those in a larger jurisdiction. However it is possible to publish salary ranges and expense categories for public figures in a way that increases transparency about the cost of government without having an undue adverse impact on the individuals.

Consider:

- v. Who in public life should have their salary details published? Some salaries are published, for example, States members, but consideration should be given to other groups, such as Crown appointees, senior civil servants, regulators and the judiciary*
- vi. The salary ranges and thresholds for publication. For example, whether the earnings of some groups should only be published if higher than a specific amount, and whether salary ranges or exact salaries are published*
- vii. What information about expenses and other benefits should be published? For example, quarterly retrospective publications of how much a public figure, or groups of public figures, spend on foreign travel*
- viii. Publication of this information in one place to provide an ‘at a glance’ view.*

NOTE: Achieving the right balance is important and decisions on what to publish should be taken to allow scrutiny of how public money is spent, without that scrutiny extending inappropriately into the lives of public servants.

4. Introduces a “Hansard” system for States and Parliamentary Committee business to maximize public access to a written transcript

At present there is no written record of States and Parliamentary Committee business. To get a full account, residents need to listen to live radio broadcasts (which is not always possible), or rely on media reporting and summaries. A well informed public needs to be able to access a full record of parliamentary debates and see Parliamentary Committee papers to be able to follow the twists and turns of debates, and to understand the context. A written record also creates an easily accessible audit trail, supports research and is an important historical record.

As well as the public benefits of having a written record, it also avoids the need for government staff to have to listen to live debates (which is a distraction from their

work), or to acquire tapes to make individual transcripts when an account is needed. Although it is hard to quantify the costs of the current approach, it is not an efficient use of resources, and the time saved could contribute towards the cost of establishing a written report.

Consider:

ix. How to implement comprehensively, while excluding any business in which personal or other confidential matters are discussed by Parliamentary Committees.

5. Allow public access to Scrutiny and other Parliamentary Committee meetings

Although it is not clear that the public would be refused access to Parliamentary Committee meetings, the established convention is that only representatives from the press attend. For the reasons already stated, a better informed public is one which can have a high level of direct access to information. This includes being able to watch democracy in action through the work of Committees. Routine publication of papers (possibly as part of the 'Hansard' record) and a system to encourage the public to observe Committees at work would have the benefits of: increasing transparency through access; increasing the accountability of Committees; and of reducing public dependency on the press for information.

Consider:

x. Which, if any, meetings should be held in closed session where personal or other confidential information would need to be protected.

6. Identify the resources to implement the Information Strategy

Three years is a reasonable timescale to deliver the Strategy, balancing the need for action with the prudent use of public funds and proper preparation. This is a credible stance if accompanied by early actions to demonstrate intent. Those early actions must be funded, with the resulting efficiencies coming later. Information about how resources will be found to implement the Strategy will be an important part of the publication arrangements. Publishing the Strategy without clarity about how it will be paid for runs the risk of public cynicism, and possibly, nothing changing. It is not necessary to decide and announce detailed costings, but an acknowledgement that resource implications have been considered, and some early investment made, will increase public confidence in the States' commitment to change. Identifying, therefore, the resources required to implement the actions in the Strategy will help ensure they are taken.

Consider:

xi. Allocation of the initial resources to achieve the first steps before publishing the Strategy so that publication is accompanied by information about how it will be funded and what people can expect to see, and when.

An Information Strategy for the States of Guernsey

Information is a vital asset in any thriving, modern democracy. The States of Guernsey recognises the importance of excellent information practices to support its strategic aims of making government better focussed, cost effective and accountable and how it underpins the States' Core Principles of Good Governance.

Successful and efficient transformation of how government uses its information will not be achieved overnight, and cannot be achieved without investment. To get maximum benefit from its information, government must look at all aspects of its information practices so that it increases transparency without undermining good government, so that it shares information while protecting privacy and confidentiality. To do this responsibly government must develop its people, policies, systems and governance so that change is real, visible and sustainable.

This three year strategy sets out the direction and principles for a holistic approach to information and the steps the States will take to achieve it. Delivery of the Strategy will be supported by the necessary funding and an implementation plan. As the policies to support the Strategy are developed, the principles and practices will be integrated into all government activities and plans so they become a fundamental part of the way government works, and efficiencies and benefits will be achieved over time.

Increased public access to information to increase transparency

Access to public information is a fundamental aspect of a democratic society. It enables residents to engage with Government, inform decisions and hold government to account for its decisions, performance and how it uses public money.

Publishing information about decisions, spending and performance is important, but is just part of the picture. To truly engage Guernsey residents in its decisions, the States should take a multi-faceted approach to allow the public to access and use information in a variety of ways.

The States will need to:

xii. Develop its strategic communications capability to make best use of its new website, press releases and social media to get important information to the public at the earliest opportunity and in a variety of ways

xiii. Take a 'push' rather than 'pull' approach by proactively publishing government information

xiv. Produce a publication schedule⁷ a regularly reviewed and updated list of information to be routinely published, how and when it will be published, and what information can be provided for a charge, This will enable residents to know what will be available and when

⁷ Along the lines of 'Publication Schemes' under legislation covering England, Wales and Northern Ireland. A model can be found at www.ico.gov.uk

- *Develop a transparent charging structure to recover costs of providing certain types of information*
- *Publish information in user-friendly formats, or as raw data, so it can be reused in different ways to support eCommerce, or developed by businesses and members of the public to generate economic and social benefits*
- *Increase public access to States and Parliamentary Committee business by introducing a Hansard system of written reports of proceedings and allowing public access to Parliamentary Committee meetings*
- *Introduce a standard framework for public consultation on major policy issues.*

Improved information to inform and evaluate policies and increase accountability

The best policies are those informed by the best information. Collecting the right information to inform and evaluate policies is vital to good and efficient government. The public has a right to know what information was used to inform policies, how much they cost and whether they have achieved their aims. Public access to this information helps make accountability real.

In addition, the public has a right to know how public authorities are performing and how public money is being spent. Setting up proper arrangements for collecting relevant data and routinely publishing it will be at the heart of government information systems and integrated into all policy and business plans.

The States is already developing Key Performance Indicators and targets. To build on this the States will need to:

- *Identify the information and data needed to inform new policies and monitor successful delivery, and to build collection and publication of that information into the planning process*
- *Extend the programme to include regular publication of statistical data on government activities and performance, and produce a timetable for publication.*

Better information sharing for co-ordinated and cost-effective delivery of public services

Sharing information systematically, but responsibly, can increase efficiency, provide better and more joined up public services and increase security and public protection. Responsible information sharing means that while information should be as widely available as possible, proper measures must be in place to protect personal and other sensitive information.

One of the States' objectives is co-ordinated and cost effective delivery of public services, and a main focus of the States Strategic Plan is 'encouraging and facilitating a corporate approach to policy and resource co-ordination'. Sharing and exploiting the

information it has, while only keeping what it needs to govern properly, will improve the residents' experience of public services and reduce storage and maintenance costs.

The States will need to:

- *Conduct an information audit and housekeeping exercise to establish what is held and where. The aim will be to make sure that information is properly held, published, protected, kept current and shared as appropriate*
- *Assign an owner for each information set with responsibility for all aspects of its maintenance*
- *Develop and publish information sharing standards so the public knows how its information is used.*

Keeping information safe and secure to protect privacy and good government

Increased transparency and information sharing does not mean a free for all. Excellent information management means responsible information practices. Not all information created, collected and used by government can be made available to the public.

As well as the need to protect personal information to safeguard privacy and comply with Data Protection legislation, government will hold some information which it will not publish. The reasons are varied and the balance can be a fine one. It is not in the interests of the residents of Guernsey if its international relations are damaged, public safety is compromised, justice is impeded or other laws or important conventions are breached. Government needs space to develop policies and have free and frank discussions. On the other hand, information should not be kept secret to avoid embarrassment.

The States will need to:

- *Include, as part of its publication schedule, an explanation of what types of information will not be published and then keep these criteria under review*
- *Establish a central government mechanism and capability for guidance, oversight and challenge to ensure consistency of approach*
- *Use the central capability for sharing good practice and increasing information management capacity across government*
- *Conduct a data protection audit, in conjunction with the Data Protection Commissioner.*

Aligning processes, systems and laws to deliver the strategy

Excellent information management can only be achieved if the right systems and processes are in place and, where necessary, the laws to support, enable and enforce them.

Information Technology is an important enabler of information excellence, but is not a solution to managing it well. Although a valuable and necessary asset, it is only as good as the processes it supports and the people who use it. As part of its Financial

Transformation Programme, the States has established a project to rationalise and modernise its IT service. This project is looking at the consolidation of ICT staff and infrastructure in order to provide an efficient, cost effective, value added corporate ICT service for the States of Guernsey. The consolidation of the infrastructure provides a driver for investing in improved information practices up front to avoid new systems being designed to hold obsolete data, or to support inefficient practices

It is important that at the time information is created its future use is assessed so that it can be properly retained, destroyed, shared, protected, published, reused and achieved.

The States will need to:

- *Establish a review of its processes to ensure they support excellent efficient information management through the whole of the information lifecycle*
- *Develop ‘what to keep’ policies for all information assets*
- *Use the work being done to consolidate the ICT infrastructure as the vehicle for developing new processes so that the infrastructure is designed to support efficient policies and processes and up to date information*
- *Use the experience of implementing this Strategy to determine whether new or amended legislation is needed to support it. As well as considering the need for public records, and access to information legislation, it will also cover copyright and other laws to ensure any change results in a comprehensive statutory framework.*

Strong leadership and governance to create an ‘information’ culture and build capability

Information is a vital business asset. Managed well, it can increase trust in government, increase efficiency and increase the knowledge of those who deliver public services and those who rely on those services. Where it is managed badly, the opposite can be true. As such, government must attach the same importance to information, and treat it as seriously as it does its other assets.

Excellent information practices only happen with the strong leadership of politicians and senior officials. Effective and high level oversight to drive the delivery of the Strategy is vital. This means proper governance arrangements at both States and departmental level, and politicians and departmental leaders setting the right tone and standards so staff understand what is required of them.

The States will need to:

- *Vote for adequate resources to fund the Strategy, so that the people and funds are available for implementation*

- *Identify the appropriate vehicle to oversee and report on the delivery of this Strategy and supporting implementation plan, eventually integrating it with the States' Strategic Plan*
- *Introduce a process for managing information risk at States level so as to set the information risk appetite and roll the Strategy out to Departmental Boards to ensure consistency of approach*
- *Consider the 'scope' of the Information Strategy, to achieve clarity about which public authorities are covered and get the widest coverage*
- *Carry out information awareness training for all who work in government, starting with States Members and senior officials and to make 'information' training a standard part of induction.*

Implementing the Information Strategy

A detailed plan will be needed to deliver the Strategy, drawing on expertise from different departments. This expertise can be sourced from the office of the Data Protection Commissioner, the Island Archivist and the plethora of guidance on the internet, as well as advice from other jurisdictions so that precious resources are not spent reinventing the wheel.

In keeping with the thrust of integrating excellent information practices into day to day business, the approach should be light touch and risk based, building on other business systems and practices where possible. The governance arrangements established as part of this Strategy should pay attention to this aspect of the planning and ensure that the work does not become unnecessarily resource intensive or take on a life of its own.

A successful and coordinated approach will require Boards and Chief Officers to work together across departmental boundaries. Giving one Chief Officer responsibility for the delivery of the Strategy, answerable to the Chief Executive, would help ensure its success. However, this should not remove individual accountability of other senior officers and politicians.

Suggested timeline for implementation

Making steady and visible progress is vital to successful implementation of a Strategy of this kind. The table below sets out key milestones and a timeline which would deliver the Strategy within three years.

Timeline	Action
Immediately	Agree Strategy
	Identify resources needed to implement the Strategy
	Establish communications function/team
	Identify lead officer and arrangements for Parliamentary oversight

Timeline	Action
	Agree scope of the Strategy
	Prepare initial publication schedule - start modestly, if necessary, expanding regularly as more information is identified for publication and the processes are developed to support publication.
	Identify first information set for release - e.g. salary/expenses
Within 3 months	Publish Strategy, schedule and 'first release' with coordinated high impact campaign
	Expand collection and publication of statistical data; as with publication schedule, extend the list regularly for steady progress
	Agree process for managing information risk
Within 6 months	Introduce arrangements for Hansard and access to Parliamentary Committee meetings
	Develop training package for politicians and new and existing staff
	Conduct information audits
	Develop 'what to keep' policies
Within 12 months	Design new information processes (tie in with timetable for ICT changes)
	Review reuse and charging arrangements
	Agree and publish framework for public consultation
	Agree and publish information sharing policies
Within 18 months	Start review of legislation and success of proactive release of information
Within 2 years	Using experience of proactive releases and review of legislation, agree whether to legislate for a statutory regime
Within 3 years	Legislation ready (if appropriate)

Access to Information Legislation - issues to consider

Any access to information legislation should be based on a clear set of desired outcomes so that, if introduced, it does what the States wants and what is right for Guernsey. The experience of implementing the Information Strategy should help inform States' thinking.

Careful thought should also be given as to the basis for an access regime and the form of independent supervision. There is a wide spectrum of options, from a system based almost entirely on proactive publication of categories of information with independent general oversight, to a reactive one requiring people to request information with recourse to an independent decision maker on a case by case basis.

Answering the questions below will help shape the legislation.

Scope

Which bodies should be covered?

Once enacted, should legislation apply to all information or just that created after enactment?

Requestors

Can anyone request information or just Guernsey residents?

Should proof of identity be required?

Should there be arrangements for 'vexatious' requests/requestors?

The request

How should a request be made?

Providing information

Should there be an obligation to help the requestor identify the information they want?

If information is released, should it be published or just provided to the requestor?

What, if any, fees should apply?

What time limits should apply to the handling of requests?

Format of information provided

Should actual documents be released or just the information they contain?

Should the requestor be able to stipulate the format of the release?

Reuse

Should any restrictions apply to the reuse of information after release?

Types of information to publish/release

Should all information be potentially available on request or a just from a published list of information that can be requested and when?

Consultation

How should people affected by the release of information be consulted?

Should affected people have the right of veto?

Exemptions

What information should be exempt from release?

Should there be a public interest test and if so how should it work with the exemptions?

What, if any, arrangements should be made to protect the existence of information?

Appeals and enforcement

Should there be a right of challenge to refusals to release information and if so, how would the appeals arrangements work?

Who has the final say?

What other enforcement mechanisms are needed?

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Jo Reeve	Principal External Affairs Officer
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Richard McMahon	HM Comptroller
Robert Titterington	Director of Legislative Drafting
Graeme McKerrill	Director of Criminal Prosecutions
Richard Digard	Guernsey Press Editor
Nick Mann	Guernsey Press News Editor
Jarrold Cowley-Grimmond	Commercial Lawyer
Stephen Langford	Chief Officer, Housing
Steve Smith	Chief Officer, Environment
Malcolm Nutley	Chief Officer, Social Security
Jon Buckland	Chief Officer, Commerce and Employment
Mark Cooke	Chief Officer, Health and Social Services
Simon Elliot	Head of Human Resources and Organisational Development
Paul Whitfield	Chief Officer, Home Department
Adrian Lewis	Chief Officer, Public Services
Paul Veron	Policy Analyst, Policy Council
Dave Chilton	Chief Officer, Culture and Leisure
Reg Avery	Director of Client Services
David Robilliard	Principal Officer, States Assembly and Constitution
Committee	
Christine Foster	Scrutiny Projects Officer, Scrutiny Committee
Sara Gould	Principal Public Accounts Officer, Public Accounts
Committee	
Dr Jane Wannacott	Director of ICT Services
Darryl Ogier	Island Archivist
Peter Harris	Data Protection Commissioner

APPENDIX TWO:

ILLUSTRATIVE EXAMPLES OF CURRENT PRACTICE IN PUBLISHING INFORMATION AND DATA

Department	Some examples of current practice
Commerce and Employment	<ul style="list-style-type: none"> • Publications available online, including Department Business Plan, Towards a Skills Strategy for Guernsey – Consultation, Dairy Business Plan 2011, and Responses to the Review of Utility Regulation 2011 • Employment and Industrial Tribunal. Information available online, including guidance for employees/complainants and employers, tribunal decisions, and employment service statistics • Consultations. Past and active consultations • Aviation notices (eg exemptions from requirements for certain aircraft)
Culture and Leisure	<ul style="list-style-type: none"> • Information available for download from various websites, such as price lists, visitor guides, timetables, leaflets, and newsletters • The Department publishes an Annual Review which includes financial information and KPIs on performance showing the public ‘how we did’. This is available on the Department website and in a variety of formats on request • Cultural Strategy published every year updated for the period of the forthcoming five years. Published on the website and available on request • The Channel Island’s Lottery Report is published annually in a Billet for information • Purchases from the Wilfred Carey Fund are reported every five years in a Billet for information • In common with all States Departments, the Culture & Leisure Department’s annual accounts and budget are published in a Billet
Education	<ul style="list-style-type: none"> • Information about the Department, its schools and services are available on the Department’s new website (which is linked to the States’ main website), including relevant reports, media releases and survey information (e.g. the recent Parents’ Survey and Young People’s Survey) • In 2012 the Department published its first ever public ‘Annual Report’ which will highlight the roles and responsibilities of all sections of the department and its schools and services and also include a wide-ranging statistical digest including public

	<p>exam results, participation rates, most popular higher education institutions, exclusion and attendance data, pupil teacher ratios etc. Much of this information was previously available in different places but this is the first time it will have been brought together in one, publicly available, document</p>
Environment	<ul style="list-style-type: none"> • Island Roadworks Information System – road closure information available online • Various application forms (e.g. for roadworks, planning and building control) available online. • Planning and Building Control Applications available to search online via Webmap • Planning Archive – decisions archive online • Planning Archive – press list online • Media release and enquiry archive
Health and Social Services	<ul style="list-style-type: none"> • Detailed information on services provided by the Department available online • Director of Health's annual report includes statistics and/or on: <ul style="list-style-type: none"> ▪ Children's health ▪ Obesity ▪ Smoking ▪ Environmental health ▪ Health promotion ▪ Infection prevention and control ▪ Clinical audit and quality ▪ Patient safety/clinical risk ▪ Healthcare information, clinical coding and epidemiology ▪ Sexual health ▪ Work of the States Analyst
Home Department	<ul style="list-style-type: none"> • Annual Reports for all Services • Key Performance Indicator – Crime (total number of crimes reported) – published in Sustainable Guernsey • Key Performance Indicator – Rehabilitation (percentage of offenders who re-offend within two years) – published in Sustainable Guernsey • Key Performance Indicator – Fear of crime (percentage of people surveyed feeling unsafe when walking after dark) – published in States Strategic Monitoring Report • Business Plan
Housing	<ul style="list-style-type: none"> • Guidance notes and information on policies and procedures available online • Open Market Housing Register – facility to search for current

	and past owners of open market houses
Public Services	<ul style="list-style-type: none"> • Various reports available online • Roads closure programme available online • Information on services provided by the Department and its business units available online
Policy Council	<ul style="list-style-type: none"> • Billets d'Etat and Resolutions available online • Major public engagement projects such as <i>Guernsey Tomorrow</i> and the population consultation • Salary minima and maxima of Established Staff general grades published annually • Planning Tribunal decision notices published online • Policy and Research publications available online include: <ul style="list-style-type: none"> ▪ States Strategic Plan ▪ States Strategic Monitoring Report ▪ Independent Fiscal Policy Review ▪ Guernsey Facts and Figures booklet ▪ Annual Economic overview ▪ Greenhouse Gas Bulletin ▪ Annual Housing Stock Bulletin ▪ Population Bulletin ▪ Inflation Bulletin and Inflation Outlook Bulletin ▪ Labour Market Bulletin ▪ Residential Property Prices Bulletin
Social Security	<ul style="list-style-type: none"> • Unemployment statistics • Combined valuation and performance figures for Social Security's investment funds. Quarterly media release • Benefits and contributions up-rating report which gives an update on all of our major income and expenditure items. Published annually in the September Billet d'Etat • New benefit and contribution rates. Published annually in December in the Guernsey Press
Treasury and Resources	<ul style="list-style-type: none"> • Business Plan published • Income tax information online • Corporate Procurement publishes details of Pre-Qualification Questionnaires and Tenders via an e-Tender system which is accessible via gov.gg. In future this will be included within <i>How to do business with the States</i> • The Cadastre register of properties is available to view. • A list of the States land and property assets on the States of Guernsey.

Committees	Some examples of current practice
Public Accounts Committee	<ul style="list-style-type: none"> • Publication of reports • Government website providing description of the Committee and its work, past reports, guidelines and memorandum of understanding with the Scrutiny Committee. • Advertisements for public meetings and tenders • On-line surveys for reviews
Scrutiny Committee	<ul style="list-style-type: none"> • Work programme • All review and Performance reports • Transcripts of hearings • Summary of States debates in which Scrutiny has commented • Questionnaire analysis of any public consultation • Summary of any investigations • Media are invited in to meetings to scrutinise the Billet d'États. • Guidelines followed in the Scrutiny process (e.g. A Guide to Scrutiny; Disclosure of evidence guidelines etc) • Performance Indicators • Responses to comments made through Facebook
States Assembly and Constitution Committee	<ul style="list-style-type: none"> • Publishes biannual reports of States Members' attendance at meetings of the States of Deliberation, Departments and Committees. • Permits the media to attend its Committee meetings (other than those when the Bailiff or Law Officers are present)
Others	Some examples of current practice
States of Deliberation.	<ul style="list-style-type: none"> • Hansard of all States meeting from May 2012
Royal Court of Guernsey and the Law Officers of the Crown	<ul style="list-style-type: none"> • Bailiwick legislation, recent judgements, Orders of the Royal Court, Practice Directions and relevant UK Statutory Instruments available online
Planning Appeals	<ul style="list-style-type: none"> • Planning Tribunal decision notices published online
States Members	<ul style="list-style-type: none"> • Declaration of States Members' interests available online
Guernsey Tax Tribunal	<ul style="list-style-type: none"> • Publishes decisions of the Guernsey Tax Tribunal

APPENDIX THREE:

Code of Practice on Access to Public Information

Introduction

The States of Guernsey has approved this Code of Practice which reinforces its approach to openness and improving access to Public information. It sets out:

- the States' commitment to releasing information and to responding positively wherever possible to requests for information; and
- the limits to openness that are necessary to protect confidentiality in a number of well-defined circumstances.

Background

The States of Guernsey believes that:

- Open government is part of an effective democracy;
- Guernsey residents must have adequate access to the information and analysis on which government business is based; and
- Guernsey residents are also entitled to clear and frank explanations concerning the policies, decisions and actions of the States

The States of Guernsey agrees the guiding principles should apply to this Code of Practice on Access to Public Information:

- A presumption of disclosure;
- A corporate approach;
- A culture of openness;
- Proactive publication; and
- Effective record management.

The States of Guernsey also recognises that, like all governments, notwithstanding the presumption of disclosure in the balance of the public interest, the States will need to keep some information confidential, and it has a duty to protect the proper privacy of those with whom they deal.

This Code of Practice describes the exceptions that should be applied to the presumption of disclosure in order to meet these duties and protect Guernsey's legal, commercial, competitive or public interests.

The Code of Practice on Access to Public Information

Part 1

This Code of Practice supports the Policy Council's policy of extending access to States of Guernsey information, and responding to reasonable requests for information, except where disclosure would not be in the public interest as specified in Part 2 of this Code.

Purpose

1.1. The aims of the Code are:

- to improve policy-making and the democratic process by extending access to information in order to provide the basis for the consideration of proposed policy;
- to protect the interests of individuals and companies by ensuring that reasons are obtainable for administrative decisions, except where there is statutory authority or established convention to the contrary; and
- to support and extend the principles of public service.

1.2. These aims are balanced by the need:

- to maintain high standards of care in ensuring the privacy of personal and commercially confidential information; and
- to preserve confidentiality where disclosure would not be in the public interest or would breach personal privacy or the confidences of a third party, in accordance with statutory requirements and Part 2 of the Code.

1.3. For the purposes of this Code a 'reasonable request' means that a request is not irrational, frivolous or vexatious.

Information the States will release

1.4. Subject to the exceptions in Part 2, compliance with this Code requires States Departments and Committees to release information relating to significant policies, actions and decisions and other matters related to their mandated areas of responsibility. This can be achieved by:

- making available, where practicable, information about what services are being provided along with Departmental business plans;
- publishing significant policy decisions, made under delegated authority by the States of Deliberation, explaining each decision by issuing guidance on the implications of that decision and information on how it will be implemented;
- publishing any facts and relevant analysis which the Department considers important in framing major policy proposals and decisions;

- making available information about how public services are run, demonstrating the accountability of service delivery, and what complaints and redress procedures are available;
 - and giving reasons for administrative decisions to those affected.
- 1.5. Information should be published on the States of Guernsey website and where appropriate significant publications of information should be notified to the domestic media. In the absence of a central communication unit, officials from the Policy Council will be able to assist in advising the best mechanism for publication.
- 1.6. There is no commitment that pre-existing documents, as distinct from information, will be made available in response to reasonable requests. This Code does not require Departments or Committees to acquire information that they do not possess, to provide information which is already published, to provide material which the States did not consider to be reliable information, or to provide information which is provided as part of an existing charged service other than through that service.

Responses to reasonable requests for information

- 1.7. As a small jurisdiction Guernsey has limited resources dedicated to any particular service delivery. This means that publishing information or responding to requests promptly can have significant impact upon the ability to supply essential services. This will mean that when considering how to prioritise publication of information the overriding objective of the Departments and Committees will be to provide cost effective services in line with the strategic aims of the States. This approach will minimise levels of disruption in the delivery of such services.
- 1.8. Subject to paragraph 1.7 above, information made available in response to reasonable requests made from the public will be provided as soon as practicable. The target for response to simple requests for information is 20 working days from the date of receipt. This target may need to be extended when significant search or collation of material is required. Where information cannot be provided under the terms of the Code, an explanation will be given.

Scope

- 1.9. The Code applies to States Departments and Committees.

Guidance

- 1.10. Where guidance is required on the application of this Code, the handling of potential controversial issues in a corporate manner and the balance of interest in response to these questions it can be sought from the Policy Council.

Investigation of Complaints

- 1.11. Complaints that information which should have been provided under the Code has not been provided, should be made in writing to the Chief Officer of the Department or Principal Officer of the Committee concerned. If the applicant remains dissatisfied, the complaint may then be referred to that Department's Board. The Department may refer any matter to the Policy Council for consideration where appropriate.

The Code of Practice on Access to Public Information

Part 2

Reasons for Confidentiality

The following categories of information are exempt from the commitments to provide information in this Code. References to harm or prejudice include both actual harm or prejudice and risk or reasonable expectation of harm or prejudice. In such cases, it should be considered whether any harm or prejudice arising from disclosure is outweighed by the public interest in making information available. The exceptions will not be interpreted in a way which causes injustice to individuals.

This list is detailed in order to provide as much clarity as possible on when information cannot be released by the States – broadly, if its disclosure would be legally, commercially or operationally prejudicial.

The guidance is indicative of the type of information that may be excluded from publication. There will be some areas where the exception should be treated as absolute and others where the exception can be waived if it is considered to be in the public interest. Where one of these exceptions is sought to be waived it should only be done following consultation with the Policy Council.

Exceptions to the presumption of disclosure

2.1 Security and external relations

- Information whose disclosure would harm the conduct of international relations or affairs.
- Information received in confidence from other governments or courts in other jurisdictions (including within the Bailiwick) or international organisations.
- Communication through official channels and with Her Majesty or other members of the Royal family.
- Information whose disclosure is required for the security, safety and well-being of the Bailiwick.

2.2 Effective management of the economy and collection of taxes

- Information whose disclosure would harm the ability of the States to manage the economy, or could lead to improper gain or advantage.
- Information whose disclosure would harm the financial interests of the States.
- Information whose disclosure would prejudice the assessment or collection of tax, duties or contributions, or assist tax avoidance or evasion.
- Information whose disclosure would prejudice economic or commercial interests of any person.

2.3 Effective management and operations of the public service

- Information whose disclosure could lead to improper gain or advantage or would prejudice:
 - the competitive position of a Department or other public body or authority;
 - negotiations or the effective conduct of personnel management or commercial or contractual activities;
 - the awarding of discretionary grants.
- Information whose disclosure would harm the proper and efficient conduct of the operations of a Department or other public body or authority or of any regulatory body.
- Information whose disclosure would prejudice the commercial interests of the States.

2.4 Internal discussion and policy advice

- Information whose disclosure would harm the frankness and candour of internal discussion, including:
 - proceedings of the Policy Council and Boards of the Departments;
 - proceedings of Parliamentary Committees prior to public meetings or hearings;
 - internal opinion, advice, recommendation, consultation and deliberation;
 - projections and assumptions relating to internal policy analysis;
 - analysis of alternative policy options and information relating to rejected policy options;
 - confidential communications between Departments, public bodies and regulatory bodies.

2.5 Law enforcement and legal proceedings

- Information whose disclosure could prejudice the administration of justice, including fair trial and the enforcement or proper administration of the law.
- Information whose disclosure could prejudice legal proceedings or the proceedings of any tribunal, public inquiry or other formal investigation

(whether actual or likely) or whose disclosure is, has been or is likely to be addressed in the context of such proceedings.

- Information relating to proceedings which have been completed or terminated, or relating to investigations which have or might have resulted in proceedings.
- Information covered by legal professional privilege.
- Documents created or retained by the courts or tribunals for the purposes of litigation.
- Information whose disclosure could prejudice the prevention, investigation or detection of crime, the apprehension or prosecution of offenders, or the security of any building or penal institution.
- Information whose disclosure could harm public safety or public order.
- Information whose disclosure could endanger the life or physical safety of any person, or identify the source of information or assistance given in confidence for law enforcement or security purposes.

2.6 Immigration and nationality

- Information relating to immigration, nationality, consular and entry clearance cases.

2.7 Environmental

- Information whose disclosure could increase the likelihood of damage to the environment, or rare or endangered species and their habitats.

2.8 Public employment

- Personnel records (relating to public appointments as well as employees of public authorities) including those relating to recruitment, promotion and security vetting and personal details of employees.

2.9 Voluminous or vexatious requests

- Requests for information which are frivolous, vexatious or manifestly unreasonable or are formulated in too general a manner, or which would require unreasonable diversion of resources because of the amount of information to be processed or the need to retrieve information from files not in current use.
- Where a request appears voluminous the Department or Committee should liaise with the requestor to seek to narrow the scope of the enquiry.

2.10 Publication and prematurity in relation to publication

- Information which is or will soon be published, or whose disclosure would be premature in relation to a planned announcement or publication.

2.11 Research, statistics and analysis

- Information relating to incomplete analysis, research or statistics, where disclosure could be misleading or deprive the holder of priority of publication or commercial value.

Information held only for preparing statistics or carrying out research, or for surveillance for health and safety purposes (including food safety) and which relates to individuals, companies or products which will not be identified in reports of that research or surveillance, or in published statistics.

2.12 Privacy of an individual

- Unwarranted disclosure to a third party of personal information about any person (including a deceased person) or any other disclosure which would constitute or could facilitate an unwarranted invasion of privacy or breach of the Data Protection (Bailiwick of Guernsey) Law, 2001.

2.13 Third party's commercial confidences

- Information including commercial confidences (including grants and loans), trade secrets or intellectual property whose unwarranted disclosure would harm the competitive position of a third party.
- Information where third party has requested or agreed to confidentiality as part of a contract or agreement.

2.14 Information given in confidence

- Information held in consequence of having been supplied in confidence by a person who:
 - gave the information under a statutory guarantee that its confidentiality would be protected; or
 - was not under any legal obligation, whether actual or implied, to supply it, and has not consented to its disclosure.
- Information whose disclosure without the consent of the supplier would prejudice the future supply of such information.
- Medical information provided in confidence if disclosure to the subject would harm their physical or mental health, or should only be made by a medical practitioner.

2.15 Statutory and other restrictions

- Information whose disclosure is prohibited by or under any enactment, regulation, European Union law or international agreement including data protection legislation
- The publication of defamatory or potentially defamatory statements.

The Code of Practice on Access to Public Information

Part 3

List of Policies published in line with this Code of Practice:

- 1) Policy on the Use of Confidentiality in Contracts and Agreements

APPENDIX FOUR:

Policy on the Use of Confidentiality in Contracts and Agreements

1. This policy applies to all agreements and contracts between the States of Guernsey and a third party. A third party can be an individual, business, or any other organisation. Its aim is to ensure consistency of approach when entering into negotiations subject to conditions of confidentiality or in relation to the use of confidentiality clauses across the States of Guernsey when: making out of court settlements; entering into contracts or other agreements; entering into negotiations subject to conditions of confidentiality; or entering into non-disclosure agreements.

Policy principles

2. Subject to the principles below, the presumption of openness and disclosure described in the Code of Practice on Access to Public Information should apply to all formal agreements, out of court settlements and contracts.
3. The States will not seek, or agree to, or enter into negotiations under conditions of confidentiality or accept the inclusion of a confidentiality clause in any agreement simply to avoid the prospect of disclosing information. The acceptance of such conditions or the inclusion of confidentiality clauses should only be agreed where it is necessary and justifiable, in line with the exemptions described in Part 2 of the Code of Practice on Access to Public Information.
4. Where appropriate, authorisation for the inclusion of a confidentiality clause should be sought. The States enters into many agreements every year. The Departments and Committees will therefore need to use their discretion in order to manage risk and where appropriate expressly agree to delegate authority. Depending in the nature of the clause and the circumstances of the use of that clause authorisation could be delegated to an appropriate senior officer, the Minister (or his deputy) of the relevant Department or Chairman of the relevant Committee. The boards of Departments and the Committees will need to expressly agree the level and threshold to which authority for entering into a confidentiality agreement is delegated.
5. This policy is underpinned by the transparency and accountability of the States of Guernsey balanced against the respect for the important principle of confidentiality between the States of Guernsey and third parties. Public authorities should only use such conditions of confidentiality in circumstances where the public interest so requires.

Applying the policy

6. All cases must be considered on a case by case basis against the above principles. When applying the policy consideration must be given to:
 - (i) the nature of the interest to be protected;
 - (ii) the balance of the public interest in maintaining confidentiality against the public interest in making the information publicly available;
 - (iii) whether a limited duty of confidentiality is appropriate as opposed to a blanket clause;
 - (iv) whether concluding the agreement is dependent on terms of confidentiality or the inclusion of confidentiality clause;
 - (v) the parties to the agreement.
7. The exceptions that are described in Part 2 to the Code of Practice on Access to Public Information will apply. Where guidance is required as to the balance of interest in response to these questions it can be sought from the Policy Council.

(NB In respect of the resource implications associated with the States of Guernsey Policy for Access to Public Information, the Treasury and Resources Department notes that the proposals set out in this States Report should be delivered within existing resources. It is encouraging to note that the proposed Code of Practice on Access to Public Information pragmatically recognises the limited resources available and explains how the publication of information or responding to requests should be prioritised in order to minimise disruption in the delivery of services.

However, should there be any long term ongoing resource requirements as a result of further developments, these will need to be subject to consideration as part of the States Strategic Plan process, or whichever process for the reprioritisation of funding is in place at that time.)

The States are asked to decide:-

V.- Whether, after consideration of the Report dated 20th May, 2013, of the Policy Council, they are of the opinion:-

1. To agree the guiding principles outlined in that States of Guernsey Policy for Access to Public Information States Report, as follows:
 - A presumption of disclosure;
 - A corporate approach;
 - A culture of openness;
 - Proactive publication; and
 - Effective record management.
2. To agree that the presumption of disclosure will need to be subject to certain stated exceptions in order to protect legal, financial, commercial, competitive and public interests which will be agreed by the States from time to time.
3. To agree the Code of Practice on Access to Public Information in Appendix Three of that Report which will apply to all States Departments and Committees and which incorporates the guiding principles and describes the exceptions.
4. To endorse the Policy on the Use of Confidentiality in Contracts and Agreements contained in Appendix Four of that Report.

POLICY COUNCIL

THE GUERNSEY FINANCIAL SERVICES COMMISSION: 2012 ANNUAL REPORT

1. The Financial Services Commission (Bailiwick of Guernsey) Law, 1987, as amended, requires the Guernsey Financial Services Commission (“the Commission”) to prepare an annual report and accounts for submission by the Policy Council to the States.

2. It should be noted that the Policy Council has concerns with the apparent rising cost base of the Commission (although recognising that several elements of 2011 / 2012 costs were non-recurrent) given that the Independent Evaluation Report has in recent years been completed and the changes have taken effect. The Policy Council considers that both the States and industry expectation would be for the Commission to restrain and possibly reduce expenditure pressures going forward.

3. The Policy Council notes the Commerce and Employment Department is currently progressing a workstream relating to the governance of the Commission.

The Policy Council recommends the States:

- (1) note the Report;

- (2) approve the accounts of the Guernsey Financial Services Commission for the year ended 31st December 2012;

P A Harwood
Chief Minister

3rd June 2013

J P Le Tocq
Deputy Chief Minister

G A St Pier
R Domaille
D B Jones
R W Sillars
P A Luxon

A H Langlois
K A Stewart
M H Dorey
M G O'Hara

(NB The Guernsey Financial Services Commission 2012 Annual Report, which is appended to this Report, is published separately.)

(NB As there are no resource implications identified in the Report, the Treasury and Resources Department has no comments to make.)

The States are asked to decide:-

VI.- Whether, after consideration of the Report dated 3rd June, 2013, of the Policy Council, they are of the opinion:-

1. To note the Report.
2. To approve the accounts of the Guernsey Financial Services Commission for the year ended 31st December 2012.

POLICY COUNCIL AND TREASURY AND RESOURCES DEPARTMENT

STRATEGIC ASSET MANAGEMENT PLAN

1. EXECUTIVE SUMMARY

- 1.1. Despite being the largest owner of land and property in the Island, the States currently has no overall strategic plan by which it determines how best to allocate and manage its property portfolio to deliver its policy and operational objectives. The proposals in this report seek to meet this omission by establishing a Strategic Asset Management Plan (SAMP).
- 1.2. The primary objective of the SAMP is to ensure that the right assets are available in the right places to deliver the right services in the most efficient and effective way, while ensuring that those assets can be managed and maintained appropriately.
- 1.3. In addition, as a project within the Financial Transformation Programme (FTP), an objective of the SAMP has been to see how the States can rationalise its land and property assets to identify savings to contribute towards the FTP's overall target of reducing States' baseline expenditure by £31m per annum by the end of 2014.
- 1.4. In developing the SAMP, there has been detailed consideration of how and where services should be delivered to the public, and how departments can work and operate together to improve the customer experience, all with the strong focus of delivering efficiency savings through a re-appraisal of the role of property in service delivery and in effecting transformational change.
- 1.5. The adoption of the SAMP, as presented - but subject to further detailed work and consultation - would result in more than 20 properties being vacated: (i) for sale or redevelopment where they are owned by the States; and (ii) through non-renewal of leases where they are rented. This, in turn, would result in substantial revenue savings and capital receipts, the latter of which could make a substantial contribution to the funding of the capital projects identified as part of the SAMP.
- 1.6. Implicit in these changes is fundamental reorganisation in the manner in which public services are delivered, associated with changed locations, and the adoption of new management and working practices. Consequently, if subsequently implemented, the SAMP will represent one of the most far-reaching transformational initiatives ever to be undertaken by the States, with implications for all States' departments and committees, their staff, and the public at large.
- 1.7. It is intended that, once adopted, the SAMP will be implemented by means of a programme of projects, undertaken in several phases, and centrally managed and

coordinated. This means that to achieve successful outcomes, a significant amount of project management, coordination and engagement would be required, all of which would require to be adequately resourced. At the time of writing, the exact means by which this would be achieved is still under consideration, but it would almost certainly require a mixture of both internal and external resources.

- 1.8. In the meantime, the imperative to make savings under the FTP - and the important contribution that the SAMP can make to their achievement - has focused attention on how much of the SAMP could be undertaken in an initial phase; and, if at all possible, by the end of 2014 to achieve the FTP timetable. Proposals for developing and implementing Phase 1, in consultation with departments, are outlined in detail and presented as a priority.

2. INTRODUCTION

- 2.1. The States currently owns 1,691 acres of land and approximately 2,600 properties valued (for rebuild) at £2.2bn. These properties comprise a very diverse portfolio, from which are delivered a wide range of public services, including those which are critical to the economic and social welfare of the Island. However, perhaps surprisingly, there is the absence of an overall strategic plan by which the States determines how best to allocate and manage its land and property portfolio to deliver its policy and operational objectives.
- 2.2. Two important milestones in addressing this gap in strategic planning were the establishment of a Corporate Property Plan (CPP) in 2009 (Billet d'État XVI) and the commitment to the development of an Island Infrastructure Plan (IIP) in the 2011 States Strategic Plan (SSP) (Billet d'État XVI). The proposals in this report to establish a SAMP represent a further milestone, supplementing the CPP and complementing the IIP.

3. THE CORPORATE PROPERTY PLAN

- 3.1. The overarching purpose of the Corporate Property Plan 2009-2013 has been:
 - to ensure best use of the States' Land and Property Portfolio; and
 - to provide departments with the best value professional services and support in Construction, Estate and Property Management
- 3.2. Thirteen specific objectives were set for the CPP and these are reproduced in Appendix 1. Explicitly, the CPP 'provides high level, strategic direction to improve public sector *property management*' (italics added); in other words, it sets out the procedures, standards and benchmarks for how property projects are to be undertaken and how properties are to be maintained but, apart from having an overall emphasis on property rationalisation, stops short of specifying what

properties should be used for what purpose and why – the SAMP is intended to fill this gap.

- 3.3. Nonetheless, importantly, implementation of the SAMP will rely heavily on the work undertaken in respect of the CPP in terms of specifying developments, letting and managing contracts, benchmarking performance, setting corporate standards and disposing of assets.

4. THE ISLAND INFRASTRUCTURE PLAN

- 4.1. Infrastructure is a key resource in ensuring any community and economy works effectively. The IIP forms part of the SSP and currently is available in draft form. It focuses principally on physical structures such as the roads, airport, harbours, coastal defences, sewers, water supplies, energy supply and distribution facilities, and information and communications technology.
- 4.2. The primary objectives of the IIP have been to facilitate decision-making in respect of infrastructure investment by the States and the private sector over the next 25 years, and also to improve the management and use of existing infrastructure assets.
- 4.3. The SAMP is not intended to duplicate or subsume the IIP, but rather to complement it by focussing on those land and property assets that fall outside its ambit. So, whereas the IIP is focused on the matters referred to in paragraph 4.1, the focus of the SAMP is on properties delivering administrative, health, social service, housing, educational, cultural and leisure services provided by the States alone.
- 4.4. However, what both have in common is the need to take a long- rather than short-term view on how land and property is best used to meet policy and operational objectives.

5. THE GENESIS OF A STRATEGIC ASSET MANAGEMENT PLAN

- 5.1. The SAMP is an output of the States-wide efficiency saving initiative - the Financial Transformation Programme (FTP)¹. The formulation of the SAMP has been one workstream in the Income, Procurement and Property sub-programme, whose objective has been ‘to deliver a series of defined infrastructure, income generation and procurement initiatives in order to maximise savings.’
- 5.2. Prior to 2012, a couple of FTP projects had commenced looking at how best to use Sir Charles Frossard House and to rationalise the Home Department’s property portfolio, in the belief that these offered the best opportunities to realise

¹ The FTP was initiated in 2009 with the aim of reducing the baseline net expenditure of the States of Guernsey by at least £31m per annum by the end of 2014, by changing the way the States thinks and acts. It consists of the Departmental Programmes and three sub programmes: Building Business Excellence, Transforming Support Services and Income, Procurement and Property.

revenue savings within the FTP timeframe. However, concurrently – but separately - the Education and Health and Social Services Departments were considering how best to use and rationalise the properties they occupied to meet their departmental efficiency targets, but without reference to wider States’ needs or objectives.

- 5.3. Against this backcloth was born the proposal to establish a Strategic Asset Management Plan that joined all these various initiatives together into a coherent whole, while also identifying other, as yet unforeseen opportunities, to make better use of the States’ land and property assets to improve service delivery and to make savings through the rationalisation of States’ land and property holdings.
- 5.4. The original FTP intent of the SAMP remains: to see how the States can rationalise its land and property assets to identify savings to contribute towards the FTP’s overall target of reducing States’ baseline expenditure by £31m per annum by the end of 2014. Proposals by which this might be achieved are set out in Section 13.
- 5.5. However, in undertaking this project, the short-term FTP objective of the SAMP has been consciously expanded to consider how, in both the short- and long-term, the States can best use its land and property assets, to enable a broader savings and associated transformation programme to be initiated and pursued, that will extend well beyond the FTP’s 2014 deadline.
- 5.6. This report sets out suggestions for an initial SAMP, with an estimated lifespan of 5-15 years, albeit it will need to be reviewed and updated at regular intervals during this time period.

6. WHAT IS ‘STRATEGIC ASSET MANAGEMENT’?

- 6.1. Before considering the details of the intended SAMP, it is important to understand the concept of ‘strategic asset management’, which is defined below.

“Strategic asset management is the activity that seeks to align the asset base with the organisation’s corporate goals and objectives. It ensures that the land and building asset base of an organisation is optimally structured in the best corporate interest of the organisation concerned.

Strategic property asset management requires business as well as property skills. It is an activity which seeks to take all the operational requirements of a business into account in order to deliver an appropriate asset strategy.”

RICS Public Sector Asset Management Guidelines

- 6.2. In the States of Guernsey context, strategic asset management involves:

- aligning land and property with the States' goals and objectives;
 - making sure land and buildings are fit for the purpose for which they are being used²;
 - taking account of operational requirements to deliver an appropriate approach to property use; and
 - ensuring that the services operating in each property are appropriate to the building they are located within.
- 6.3. The primary objective of the SAMP is to ensure that the right assets are available in the right places to deliver the right services in the most efficient and effective way, while ensuring that those assets can be managed and maintained appropriately. As such, the SAMP is as fundamental a part of the SSP architecture as the IIP and the other Island Resource Plans, and should be embraced as such.
- 6.4. Consequently, in developing the SAMP, there has been detailed consideration of how and where services should be delivered to the public, and how departments and committees can work and operate together to improve the customer experience, all with the strong focus of delivering efficiency savings through a re-appraisal of the role of property in service delivery and in effecting transformational change.
- 6.5. Conceptually, the key stages in strategic asset management can be summarised as shown in Figure 1 below:

Figure 1: The Strategic Asset Management Cycle



² This includes a degree of future proofing, with new builds being flexibly designed in anticipation of changed requirements in the future.

Stage 1: Establish service delivery vision

- 6.6. Before implementing any change to how property is used, the starting point is to establish a strategic vision for service delivery. In the States of Guernsey context, that vision should be encapsulated in the SSP and the associated Government Service Plan (GSP). In the absence of the GSP, pre-existing States' commitments and the Business Plans of individual departments have been used to frame the suggestions for the SAMP set out in this report.

Stage 2: Align assets to vision

- 6.7. Having established the service delivery vision, then action must be taken to align all property assets with that vision. That process of alignment leads to the Strategic Asset Management Plan itself.
- 6.8. However, as is explained in more detail below, this process is in stark contrast to historic States' practice, where service delivery has been driven by, and subservient to, the availability of existing property.

Stage 3: Implement plans for assets

- 6.9. Once a Strategic Asset Management Plan has been drawn up (and its practicalities tested with departments), the next stage will be to implement it. This could include any or all of the following: the construction of new purpose-built properties; changing the internal and external configuration of buildings to make them fit for purpose; the acquisition of suitable land or property; and the disposal or redevelopment of existing land and property assets.
- 6.10. This report includes a combination of all the above in several phases, of which suggestions for Phase 1 are outlined in detail (in Section 13).

Stage 4: Review and monitor

- 6.11. Finally, in order to ensure that the service delivery vision is being achieved, it needs to be monitored and reviewed on a regular basis, not least because the service delivery requirements will change over time and it is essential that the Strategic Asset Management Plan remains relevant and up to date.
- 6.12. As part of its ongoing work on the SSP process, the Policy Council will consider how often such reviews of the SAMP should be undertaken and reported to the States.

7. DRAWING UP A STATES STRATEGIC ASSET MANAGEMENT PLAN

7.1. According to the RICS Public Sector Asset Management Guidelines:

‘To prepare a good asset strategy requires the identification of the organisation’s business drivers; the translation of these drivers into a vision for assets; the buy-in of the whole organisation to that vision; the testing of the vision for practicality, affordability and effectiveness; and the refinement of the strategy in the light of the testing process. Strategic development is a corporate, not an operational process.’

7.2. The remainder of this report outlines how the SAMP has been developed; the extent to which, so far, it has been assessed as feasible, practical and affordable; and concludes by asking the States to ‘buy-in’ to the principles of that Plan, with a view to its prompt implementation.

The Project Team and its Approach

7.3. As referred to in paragraph 5.1, under the auspices of the FTP approved by the States, a project team of senior civil servants was established to make recommendations for a SAMP.

7.4. The project team undertook to provide ‘high level’ recommendations in respect of a SAMP by the end of Quarter 1 2013; and it is those recommendations that the Policy Council and the Treasury and Resources Department have put forward for consideration in this report.

7.5. Self-evidently, ‘high level’ recommendations do not include recommendations for every property owned or leased by the States. Instead, the focus of the suggestions contained within this report is on: (i) the major sites and larger buildings used by the States; and (ii) those smaller properties where there would be an immediate service delivery and financial gain through their vacation. By reviewing the future use of these sites and buildings, a vision for strategic asset management has been established for the next 5-15 years.

7.6. It is also important to note that whereas a number of different options were considered - some radical and others more pragmatic in their approach - in order to keep this report focused and succinct, all the options considered by the project team have not been set out. Instead, the report details the recommended approach, as detailed in Section 10 of this report.

7.7. Finally, in drawing up the SAMP, the project team met with departmental Chief Officers, senior management teams and lead officers for property, and obtained data on their department’s service delivery plans, future building projects and

current building utilisation³. It also cross-referenced the information gathered with data held by States Property Services. The results of this consultation and research, combined with the knowledge and experience of the project team, provide confidence that what is being suggested for the SAMP is both realistic and achievable.

The Constraints

- 7.8. In drawing up the SAMP, the project team was hampered in two regards.
- 7.9. First, historically, the States has not collected property-specific financial data on the use of its properties or buildings. This will be possible in the future, using the additional functionality offered by SAP and the project to introduce resource accounting⁴; and these measures will continue the journey towards better accounting for the use of land and property, and the achievement of best value from its use. However, there is limited data currently available to inform the suggestions made in this report.
- 7.10. It follows that this lack of information makes it impossible to estimate accurately how much money would be saved in relation to heat, lighting, cleaning, maintenance, etc, through adoption of the SAMP suggestions. Therefore, all the financial information set out in this report is based on broad-based assumptions and should be interpreted as conservative.
- 7.11. Secondly, there is no central database that records exactly how many people work in each building; some staff have desks in more than one building, while others have a dedicated desk but only work part-time, resulting in a desk being vacant for a significant part of the working week. Therefore, the headcount for each building is not a true indication of the building's actual utilisation; nonetheless, the project team was satisfied that it had sufficient understanding of the numbers of staff involved to make the recommendations for change set out in this report.

8. HISTORIC APPROACH TO PROPERTY USAGE

- 8.1. Before considering the SAMP suggestions, it is instructive to consider how, in the past, the States has used land and property.
- 8.2. Symptomatic of the diversified system of government, historically departments – rather than the States acting as one – have decided how to use ‘their’ properties. This has occurred in a piecemeal fashion, generally driven by their often limited, short-term needs, with little regard to the wider objectives or needs of the States as a whole. In the absence of any overall strategy to the contrary, the result is

³ There was also consultation with the Law Officers Chambers and with HM Greffier in respect of Court services.

⁴ The recent enhancements to SAP allow all the running costs from each building to be collected. Resource accounting is a longer term project that will provide asset values.

that departments now operate from a large number of sites and buildings located across the Island without, in many cases, any service-based justification for its particular location, or any relationship between the use of a building and its suitability for the services it provides.

- 8.3. Secondly, despite the States having adopted a rationalisation strategy in 2007 (Billet d'État XXIV), departments have still tended to operate a mind set of 'holding onto, at all costs' the properties they occupy, and making these fit their service delivery requirements. This behaviour has been 'encouraged' by the absence of a Strategic Asset Management Plan to identify what other property might be available and when, and because of uncertainties over the availability of capital to acquire sites and/or to progress their capital projects. Furthermore, a further disincentive to any meaningful rationalisation has been that any sale proceeds from the disposal of underutilised, 'unfit' or 'surplus' properties have accrued to the Capital Reserve, with no guarantee that they will be re-allocated to the department 'giving up' the asset for investment in their capital projects⁵.
- 8.4. All the above has driven a systemic 'make do and mend' culture, with some properties undergoing multiple reconfigurations and refurbishments as departments have adapted 'their' properties in an attempt to meet service delivery requirements. This has often resulted in service delivery outgrowing a specific building (e.g. the accommodation occupied by the Law Officers at St James' Chambers), but the department having to 'make do' and adapt the service to fit the constraints of a building never designed for the purpose that it was now fulfilling. 'Putting the customer first' has not always been, as it should be, the primary consideration.
- 8.5. At other times, where it has become impossible to adapt a building any further, services – and the staff delivering them - have been treated like 'chess pieces', being moved around from one property to another for limited periods of time in response to short-term operational requirements, with little consideration been given to the longer term. This has not necessarily resulted in the best use of assets to meet service delivery requirements and has been wasteful of public money.
- 8.6. It has also meant that staff have been required to operate from less than satisfactory working environments, not designed for the purpose. Not only has research shown that this can have a detrimental effect on productivity, but poor working environments are a disincentive to staff recruitment and do not assist with staff retention.
- 8.7. Prime examples of what has been described above are the Castel Hospital, Lukis House and Swissville, all of which are large buildings that have been adapted and occupied by many different services and staff groups over time to meet

⁵ Of course, had they been, then the departments with the largest land and property portfolios would have been at an advantage.

multiple purposes, but which have never fully met service delivery or user requirements.

- 8.8. The adoption of a SAMP will provide the mechanism to halt this ‘chaotic opportunism’ and to think through how best to deliver services, improve the customer experience and improve staff working environments, by using the States’ property portfolio to best effect.

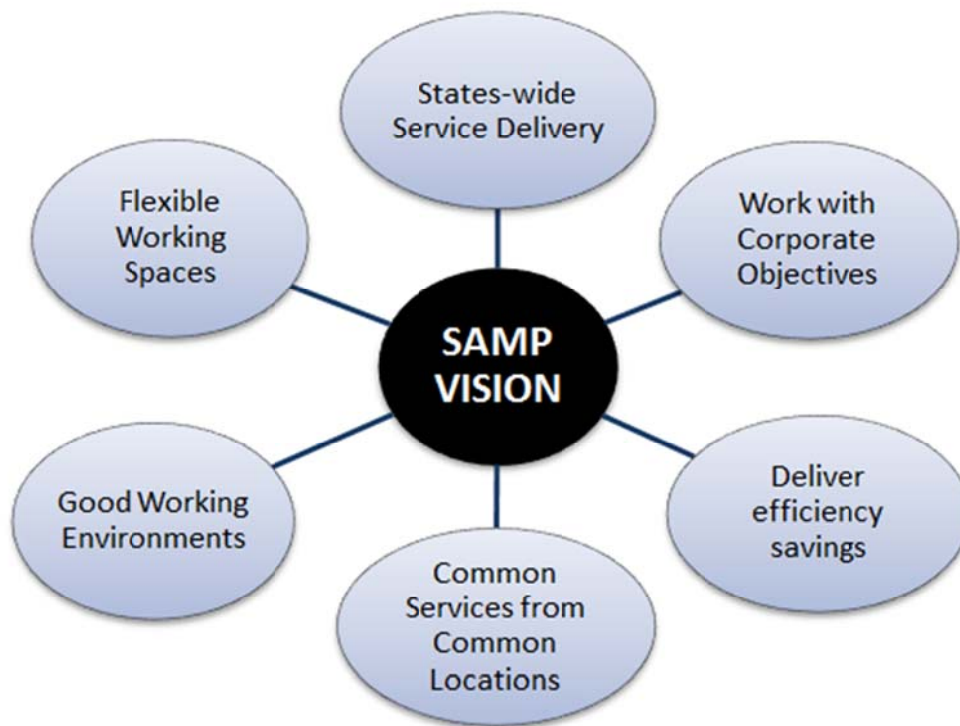
9. GUIDING PRINCIPLES

- 9.1. The Vision Statement for the SAMP is as follows:

“The efficient and cost-effective use of property to best enable and deliver services and Government functions in accordance with States’ strategic objectives.”

- 9.2. Six key principles have underpinned its design, as summarised in Figure 2.

Figure 2: Objectives of the Strategic Asset Management Plan



States-wide Service Delivery

- 9.3. The overall objectives of the States of Guernsey are set out in the SSP and its subsidiary plans; the functioning of all departments and government activities should be aligned and targeted towards meeting these general objectives.

- 9.4. The SAMP will seek to ensure that property utilisation across the States is managed in a unified way, directly focused on meeting the SSP objectives in the most efficient and cost-effective way.
- 9.5. As described above, departments have tended, understandably, to determine what service delivery options are available to them within the constraints of the assets they have in their control. Under the new SAMP, the aim will be to identify the overall service delivery requirements first and then to allocate land and property to fulfil these requirements.
- 9.6. This means that *States-wide* service delivery, rather than *departmental* service delivery, becomes the focus of strategic planning. Instead of property utilisation being driven by departmental preferences, under the SAMP the allocation of existing property or the provision of new builds for particular uses will be based on what is best in terms of service delivery across the States as a whole.
- 9.7. This does not, however, mean that departments' service delivery aspirations have been ignored – far from it; all departments have been consulted to help identify service delivery needs, but the proposed uses of property have been informed by a States-wide, not departmental, agenda. The focus has been on determining what services can, and should, be delivered from what property irrespective of which department currently occupies it; and opportunities to coalesce similar functions that span a number of departments have been sought.
- 9.8. This should be of benefit to both service users and employees; better methods of working will be achieved, which, in turn, will result in higher standards of service delivery; and, importantly this will result in considerable efficiency savings.

Work with States' Objectives

- 9.9. The SAMP is designed to work with States' objectives rather than against them. A number of strategic plans are already in existence or nearing completion, and it is essential that the SAMP is aligned with them. Accordingly, in drawing up the SAMP the intention has been to have regard for, amongst others, the Vision for Education, the 2020 Vision for the provision of health and social care, and the States Housing Strategy (as delivered through the Corporate Housing Programme); and elements of each have been included in the suggestions set out in this report.
- 9.10. In addition, it is essential that the SAMP takes into account the Strategic Land Use Plan (SLUP)⁶. The SLUP provides the framework for the current review of the Island's Development Plan⁷ and ensuring compatibility with the SLUP's

⁶ See Billet D'État XIX 2011.

⁷ It is estimated that the draft Development Plan will be presented to the States for consideration at the end of 2015. The Development Plan will replace the current Urban and Rural Area Plans.

overarching direction has ensured that the SAMP does not include suggestions that will be unable to be delivered through the planning system.

Deliver efficiency savings

- 9.11. The development of the SAMP has been initiated as a FTP project, and ultimately has an objective of securing significant financial savings as soon as possible. The SAMP has, therefore, been designed with this in mind. These savings may take the form of ongoing annual efficiency savings in managing and running fewer buildings, in the non-renewal of leases, and in one-off capital receipts from property disposals. There are also anticipated to be some consequential staff savings as explained in more detail below (paragraph 14.12).

Deliver Common Services from Common Locations

- 9.12. One of the fundamental principles of the SAMP has been to look for opportunities to deliver common services from common locations. The concept behind this principle is simple: activities that have similar service delivery requirements require analogous accommodation and facilities. For example, a number of departments provide administrative services that require interaction with the public; ideally, these should all be located in the same building(s).
- 9.13. The co-location of similar activities should generate improved efficiencies in both the use of buildings but, most importantly, in ease of access for customers and service users. Customers and service users will have a 'one-stop shop' for similar services, rather than being forced to interact with States' services on a departmental basis.
- 9.14. Consideration has thus been given to utilising buildings in a way that enhances service delivery and cross-departmental working rather than being confined solely for a specific department's use. The result is the co-location of similar service delivery functions in one building, regardless of which department their staff actually work for.
- 9.15. However, in pursuing this approach, it is recognised that there are bound to be challenges in the separation of the strategic and delivery arms of some departments; but while there is no perfect solution, it is considered that the advantages of the proposed approach outweigh the disadvantages.

Good Working Environments

- 9.16. The States owns and leases a significant number of properties and a number of them see staff working in less than ideal environments, which are out-dated in design, poorly configured, badly located and expensive to maintain.
- 9.17. While improving service delivery and customer satisfaction are of paramount importance, consideration also needs to be given to improving the working

environments of staff. Evidence shows that a better working environment results in a more productive workforce, which will ultimately result in a better government service being provided. In turn, this is likely to improve the recruitment and retention of staff, reducing the costs associated in these areas.

Flexible Working Spaces and Working Practices

- 9.18. Early on its consideration, the project team identified that if, in parallel with the SAMP, Modern Ways of Working (MWOW) could be introduced, longer-term this would improve the use of States' buildings and enhance the benefits from the SAMP's implementation.
- 9.19. Three broad areas have been identified for further research; namely:
- a) Improved document management – saving documentation and data electronically rather than filing paper copies will lead to a space saving and reduce the overall floor space requirements of the States⁸;
 - b) Flexible ways of working – the notion that every member of staff should have their own desk and that senior staff above a particular grade should all have their own dedicated office, are among antiquated concepts and cultures that need to be changed to provide more efficient working environments. Changing the size and layout of office furniture, reducing the number of individual offices, increasing the use of suitable IT, 'hot desking' and a greater reliance on technology to enable off-site working, are all underdeveloped in the States. (An example of what can be achieved is the development of The Hub within Sir Charles Frossard House, whereby greater numbers of staff have been enabled to occupy a smaller floor space, through a well-designed layout with smaller desks, facilitated by enhanced IT.);
 - c) Adopting a new strategy for the delivery of front-line services – as the public becomes more IT literate it will be possible to provide more services via either the telephone or the internet, which ultimately will require less front-line staff and, in turn, free up office space.
- 9.20. The suggestions contained in this report, therefore, assume that as services and staff are relocated, so MWOW will be introduced, so that the benefits of the SAMP can be maximised. However, the detail of how and when this is to occur, and who will fund and organise it, has yet to be determined.

10. ALIGNING ASSETS TO THE VISION

- 10.1. This section of the report outlines how States' land and property could be aligned to meet the SAMP Vision quoted in paragraph 9.1 above.

⁸A separate FTP workstream has been reviewing document management within the States and, at the time of writing, the findings are under consideration.

- 10.2. In putting forward this outline Plan, it is acknowledged that the perfect solution to ensuring the States has the correct land and property assets, in the most beneficial locations, to deliver its services as appropriately as possible, would be to develop a number of purpose-built properties through a series of capital projects. However, this would be a very long-term and expensive solution, with the benefits not being realised until a significant amount of time had passed; it would be at variance with the objectives of the FTP and place even greater pressure on a Capital Reserve already over-subscribed with potential capital projects.
- 10.3. Therefore, the most pragmatic solution to aligning assets to meet the SAM Vision is to use the properties the States already owns to best effect⁹ and to commission the development of purpose-built accommodation where this is the most appropriate, always ensuring that States-wide objectives for service delivery are the drivers for decision-making in relation to land and property usage.
- 10.4. Nine major suggestions are put forward, as detailed below:

Suggestion 1: The separation of strategic & operational functions

- 10.5. It is commonplace for a department's 'front' and 'back' office functions to be delivered from the same premises, even when those 'back' office functions are policy and research activities that have no requirement to be co-located with its customer/service user interactions, other than convenience and historic practice¹⁰. A good example would be the Education Department's headquarters at La Couperderie; another would be Duchess of Kent House which is part used as a residential home, and part used as the administrative headquarters for the Health and Social Services Department (HSSD).
- 10.6. Secondly, departments sharing buildings is rare, but even where this does occur, some of the combinations are unusual and illogical. For example, Sir Charles Frossard House accommodates the Policy Council, Treasury and Resources, the Environment Department, the Housing Department, the Scrutiny Committee and the Public Accounts Committee. Some of those departments/committees are predominantly customer-facing – Environment and Housing – while the others are far less so.
- 10.7. For many reasons, the present arrangements by which strategic and operational functions are co-located are inefficient, do not put the customer first, and display a lack of professionalism. For example, Sir Charles Frossard House has three reception areas in close proximity as you enter the building, which immediately

⁹ This is not 'make do and mend' in another guise. What is being suggested here is more fundamental in terms of building reconfiguration and refurbishment, allied to the adoption of MWOW.

¹⁰ It is not denied that, in some instances, there are some benefits to the co-location of these functions. This is discussed further in paragraphs 11.3-11.4.

gives the impression to visitors of a duplication of resources, and an emphasis on departmental identity rather joined-up service delivery.

- 10.8. Nonetheless, as acknowledged earlier in this report (paragraph 9.15), there are some advantages in accommodating all divisions of a particular department in one location – not least being the visible sense of the separate divisions being part of one organisation. In practice, however, this is rarely possible, practical, or efficient, nor does it serve the customer well. By way of obvious example, the Public Services Department (PSD) could not physically combine in one office the staff of the Harbour, Airport, Guernsey Water and States Works, but PSD and other departments have learnt to manage separate customer-facing units remotely.
- 10.9. A key proposal of the indicative SAMP is thus to separate strategic¹¹ and operational¹² functions.
- 10.10. To achieve this, it is intended to develop plans to deliver effectively:
 - a) customer-facing services from two convenient locations in St Peter Port – Edward T Wheadon House and the Old States Office (currently occupied by Culture and Leisure and used as the Tourist Information Centre); and
 - b) strategic/‘back office’ functions from a single location – Sir Charles Frossard House.
- 10.11. Subject to further feasibility work, Edward T Wheadon House and the Old States Office¹³ would be refurbished and reconfigured to provide the States’ customer-facing services; these buildings have been selected because they are centrally located, with good public transport links and are close to the main public car parking areas¹⁴. Both buildings are currently under-occupied and could, with careful design combined with MWOW, provide accommodation for significantly greater numbers of staff, whose interactions with the public are similar in nature. (For example, there is the opportunity to co-locate the Careers Service with the Job Centre, and Income Tax with Social Security, both at Wheadon House.) This would enhance the customer experience, and provide opportunities for inter-

¹¹ In this context, ‘strategic’ is defined as the ‘back-office’ work involved with the research of policy or the provision of general management or administrative services with very little, if any, contact with the public.

¹² In this context, ‘operational’ is defined as the customer-facing and front-line service delivery functions of a department.

¹³ As part of these suggestions, the existing occupants of the Old States Office would need to be relocated; in particular, it is expected that alternative premises – in a central St Peter Port location – would need to be sought for the Tourist Information Centre. Maintaining its current location would not necessarily be compatible with that property’s intended use as a customer services’ base, as ‘locals’ would be using the building to seek advice, pay bills, etc., while tourists would be using it to seek out visitor information. Alternative premises for the Tourist Information Centre would be investigated with vigour if the suggestions in this report were adopted.

¹⁴ In line with the SLUP, this would have the added benefit of helping to maintain the vitality and viability of the Island’s main centre by enhancing and diversifying activity.

departmental and inter-agency working on a scale that the dispersed nature of these services militates against. (Details of the initial vision for the location of various services can be found in Section 11 of this report.)

- 10.12. Co-locating the core strategic functions of the States would see all Chief Officers and their immediate strategy/support teams relocate to Sir Charles Frossard House. This arrangement would be designed to ensure improved communications and joint working at the most senior level, while recognising that there would need to be new approaches in managing departmental units that might not be within easy reach.
- 10.13. In addition, the indicative plan for Phase 1 of the SAMP would explore with departments the operational aspects of the Environment Department – Planning; the Housing Department – Housing Control, Tenancy and Property Management; and Treasury and Resources – The Hub¹⁵; relocating to one or other of the two central Town locations to free up space in Frossard House, to enable the building to function clearly as government HQ.
- 10.14. It is also intended to examine whether part of the legal services provided by St James Chambers could be accommodated in Frossard House. Currently, HM Procureur and his team of advocates, lawyers and paralegals are operating out of cramped and overcrowded accommodation totally unsuitable for a modern legal practice. Rather than provide them with expensive purpose-built accommodation, it is considered that there may be capacity within a newly refurbished Frossard House to accommodate those staff who do not need to attend Court on a regular basis (e.g. the legal draftsmen and commercial lawyers), their co-location with staff working on policy development and legislative drafting enabling their more integrated participation in the relevant project teams.
- 10.15. Those Advocates who regularly undertake Court-related work (e.g. the Litigators and Crown Prosecutors), could remain located at St James Chambers, which would then be refurbished to provide more appropriate accommodation, thus reversing the trend of recent years¹⁶.
- 10.16. It is also suggested that many of the staff that work out of Raymond Falla House for the Commerce and Employment Department be relocated to Frossard House, thereby vacating the Longue Rue premises. In the case of the Health and Safety Executive, it is considered that there is space to accommodate them within the adjacent building that houses Environmental Health – with whom they have some working synergies - and the States Analyst's Laboratory.

¹⁵ The Cashiers' function.

¹⁶ It is acknowledged that any such plans will need to have regard to the special status of the Law Officers in relation to their obligations to the Crown and their role within the judiciary.

Suggestion 2: The provision of short-term additional office accommodation to act as decant space

- 10.17. In order to ensure the moves outlined in Suggestion 1 could take place as conveniently, efficiently and cost-effectively as possible - for both customers and staff - it would be necessary for the services and staff affected by the proposed changes to be moved into temporary office accommodation while the major renovation works were underway.
- 10.18. Initial investigations have revealed that there is spare office capacity in the private sector that could be leased on a short-term basis at competitive rates.

Suggestion 3: To base peripatetic/community services at a single location

- 10.19. Staff that provide a community service - for example health and social care professionals, education professionals, and some professionals working for the Home Department (e.g. Safeguarders) - are often required to work alongside each other on specific cases as they have a similar client base. For this reason, there would be benefits for both them and their service users if these services were located together; with appropriate inter-departmental planning, a customer visiting more than one of these professionals could do so in one visit, rather than attend several different locations.
- 10.20. The site of the King Edward VII Hospital is well-suited to provide this integrated service from a purpose-built building(s). HSSD has already given notice of its intention, as part of the 2020 Vision, to re-provide elsewhere the services currently delivered from that site, which is sizeable enough to accommodate all these service providers. It is also out-of-town and thus separate from the more administrative customer services, but centrally-located and reasonably accessible to all Islanders.
- 10.21. With the above in mind, the Policy Council has asked HSSD to report back to the States with proposals on how it could re-provide the services at King Edward VII Hospital no later than the end of 2014.

Suggestion 4: To combine Law Enforcement and Emergency Service functions

- 10.22. For some time, the Home Department has had a vision of combining law enforcement and emergency service functions on one site, to improve operational efficiency and coordination, but it has had difficulty identifying a suitable site.
- 10.23. As part of the SAMP, it is intended to pursue that vision and to continue to look for a site that could act as the headquarters for the Police Service, the Fire and Rescue Service, the Guernsey Border Agency and potentially the emergency

road fleet of St John Ambulance¹⁷. These services share similar site and facility requirements, and locating them on a single site would enable efficiency savings to be made in areas such as control room facilities, parking, servicing and training.

- 10.24. One *possible* site could be the land adjacent to Guernsey Water's headquarters at the St Andrew's/Brickfield Quarry, which is large enough to accommodate all these services; out-of-town, but centrally-located; with good road links to respond to emergency calls.
- 10.25. In putting forward this suggestion, it is acknowledged that it had been planned to sell off part of this site to provide light industrial units. However, the Policy Council decided that it was in the wider States' interest to suspend that sale to allow further feasibility work on this alternative use, as it has the prospect not only of making important FTP savings but also to release sites such as the Fire and Police Stations for sale or redevelopment (see Section 12 below).

Suggestion 5: To construct a Bus Depot

- 10.26. The requirement for a site to garage the Island's bus fleet has been an ongoing saga since the sale and redevelopment of the former Bus Garage in the Grand Bouet to the Guernsey Housing Association (GHA) to provide social housing.
- 10.27. In 2012, an options appraisal was undertaken into possible sites for the construction of a Bus Depot in Guernsey and this identified that the best location available was the area of land currently set aside as a 'Strategic Industrial Reserve' at the Grand Bouet. This site is well located on the road network, lies within a generally industrial area and is immediately available. It is, therefore, suggested as the site for Guernsey's Bus Depot¹⁸.

Suggestion 6: To integrate Education's estate development and rationalisation plans within the SAMP

- 10.28. As part of its recently released Vision for Education, the Education Department has put forward two proposals that are relevant to the SAMP; namely:
- a) the redevelopment of La Mare de Carteret Schools; and
 - b) the consolidation of tertiary education provision.

¹⁷ Some initial exploratory discussions have been held with St John Ambulance, inviting them to consider the merits of a one site location for emergency services.

¹⁸ In addition to locating a site for the Bus Depot, research was also undertaken into the possibility of relocating the Environment Department's Traffic Services from Bulwer Avenue to this site. However, it appears that the new site may not be of sufficient size to accommodate both functions, but an alternative location for Traffic Services will be considered further as the SAMP evolves.

- 10.29. In addition, the Education Department is reviewing the provision of primary education.
- 10.30. Various options have been considered for the redevelopment of La Mare de Carteret High School, including rebuilding the school on the existing site and relocating it elsewhere, but the conclusion was that the current site is the best location for the redeveloped school. However, in accordance with the ethos of the SAMP, it is important that the building and grounds be redeveloped to provide a community resource rather than just a school, not least because of the close proximity of the Island's largest social housing estate.
- 10.31. The Education Department is also proposing that all tertiary education be consolidated at Les Ozouets (on the site of the former St Peter Port High School) and at the College of Further Education outpost at Delancey (the former St Sampson's High School). This would enable the main site of the College of Further Education at La Coutanchez to be vacated.
- 10.32. This latter point is significant because the College of Further Education is part of the La Vrangue Housing Target Area (HTA)¹⁹, which is currently being considered for 'release' by the Housing and Environment Departments to enable a number of private and 'affordable'²⁰ housing units to be developed to meet the requirements identified by the 2011 Housing Needs Survey. The College of Further Education currently 'blocks' development on a significant part of the HTA, so its early relocation would permit key elements of the States Housing Strategy and Corporate Housing Programme to be realised.

Suggestion 7: To take steps to vacate Duchess of Kent House

- 10.33. HSSD currently provides a residential care service at the Duchess of Kent House; a building which is also shared with the Department's Chief Officer and other strategy and 'back office' staff.
- 10.34. As referenced earlier, it is suggested that the HSSD Chief Officer and his immediate support staff be relocated to Sir Charles Frossard House. This would leave part of the building vacant and part of it occupied by the residential home.
- 10.35. In putting forward the 2020 Vision, HSSD has made clear that the provision of a residential care service is not part of its 'core business', with the implication that the care and support needs of the people accommodated there could equally be met by the private sector. The adoption of the SAMP, therefore, provides a

¹⁹ The Housing Department is currently negotiating with all HTA landowners - La Vrangue, Salt pans, Franc Fief and Pointues Rocques - to seek to agree 'heads of terms' by which one or more of these sites can be recommended for development. Planning covenants apply to HTAs, which means that the sites can only be developed if a set proportion of the development is allocated to 'affordable housing'. A report to the States recommending the release of one or more of these HTAs is in preparation.

²⁰ In the context of this report, 'affordable housing' refers to general needs social rental housing, partial ownership housing, sheltered housing, extra care housing and key worker housing.

strong motivation to progress an alternative provision, to enable the complete vacation of Duchess of Kent House at the earliest opportunity.

- 10.36. In putting forward this suggestion, it is acknowledged that there are sensitivities involved; in particular, because the Duchess of Kent House currently provides a home for 36 older Islanders with various types of dementia. Detailed research is, therefore, required to determine how this proposal could be taken forward and great care will need to be given during the implementation stage to ensure that the care needs of existing residents are fully taken into account²¹.
- 10.37. With this in mind, the Policy Council has asked HSSD to report back to the States with proposals on how the residential care service at Duchess of Kent House can be re-provided no later than the end of 2014.

Suggestion 8: To investigate the transfer of the States' Housing Stock to a Housing Association

- 10.38. 'Affordable housing' in Guernsey is provided by both the Housing Department and the Guernsey Housing Association (the GHA).
- 10.39. When the States first debated the introduction of housing associations in Guernsey in 2001, it resolved:

'To note that the States Housing Authority will in due course consider the merits of housing stock transfers and report to the States as appropriate.'²²

- 10.40. The Housing Department currently owns and manages approximately 1,700 units, while the GHA owns and manages around 500 units – a figure that is continually rising with each new development. It, therefore, now appears appropriate to consider whether it is in the best interests of the Island to have two social housing landlords providing to all intents and purposes the same service, albeit, presently, to different groups of tenants.
- 10.41. At this stage, this initiative has not been developed or a feasibility study undertaken; and there are a large number of issues that will need to be reviewed and resolved to determine whether such a stock transfer is a valuable and worthwhile option. Accordingly, the Housing Department has been asked by the Policy Council to look into all the pros and cons of transferring its housing stock to the GHA or another housing association, and to report back to the States with its findings as soon as possible, but no later than April 2016²³.

²¹ In this regard, the learning gained from the current initiative to provide alternative accommodation for the residents of Longue Rue House and Maison Maritaine will be instructive.

²² States Housing Authority 'Housing Associations in Guernsey: Funding and Regulatory Issues' Billet d'État XIX September, 2001.

²³ If a stock transfer were to take place, the role of the current Housing Department would be to focus solely on housing strategy and development, with the housing association(s) having responsibility for housing development, the allocation of tenancies, tenancy management and property maintenance.

- 10.42. If, following investigation, this proposal were to be deemed feasible and the transfer of stock took place, the likelihood is that a significant capital payment would be received, which could then be used to fund future affordable housing projects and/or other projects in the States Capital Programme. There has, however, been some exaggerated and unsubstantiated speculation as to what that capital sum may be; but, if the UK experience is to be mirrored in Guernsey, it will be substantially less than the market or rebuild value of the properties, to reflect their ongoing use as social housing.

Suggestion 9: To progress the Key Worker Housing Project

- 10.43. In 2007, the States considered a joint Report from the Housing Department and HSSD entitled “An Integrated Corporate Strategy to meet the Island’s Needs for ‘Key Workers’”²⁴, and agreed that an integrated corporate strategy be formulated to address the issues relating to the recruitment and retention of key workers employed by the States of Guernsey.
- 10.44. Of particular relevance to the SAMP, the report highlighted that a change to the current policy for accommodating key workers – primarily those employed by HSSD, Education and the Home Department - could deliver significant long-term revenue and capital savings.
- 10.45. Specifically, if a housing association ‘partner’ could be found: (i) to take over the management of the States’ existing portfolio of directly provided key worker accommodation; and (ii) to establish a build programme of purpose-built accommodation for key workers – then estimated to be approximately 200 – 250 units; in time that would reduce the States’ reliance on acquiring and/or renting properties from the private sector, which is not cost-effective.
- 10.46. Late in 2009, a formal selection process was initiated to identify a housing association with the expertise to manage both new and existing accommodation for key workers. This attracted responses from four reputable housing associations and following shortlisting and interviews, it was agreed ‘in principle’, in 2010, that the GHA be the preferred States’ ‘partner’²⁵.
- 10.47. Unfortunately, since 2010, work on progressing this important project has continually been stifled due to a lack of resources available to develop the necessary policy and operational requirements, the scope of which are substantial.
- 10.48. However, given the anticipated significant savings to be made, the SAMP is the appropriate vehicle to highlight the need to invest time and money in progressing this initiative. This is a matter that Policy Council will consider further as part of its responsibility for the FTP.

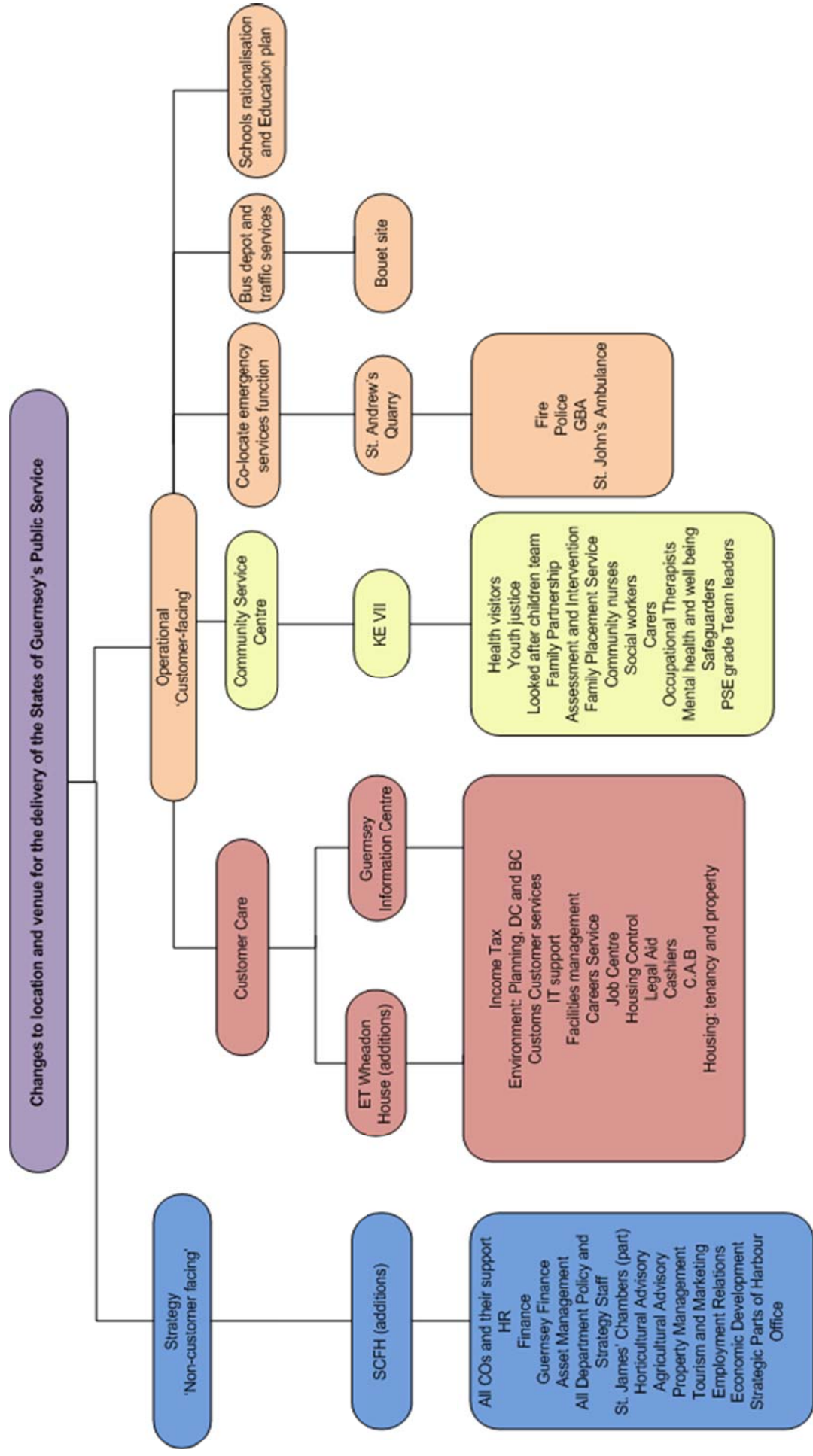
²⁴ Billet d’État XI 2007.

²⁵ This appointment has yet to be presented to the States for ratification.

11. CHANGES IN SERVICE DELIVERY AND LOCATION

- 11.1. The preceding paragraphs have set out various changes to the manner in which States' land and property could be used if the SAMP was adopted. Implicit in these changes would be fundamental reorganisation in the manner in which public services are delivered, associated with changed locations and the adoption of new management practices. Put simply, the SAMP would be the most far-reaching transformational project yet seen as part of the FTP, with implications for all States' departments and committees, their staff, and the public at large.
- 11.2. Figure 3 below summarises the suggested SAMP on one page. It shows the intended locations for various services affected by the SAMP, **albeit that their final destinations have yet to be determined definitively, this being the subject of further consultation and detailed analysis *once the States has agreed the principles set out in the Plan*.** (This is to avoid the potential for a considerable amount of redundant work being undertaken if the States does not approve the SAMP principles.)
- 11.3. That said, there is no doubt that publishing these ideas will prompt various concerns about their practicality and desirability. For example, various concerns have already been expressed about senior managers being located in one property, while their operational staff are located elsewhere, albeit, as already explained, a large department such as HSSD, Home or PSD, already manages such issues. **The degree to which this *principle* of separation is practical or beneficial will form part of the consultations with departments before any part of the intended SAMP is implemented.**
- 11.4. What is clear that, assisted by modern technology, management practices will need to change if the SAMP is to be successfully implemented; and the commitment of the entire organisation to make those changes – and not be knocked off course by those resistant to change - will be paramount. In this regard, the support already given to the SAMP by departmental Chief Officers will need to be followed through in a practical and sustained way to achieve the benefits identified.

Figure 3: Strategic Asset Management Plan for Improved Delivery of Services via States of Guernsey Property



12. PROPERTY RATIONALISATION AND THE USE OF SALE PROCEEDS

- 12.1. Through a phased implementation programme, the adoption of the SAMP, as presented, would result in more than 20 properties being vacated: (i) for sale or redevelopment where they are owned by the States; and (ii) through non-renewal of leases where they are rented. This, in turn, should result in substantial revenue savings and capital receipts.
- 12.2. Table 1 sets out: the buildings that are proposed for release under the SAMP; their current and anticipated future usage; and to where their current occupants might be relocated. It is to be stressed that no final decisions have been made in respect of any these proposals, particularly in relation to the future use of the larger properties/sites highlighted as possibilities for vacation. (When decisions do need to be made, there are procedures already in place to determine how they are made; and these are referred to briefly in paragraph 16.4 below – and reinforced in the recommendations.)
- 12.3. However, given that the SAMP anticipates significant investment in the refurbishment of existing buildings and in new build projects, the opportunities to fund or part fund the SAMP programme through sale proceeds is attractive, providing that such opportunities do not compromise the achievement of current or future States' objectives.
- 12.4. With this in mind, it would be foolhardy to sell off a substantial property where an alternative use of the site or building can be identified to meet a strategic need. In this regard, when considering the properties proposed for sale, five have been identified as sites that could *potentially* be purchased by the Housing Department for housing redevelopment – principally, but not exclusively, to meet 'affordable housing' needs²⁶. Of these, due to their proximity to the Princess Elizabeth Hospital, two sites have been identified as suitable to be redeveloped to meet key worker housing needs - at Beauville (which forms part of the wider Priaulx Garage site already earmarked for this purpose) and at Duchess of Kent House.
- 12.5. In support of this suggestion, as mentioned previously, there is outstanding housing need in Guernsey, which can be evidenced from sources such as the 2011 Housing Needs Survey and the social housing waiting lists. In seeking to meet this need, the Housing Department has set itself a strategic objective to provide an average of at least 100 units of 'affordable housing'²⁷ per annum over the next 10 years.
- 12.6. Currently, the two biggest obstacles to achieving this objective are the availability of finance and the availability of land.

²⁶ Increasingly, through the GHA, mixed tenure developments are being built, combining social rental and partial ownership tenures. In principle, there is no reason why future developments could not also include properties for outright sale or for market rent.

²⁷ See footnote 20 for a definition.

- 12.7. In respect of finance, the Housing Department has submitted a capital prioritisation bid to fund “The Housing Development Programme: 2013 – 2022”²⁸, which anticipates funding being drawn from the outstanding balances in the Corporate Housing Programme Fund.
- 12.8. However, the Housing Department cannot guarantee that it will not have to make bids to use the Capital Reserve over this period, as the bid is predicated upon a number of assumptions about development costs, one of the most significant of which is the cost of acquiring land.
- 12.9. Depending on who the owners are - and the planning considerations that apply²⁹ - different land types will result in different development costs; and the Housing Department’s capital prioritisation bid assumes that the Department will be in a position to exhaust the development potential of the least costly development option before resorting to the second, then the third, etc. until the target of 100 affordable dwellings per annum has been reached. In this respect, redeveloping States-owned land is anticipated to be one of the most cost-effective options; purchasing land at commercial rates from the private sector being the most expensive.
- 12.10. Furthermore, the Housing Department has now exhausted all the land under its own control that can be redeveloped to provide ‘affordable housing’ and thus it is seeking to find alternative sources of developable land either privately- or publicly-owned.
- 12.11. In respect of the latter, in 2010³⁰, the States agreed:
- ‘That any States-owned property or land, outside of the Housing Department’s control, that is provided for the purpose of housing development in pursuit of Corporate Housing Programme objectives, shall be charged to the Corporate Housing Programme Fund at a discount to its residual land value, such sum to be agreed between the Housing Department and the Treasury and Resources Department on a case-by-case basis.’
- 12.12. Accordingly, as a working assumption in this report (and in Housing’s capital prioritisation bid), it has been assumed that any States-owned land released for housing development consequent upon the adoption of the SAMP shall be purchased by the Housing Department at 70% of the market value for each site³¹.

²⁸ This will be the subject of a forthcoming States Report.

²⁹ For example, Planning Covenants apply to HTAs, which means that the sites can only be developed if a set proportion of the development is allocated to ‘affordable housing’, which reduces their commercial value.

³⁰ Housing Department ‘Corporate Housing Programme – Progress against the 2009 Action Plans and Future Strategy’ Billet d’État XI May 2010.

³¹ The situation regarding the College of Further Education site at La Coutanche is less clear cut because a Planning Covenant – see footnote 29 – will apply to its development; and the development of this States-owned part of the HTA cannot be looked at in isolation from the development of the adjacent land parcels in the HTA, which are in private ownership.

Table 1: Properties initially identified for release under the SAMP

PROPERTY	CURRENT STATUS	CURRENTLY OCCUPIED BY	INTENDED SERVICE/STAFF RELOCATION	ANTICIPATED FUTURE USE OF PROPERTY
Bell House	Owned	HSSD – Child and Adolescent Psychiatry Service	New Mental Health Centre, Princess Elizabeth Hospital site/ King Edward VII Hospital site	Sell to the private sector
Fire Station	Owned	Home Department	St Andrew's Quarry or another site	Sell to the private sector
Haywood House	Owned	Vacant	N/A	Sell to the private sector
2 Cornet Street	Owned	Treasury & Resources Department – Income Tax	Edward T Wheadon House	Sell to the private sector
Lukis House	Owned	HSSD - Children's Services: School Nurses and Health Visitors /Home Department – Youth Justice	King Edward VII Hospital site	Sell to the private sector
Police Station	Owned	Home Department – Guernsey Police	St Andrew's Quarry or another site	Sell to the private sector
Raymond Falla House	Owned	Commerce & Employment Department	Sir Charles Frossard House	Sell to the private sector

Swissville	Owned	HSSD – Children's Services	King Edward VII Hospital site	Sell either: (i) to the private sector; or (ii) to the Housing Department for development of affordable housing
1 – 6 Court Row	Leased	Home Department – Safeguards	King Edward VII Hospital site	Non-renewal of lease
Frances House	Leased	Data Protection Commissioner	Sir Charles Frossard House	Non-renewal of lease
Glategny Esplanade	Leased	Policy Council - Legal Aid	Edward T Wheadon House	Non-renewal of lease
Les Vardes House	Leased	Home Department HQ	Sir Charles Frossard House	Non-renewal of lease
Ozanne Hall	Leased	Home Department – Guernsey Border Agency	St Andrew's Quarry or another site	Non-renewal of lease
Castel Hospital	Owned	HSSD – Acute Mental Health Service, Albecq Ward, Psychiatry, Wellbeing Day Centre, Community Mental Health Service, Drug	Mental Health and Wellbeing Centre (under construction)/King Edward VII Hospital site	Future use uncertain. The site can be used to decant staff to while other renovations and new builds take place.

		and Alcohol Service, Community Nurses and Community Teams, Sexual Health Clinic, Staff Accommodation			
New Jetty (partial)	Owned	Public Services Department – Harbour Office	Sir Charles Frossard House/Old States Office – as appropriate	To be redeveloped as part of the wider waterfront redevelopment associated with the Ports Master Plan	
Duchess of Kent House	Owned	HSSD – part HQ; part residential home	Sir Charles Frossard House and private sector provider	Sell either: (i) to the private sector; or (ii) to the Housing Department for development of key worker units	
Beauville House	Owned	HSSD – residential home for people with a learning disability	Staff to be redeployed within HSSD services	Sell either: (i) to the private sector; or (ii) to the Housing Department for development of key worker housing units	
La Coutanchez	Owned	Education Department – College of Further Education	Tertiary education sites at Les Ozouets and Delancey	Sell either: (i) to the private sector; or (ii) to the Housing Department for redevelopment as part of the La Vrangue Housing Target Area	
La Couperderie	Owned	Education Department – HQ, Careers Service	Sir Charles Frossard House/Old States Office/King Edward VII Hospital site – as appropriate	Sell either: (i) to the private sector; or (ii) to the Housing Department for development of affordable housing	

13. IMPLEMENTING THE SAMP

Establishing a SAMP Programme

- 13.1. In order for the benefits of the suggestions outlined above to be realised in a timely fashion, the simultaneous implementation of a number of major interrelated projects would have to take place. This means that to achieve successful outcomes, a significant amount of project management and coordination would be required, all of which would need to be adequately resourced (see paragraphs 17.7-17.9 below).
- 13.2. It is thus intended that the SAMP be implemented by means of a programme of projects, undertaken in several phases, and centrally managed and coordinated. At the time of writing, the exact means by which this is to be achieved is still under consideration, but it will almost certainly require a mixture of both internal and external resources³².
- 13.3. In the meantime, the imperative to make savings under the FTP - and the important contribution that the SAMP can make to their achievement - has focused attention on how much of the SAMP could be undertaken in an initial phase; and, if at all possible, by the end of 2014 to achieve the FTP timetable. That is the focus of the succeeding paragraphs.

Phase 1 – Making savings now

- 13.4. In the initial implementation phase of the SAMP, it would be recommended that the refurbishments of three office buildings take place simultaneously as this would maximise the number of properties/sites that could be vacated in the shortest timescale.
- 13.5. The three buildings to be upgraded and refurbished would be:
 - Sir Charles Frossard House
 - Edward T Wheadon House
 - The Old States Office
- 13.6. In addition, facilitated in the main, but not exclusively, by the above, it would be recommended that the following ten properties be vacated in Phase 1 - to be either sold, redeveloped or their leases not renewed:
 - Beauville
 - 2 Cornet Street
 - 1-6 Court Row
 - Duchess of Kent House

³² An update on this will be provided as part of the States Report on Capital Prioritisation.

- Frances House
- Hayward House
- La Couperderie
- Lukis House
- Raymond Falla House
- Swissville

The three refurbishments

- 13.7. Planning and carrying out the refurbishment of three major office buildings simultaneously will be challenging both practically and logistically; however, this work would have been necessary regardless of the SAMP, as, by today's standards, neither Frossard House nor Wheadon House are fully fit for purpose. Both are out-dated in their internal design and layout, and each would benefit from modernisation in terms of their facilities, heating, lighting, IT, electrical systems, etc.³³
- 13.8. In relation to the Old States Office, the challenges are even greater. Built and occupied exactly a century ago, as the first purpose-built office accommodation for the States, it is many years since it fulfilled this function.
- 13.9. Furthermore, it is a protected building and any alterations must be acceptable under the provisions of the Land Planning and Development (Guernsey) Law, 2005; however this does not mean that no changes are possible. Informal discussions with the Environment Department's Planning Section and other staff with heritage responsibilities have already commenced, and these will be progressed further following agreement to its intended new use.
- 13.10. Finally, given these issues, it may be questioned why this building has been earmarked for refurbishment. There are two reasons: (i) because the States has a responsibility, under the SLUP, to look after its heritage assets and this building falls within that responsibility; and (ii) because informal enquires have established that it is unlikely to be attractive to purchase or rent by the private sector. Accordingly, given its favourable location, it seems sensible to maximise its use for States' purposes.

Temporary accommodation

- 13.11. The intended future uses of the properties to be vacated in Phase 1 were shown in Table 1.
- 13.12. However, because the occupants of some of those buildings/sites would not be able to be accommodated immediately in their intended new locations, it would be necessary to make provision for them to occupy temporary accommodation.

³³ Work has already commenced on upgrading Frossard House. This would be continued and accelerated if the Phase 1 proposals were adopted.

- 13.13. An example is the vacation of the Education Department's headquarters at La Couperderie. While the Education Department's administrative staff might be relocated to Frossard House, the new community services base at the King Edward VII Hospital site would not be ready for occupation in the same timescale to accommodate the professional staff that might move there.
- 13.14. Another example is the vacation of Lukis House.
- 13.15. For four reasons, it would be recommended to use the Castel Hospital site to provide the temporary accommodation for those professional staff affected; namely: (i) because the site is largely vacated; (ii) it is of sufficient size to accommodate the numbers of staff involved; (iii) the site has a long history of providing temporary accommodation for professional staff; and (iv) because establishing the best future use for such a substantial and strategic site is likely to take a considerable amount of time to agree and plan³⁴.
- 13.16. At this stage, it is not known whether any such temporary accommodation would be provided within the Hospital buildings themselves or in portacabins on land within the Hospital's environs. The final decision would be subject to cost appraisal and planning considerations.
- 13.17. Similarly, at this point, it is not known for how long this temporary accommodation might need to be in place, although the intention would be that work should start immediately on planning the vacation and redevelopment of the King Edward VII Hospital site, to keep this time period to a minimum.

14. FINANCIAL IMPLICATIONS OF THE SAMP

- 14.1. At this stage, no attempt has been made to cost the financial implications of implementing the entire SAMP, pending States' approval of the broad vision set out in this report.
- 14.2. However, given one of the imperatives for developing a strategic approach to the use of States' land and property assets was the need to reduce ongoing revenue costs and generate capital receipts in respect of the FTP, the financial implications of adopting Phase 1 (as outlined) have been estimated.

One-off/capital implications of Phase 1

- 14.3. Assuming that all the owned sites vacated were to be sold privately, the table below sets out the estimated one-off/capital costs of the Phase 1 suggestions, together with estimated capital receipts.
- 14.4. In considering these figures, it is stressed that all the works', leasing and programme management costs represent best estimates at this stage.
- 14.5. Similarly, all capital receipts are based on rough, desktop valuations supplied by an independent, locally-qualified RICS valuer, using a number of assumptions discussed

³⁴ This explains why no recommendations are made for the use of this site as part of the SAMP.

and agreed with the project team³⁵. They do not represent formal valuations, but these would be obtained if there was agreement to progress Phase 1 as outlined.

- 14.6. The leasing costs are in respect of office space needed in the short-term to accommodate staff displaced by the refurbishments. At the moment, there are a number of suitable available offices in St Peter Port.

Table 2: Capital cash flow assuming all private sales

	2013	2014	2015	2016	2017	Grand Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Refurbishments	1200	6000				7200
Leasing	100	200				300
Programme Management	2200	2300				4500
Total expenditure	3500	8500				12000
Less generation of capital receipts	300	700	5100	5100	7000	18200
Net Requirement	3200	7800	-5100	-5100	-7000	-6200

- 14.7. As an alternative to the above, Table 3 overleaf assumes that the Housing Department acquires four of the sites in Phase 1 to provide 'affordable housing'³⁶. Applying the assumption mentioned earlier that the Housing Department would acquire them at 70% of their market value, these have been valued at £9.5m. The discount (worth £2.8m) recognises the fact that land for 'affordable housing' is worth less than for market housing, the differential representing its social value.

³⁵ The valuations have been made based on the general assumption that the buildings would be marketed and sold as development projects with planning permission for either residential or commercial use, depending on the site.

³⁶ Swissville, La Couperderie, Beauville and Duchess of Kent House.

Table 3: Capital cash flow assuming some sites are purchased by the Housing Department

	2013	2014	2015	2016	2017	Grand Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Refurbishments	1200	6000				7200
Leasing	100	200				300
Programme Management	2200	2300				4500
Total expenditure	3500	8500				12000
Less generation of capital receipts	300	500	9600	2500	2500	15400
Net Requirement	3200	8000	-9600	-2500	-2500	-3400

14.8. Comparing Tables 2 and 3, there are financial advantages in the sites being acquired by Housing; being entirely internal transactions, the capital receipts for those sites can be accrued earlier without there being any issues of 'flooding the market' with major property sales.

14.9. Finally, whichever option is adopted, the £12m investment requirement, albeit it can be funded by estimated future capital receipts, is dependent on a successful Capital Prioritisation bid to the States in September (see Section 16 below).

Ongoing/revenue implications

14.10. In implementing the Phase 1 suggestions, it has been assumed that, although there will be the possibility of improving energy efficiency as part of the refurbishments, there will be an estimated additional cost of £150k per annum for accommodating more staff in the three refurbished office buildings.

14.11. Importantly, revenue savings are estimated to be in excess of £1m per annum in a full year. These relate primarily to reductions in building running costs but also include the monies recouped through not renewing leases in the properties specified in Table 1. However, it must be understood that these are estimates, based on the best information available, because, as noted earlier, there is very limited historical financial data available, so as many sources as possible have been used to establish and 'sense check' these estimates.

14.12. Finally, some £300k of the estimated £1m+ savings relate to the anticipated rationalisation of administrative and other support staff, which the SAMP will

facilitate. This figure represents the minimum savings that it is believed can accrue from co-locating groups of staff such as reception, facilities management, personal assistants, and general administrative staff, that presently are dispersed in several locations where they support one department rather than several.

Alternative proposals

14.13. When the suggestions in this report were presented to States Members, a number of concerns were raised, including: their far-reaching scope; the speed with which Phase 1 was intended to be progressed; the inflationary effect of simultaneous building projects; the potential reduction in receipts from taking properties to market simultaneously; and whether there were alternatives – particularly in relation to the proposed reorganisation of office-based services and the potential redevelopment of some sites to provide ‘affordable housing’.

14.14. Responding briefly to some of these:

- Delivery of Phase 1 could be undertaken over a longer period, as the intended timetable is very ambitious; but this would cost more, through prolonged leasing of decant office space, extended programme management costs, and deferred capital receipts and revenue savings. This, in turn, would require departments to find greater savings to meet their FTP targets and would have an adverse ‘cash flow’ impact on the soon to be debated Capital Programme. Nonetheless, the timing of SAMP projects within the overall Capital Programme is a process that can and should be managed.
- The timing of capital receipts generation will depend on when the States is ready to go to market. It is anticipated that sales of the properties owned by the States would be on a phased basis so as not to swamp the market. They would also be subject to obtaining the best value from the properties in terms of planning permissions and use classes.
- Providing a purpose-built office building either in St Peter Port or another location would cost more than refurbishing all the existing buildings for the purpose. It is also questionable whether, in the current financial climate, such a project would be prioritised above the building of a new school or health care facility, while finding a suitable site – particularly in St Peter Port – would be problematic.
- Acquiring a purpose-built office building – such as Mill Court adjacent to Frossard House - could cost between £10-15m, making it as expensive as all the refurbishments proposed in Phase 1; two of which – Frossard House and Wheadon House – would still be required.
- All the vacated sites could be sold to the private sector, rather than earmarking four of the ten for ‘affordable housing’; this would generate an estimated £9.5m in receipts in gross terms. However, there is a pressing need for ‘affordable housing’ sites, so alternative private sector sites would need to be acquired,

almost certainly at a cost higher than £9.5m for an equivalent land area. Furthermore, even if transferred to the GHA, the four sites would remain within the States' 'control', under the regulatory arrangements that apply to land passed to the GHA for development.

- In addition, the Capital Reserve would receive an injection from the Corporate Housing Programme Fund of a total of £6.7m at the point the sites were transferred. The Corporate Housing Programme Fund is, of course, also the States' money, but it would provide some additional resource within the Capital Reserve for non-housing capital projects.

15. SUBSEQUENT PHASES

- 15.1. Although one of the emphases in this report is on the prompt implementation of Phase 1, the significance of the other intended projects in the SAMP should not be forgotten or understated.
- 15.2. For some projects, there are timing issues associated with land use planning considerations (see paragraph 17.2 below), but this should not be used as a reason not to commence investigatory and other preparatory work ahead of those considerations being resolved. In particular, the need to release the King Edward VII Hospital site is critical for the reasons set out in paragraphs 13.12-13.17, while the early relocation of the College of Further Education is strategically of paramount importance to maximising the development potential of the La Vrangue HTA to meet housing requirements.
- 15.3. Similarly, to bring about savings, there is an imperative to investigate alternatives to HSSD providing residential care at Duchess of Kent House.
- 15.4. Preparations for the implementation of Phase 2 projects should, therefore, be carried out during the implementation of Phase 1, making the implementation of the SAMP a smooth, continuous process and not a stop-start approach.

16. CAPITAL PRIORITISATION AND OTHER GOVERNANCE ISSUES

- 16.1. Mention has been made above of the Capital Programme and capital prioritisation. The Capital Programme for the next 4 years – 2013-2017 – is due to be debated at the September 2013 States Meeting, when there will be a report from the Treasury and Resources Department on the prioritisation of capital projects.
- 16.2. It is pleasing to report that the key elements of the suggested SAMP have all been the subject of specific capital prioritisation bids; namely:
 - The Phase 1 proposals to refurbish three office buildings and vacate 10 other properties;
 - The Community Services Centre planned for the King Edward VII Hospital site;
 - The possibility of combining law enforcement and emergency service functions at a single location;

- A new Bus Depot at the Grand Bouet;
- The rebuilding of La Mare De Carteret Schools;
- The rationalisation of tertiary education from three sites to two;
- The Housing Development Programme: 2013 – 2022.

- 16.3. This demonstrates that any decisions that the States makes in relation to this report can only be implemented if the projects are subsequently prioritised for capital funding.
- 16.4. In similar vein, if the SAMP is subsequently approved: all capital projects undertaken by departments in fulfilment of the SAMP will require to be approved individually by the States in the normal manner before they can commence or expenditure can be incurred³⁷; all property disposals – whether to the private market or to any housing associations for ‘affordable housing’ - will be subject to the normal appraisal processes carried out by Treasury and Resources; as will any ‘discounts’ to be applied to sales of property associated with the provision of ‘affordable housing’.
- 16.5. **Finally, via this report, the States is being asked only to agree *the principles* underpinning the SAMP. Nonetheless, it must be understood that the imperative for its prompt implementation means that once further feasibility work has been undertaken in conjunction with departments, as part of its responsibility for the FTP, it will fall to the Policy Council, working in conjunction with Treasury and Resources, to decide and give approval for whatever programme of works, etc, is required in Phase 1 to implement promptly the principles agreed by the States.**

17. OTHER ISSUES

Planning Requirements

- 17.1. A key consideration in developing the SAMP has been to ensure that its various projects are achievable under the planning regime. Accordingly, all the suggestions have been prepared in cognisance of the Strategic Land Use Plan, and are aligned to meeting both its objectives and the requirements of the new Development Plan being prepared by the Environment Department, which is due to come into force from the beginning of 2015.
- 17.2. This is important to understand how quickly some of the proposals could be progressed, as the possible single location for emergency services at the St Andrew’s Quarry site would not be permissible under the current Rural Area Plan, but there might be a policy gateway under the new Development Plan. Similar considerations apply to the establishment of a Community Services Centre on the King Edward VII Hospital site.
- 17.3. Mention has also been made of the ‘protected building’ status of the Old States Office, where detailed advice is required to determine what refurbishment is permissible.

³⁷ Treasury and Resources has the power to agree the release of some funds to carry out initial investigatory and appraisal work in respect of capital projects.

- 17.4. Formal consultations with the Environment Department's Planning Section will commence once the SAMP has been approved and will continue throughout every stage of its implementation.

Parking

- 17.5. The proposals in relation to Frossard House, Wheadon House and the Old States Office, are likely to prompt concerns about car parking provision – for staff and the public alike. While not wishing to underplay these concerns, the opportunities to introduce MWOW with, for example, staggered start and finish times for staff, may mitigate any foreseen problems.
- 17.6. Similarly, the Traffic Strategy to be presented to the States by the Environment Department may include measures that reduce the impact of any assumed additional parking requirement.

Resource Implications for States Property and ICT Services

- 17.7. At the time of writing this report, the exact details and extent of works involved in the refurbishment of the three St Peter Port office buildings is not known, but professional advice is being sought to firm up the requirements. What is clear is that the extent of works involved, and the logistical challenges they present, will stretch the limited resources available to States Property Services.
- 17.8. It is a similar story in respect of IT, as associated with these works is the need to ensure that the IT network and services are robust, and can support the services to be delivered from the various locations both in Phase 1 and subsequent implementation phases.
- 17.9. External consultants with the relevant expertise have been engaged to carry out some initial feasibility work, and to assess the resource requirements of implementing Phase 1 of the SAMP in particular, including the project management requirements. They have also been asked to advise on the scheduling and timetabling of the works to be undertaken.

Environmental Impact

- 17.10. In terms of environmental impact, all building and refurbishment projects will look wherever possible to use modern methods of construction and to include eco-friendly, energy saving features.

Housing Licence Implications

- 17.11. At this stage it is not possible to say with any certainty whether any housing licences will be required to project manage the programme of projects envisaged under the SAMP. However, in progressing individual capital projects, contractors and/or sub-contractors may need to employ non-resident labour.

- 17.12. In all cases, steps will be taken to ensure the use of housing licences is kept to a minimum.

18. COMPLIANCE WITH THE PRINCIPLES OF GOOD GOVERNANCE

- 18.1. An assessment of compliance with the principles of good governance is included in Appendix 2 to this report.

19. CONSULTATION WITH THE LAW OFFICERS

- 19.1. The Law Officers have been consulted and have not identified any legal difficulties with the recommendations.

20. CONCLUSIONS

- 20.1. This report sets out a means by which fundamental changes could be made to the way in which public services are delivered, staff are managed and how they carry out their day-to-day duties reorganised. That they are prompted by suggestions for the way that the States uses its land and property should not be off putting; although much of this report has inevitably focussed on land and property these are nothing but the enablers. Instead, the SAMP should be viewed as a means to support and assist the delivery of a number of strategic initiatives, such as the Vision for Education, the 2020 Vision and the States Housing Strategy.
- 20.2. Nonetheless, as acknowledged above, if adopted, the SAMP will represent one of the most far-reaching transformational projects ever to be undertaken by the States, with implications for all States' departments and committees, their staff, and the public at large. Accordingly, the resource and change management impacts cannot, and must not, be understated or ignored.
- 20.3. At its heart, the SAMP sets out a radically new approach to managing land and property under the States' control. Successful implementation of the SAMP will result in a truly States-wide approach to asset management and, as a result, benefits such as efficiencies in service delivery, improved customer satisfaction, greater staff morale, increased work productivity and ultimately financial savings can all be achieved.
- 20.4. The potential inclusion of St John Ambulance in the plans for a single emergency service shows that, in successive iterations, there are opportunities for the SAMP not only to bring benefits to the States and the general public, but also to facilitate closer working with Third Sector organisations – a key priority in the Social Policy Plan. (To take but one example, consideration could be given to co-locating the Citizen's Advice Bureau within either Wheadon House or the Old States Office.)
- 20.5. With careful management and timing, there also immediate benefits that can accrue to the local economy – both in terms of property sales and building projects. Although the exact extent of refurbishment, redesigning and general development required as a result of the SAMP proposals is unknown at this stage, it is anticipated to be substantial and so should help stimulate the local construction industry at a time when it is reporting low order books.

21. RECOMMENDATIONS

The Policy Council and the Treasury and Resources Department recommend the States to:

- i) Adopt the principles underpinning the Strategic Asset Management Plan as described in Section 9 of this report;
- ii) Agree that, in consultation with departments, developing and implementing Phase 1 of the Strategic Asset Management Plan should commence immediately;
- iii) Note that all capital projects to be undertaken by States' departments in fulfilment of the Strategic Asset Management Plan, including those identified in Phase 1, shall be subject to capital prioritisation;
- iv) Note that the Treasury and Resources Department shall be responsible for making decisions on all disposals of property in fulfilment of the Strategic Asset Management Plan, including all disposals associated with the provision of 'affordable housing'.

P A Harwood
Chief Minister

G A St Pier
Minister -Treasury and Resources Department

3rd June 2013

4th June 2013

J P Le Tocq (Deputy Chief Minister)
M H Dorey
D B Jones
A H Langlois
P A Luxon
M G O'Hara
R W Sillars
K A Stewart

J Kuttelwascher (Deputy Minister)
A Spruce
R A Perrot
A H Adam

Appendix 1 – Principal Objectives of the Corporate Property Plan

The principal objectives of the Corporate Property Plan are to:

- Ensure the efficient, effective and sustainable use of States-owned land and property to meet the key objectives of the States Strategic Plan.
- Maximise the contribution of land and property assets to underpin the delivery of the States' priorities in the States Strategic Plan.
- Increase the contribution of land and property assets to promote regeneration of the Island infrastructure.
- Set standards and establish benchmarks, monitoring and continuously improving the manner in which States property is managed.
- Provide innovative accommodation solutions which meet the service needs of Departments within defined space and cost parameters.
- Deliver appropriate acquisitions by employing the expertise of States Property Services and external professionals where appropriate.
- Minimise the opportunity cost of holding land and property whilst optimising the value of the States asset base.
- Ensure Departments are aware of the true costs of occupying property, through the introduction of notional rental charges (starting with office accommodation) over a period of time.
- Manage and maintain assets to deliver improved sustainability, reduced carbon emissions and lower energy consumption.
- Identify, adopt and disseminate best practice in construction, estate and property management, ensuring continuous improvement.
- Develop a portfolio which offers quality, flexibility and value for money.
- Establish standards, lead, support and advise Departments in all aspects of the management of property and the delivery of value for money for States construction projects.
- Raise awareness and the profile of property as a valuable resource linked to business plans and service delivery.

Appendix 2 – Assessment of Compliance with the Six Principles of Good Governance

Core Principle 1: <i>Good Governance means focusing on the organisation's purpose and on outcomes for citizens and service users.</i>	The principle objective of the SAMP is the “ <i>efficient and cost-effective use of property to best enable and deliver services and Government functions in accordance with States' strategic objectives</i> ”. The outcomes of the SAMP are directly aligned to meeting this Good Governance principle.
Core Principle 2: <i>Good Governance means performing effectively in clearly defined functions and roles.</i>	The SAMP is a States-wide efficiency saving project under the auspices of the FTP, which has an established governance structure that specifies the role of each individual.
Core Principle 3: <i>Good governance means promoting good values for the whole organisation and demonstrating the values of good governance through behaviour.</i>	The proposals made within the SAMP are focused on meeting corporate strategic objectives in the most efficient way and in correcting the ‘poor’ behaviours in the past management of land and property. The property assets of the States, as a whole, have been taken into account in drawing up the SAMP, and its proposals impact directly to some degree on every department and committee.
Core Principle 4: <i>Good governance means taking informed, transparent decisions and managing risk.</i>	The report identifies the approach that has been taken in drawing up the SAMP and highlights various risks that will need to be managed if it is adopted.
Core Principle 5: <i>Good governance means developing the capacity and capability of the governing body to be effective</i>	The proposals in the SAMP are designed to improve the effectiveness of service delivery across the States.
Core Principle 6: <i>Good governance means engaging stakeholders and making accountability real.</i>	The SAMP has consulted with all key internal stakeholders, including every department's Chief Officer and/or senior management teams. The results of this engagement have been fully taken into account in determining the Plan's proposals.

The States are asked to decide:-

VII.- Whether, after consideration of the Report dated 3rd and 4th June, 2013, of the Policy Council and the Treasury and Resources Department, they are of the opinion:-

1. To adopt the principles underpinning the Strategic Asset Management Plan as described in Section 9 of that Report.
2. To agree that, in consultation with the Departments, developing and implementing Phase 1 of the Strategic Asset Management Plan shall commence immediately.
3. To note that all capital projects to be undertaken by States' Departments in fulfilment of the Strategic Asset Management Plan, including those identified in Phase 1, shall be subject to capital prioritisation.
4. To note that the Treasury and Resources Department shall be responsible for making decisions on all disposals of property in fulfilment of the Strategic Asset Management Plan, including all disposals associated with the provision of 'affordable housing'.

COMMERCE AND EMPLOYMENT DEPARTMENT

AMENDMENTS TO STATUTORY MINIMUM WAGE ARRANGEMENTS TO COME INTO FORCE ON 1 OCTOBER 2013

The Chief Minister
Policy Council
Sir Charles Frossard House
La Charroterie
St Peter Port

7th May 2013

Dear Sir

1. Executive Summary

- 1.1 In accordance with the provisions of the Minimum Wage (Guernsey) Law, 2009, the Department is seeking States' agreement to its proposals to increase the Statutory Minimum Wage rate. Changes will come into force on 1st October 2013.
- 1.2 The Department recommends the setting of the following Minimum Wage Rates (to come into force on 1st October 2013):-

Adult Minimum Wage Rate at £6.50 per hour (currently £6.30 for workers aged 18 and over)

The Young Persons' Rate at £5.25 per hour (currently £4.50 for workers aged 16 and 17)

And that, in accordance with section 33 of the Law, the States is also requested to approve 1st October 2013 for the implementation of the revised Minimum Wage rates.

The Minimum Wage (Prescribed Rates and Qualifications) (Guernsey) (Amendment) Regulations, 2013 has been drawn up to give effect to the change in rates.

Details are also provided, for information, of the Board's intention to increase the Associated Rates (Accommodation and Food Offsets). These changes do not require the approval of the States.

Accommodation & Food Offset: £90 per week (currently £87.13)

Accommodation only Offset: £63 per week (currently £61.50)

- 1.3 In view of the explicit exclusion of the idea of minimum wage acting as a marker or mechanism to establish a “living wage” from the States decision in 2007, the cross departmental interest, and the strong link of this topic to judgements on social policy for the Island, the Department recommends that the Social Policy Group be asked to be made responsible for any such wider review as they may think fit.

2. Introduction

- 2.1 Section 31 (3) of The Minimum Wage (Guernsey) Law, 2009 requires the States, on recommendation from the Commerce and Employment Department (the Department), to approve Regulations that set the hourly Minimum Wage Rates, prior to them coming into effect.
- 2.2 Section 5 of the Law requires the Department to carry out a public consultation prior to making regulations setting Minimum Wage Rates. This was undertaken in March 2013 and the results are presented as Appendix 1 to this report.
- 2.3 The 2007 States’ decision, to implement a statutory minimum wage, established the fundamental principle that it is unacceptable in the current social and economic climate in Guernsey for employees and workers to be paid low wages to the point of exploitation.
- 2.4 The 2007 States Report identified that the Minimum Wage was not intended to reflect a ‘living wage,’ as there are a number of social policy initiatives administered by the States through Social Security, Housing, and Income Tax, which provide a wide range of benefits, grants, social housing, housing rent rebates, and tax arrangements to help those on low incomes. (See also section 3.2. i below).
- 2.5 In 2010 the States approved an amendment worded as follows:-

To direct the Commerce & Employment Department, whilst having regard to the requirements of the Minimum Wage (Guernsey) Law, 2009, to take fully into account when reviewing minimum wage rates that it is a policy objective of the States of Deliberation that the young person’s minimum wage rate and the adult minimum wage rate should be equalised as soon as possible.

This view of the States has therefore become a relevant factor to be taken into account by the Department in arriving at its recommendation. (See section 3.2 (ii) below).

- 2.6 Following the introduction of the Statutory Minimum Wage in October 2010, there have been a number of enquiries from employers and employees regarding the Minimum Wage provisions, but only one complaint has been determined by the Employment & Discrimination Tribunal and none by Civil (Magistrates) Court.

3. Considerations regarding the Minimum Wage & Associated Rates

3.1 Matters to be taken into account by the Department

The Minimum Wage Law requires the Department to consider and take into account the following criteria before making Regulations setting the minimum wage rates:-

- a) The current rate of minimum wage in the United Kingdom, the Isle of Man and Jersey*

Table 1 – Current Minimum Wage Rates – UK, the Isle of Man and Jersey

Minimum Wage (Hourly) Rates			
	Young Persons' Rate	Adult Rate	Date effective from
Guernsey	£4.50 (aged 16-17)	£6.30 (aged 18 & over)	1 st October 2012
UK	£3.68 (aged 16-17) £4.98 (aged 18-20) <i>£3.72 (aged 16-17)</i> <i>£5.03 (aged 18-20)</i>	£6.19 (aged 21 & over) <i>£6.31(aged 21 & over)</i>	1 st October 2012 <i>Rates to be implemented from 1st October 2013</i>
IOM	£4.67 (aged 16) £5.24 (aged 17)	£6.20 (aged 18 & over)	1 st November 2011 (recommendation expected 2013)
Jersey	Trainee Rate for a maximum period of two years for those on training programmes accredited by Social Security Department: Year 1 £4.90 Year 2 £5.71	£6.53 (above compulsory school age, 16)	1 st April 2013

- b) The current economic and trading conditions prevailing in Guernsey*

The summary from the latest available Economic Overview for Guernsey (published 5 September 2013) states the following:

“The Euro crisis has stalled the weak European recovery in 2011. The UK has fallen back into recession (and several other EU economies look set to follow suit) and few economic forecasters are assuming a resumption of strong UK growth in the near future. The Governor of the Bank of England is forecasting no growth for the UK this year.

Guernsey’s economic performance has been affected in a similar manner. The first half of 2011 saw a resumption of steady, if unspectacular growth; by the summer employment and unemployment had risen and fallen respectively for four consecutive quarters (on a seasonally adjusted annualised basis). However, there was evidence of a slowdown in the second half of 2011 with unemployment spiking again in the fourth quarter. The first estimate of GDP for 2011 has been produced and, whilst subject to revision, the Policy Council reports positive growth of 1% for the year.

The first quarter of 2012 was brighter; the net balance amongst firms surveyed by the Chamber in its annual business survey, taken at the start of the year, (whilst lower than 2011) pointed to positive growth in 2012.

However, the continuing Euro crisis continues to impact on general global conditions. At present, output is sluggish and the present central projection is for zero growth in 2012. Further ahead, forecasts for 2013 are more optimistic although risks remain on the downside.”

The full version is available at www.gov.gg in the Government and Administration Section (Facts & Figures).

c) The rate of inflation in Guernsey

The rate of inflation can be a significant factor in future wages settlements in the private and public sector of the Guernsey economy. The locally recorded rate of inflation (RPI) was 3.2% as of December 2012 and RPIX was 3.0%.

Previous RPI levels were 3.2% in June 2012 and 3.0% in September 2012. (RPIX was 3.1% in June 2012 and 3.0% in September).

d) The rate of unemployment in Guernsey

The level of unemployment in Guernsey remains low compared to other jurisdictions. Figures released by the Social Security Department for the week ending 2 March 2013 recorded that there were 439 people registered as unemployed and available for work, which represents 1.3% of the working population. Whilst unemployment levels have shown a rising trend (until March 2013 when they dropped slightly) figures still compare favourably to unemployment figures in Jersey and the UK. Jersey’s Registered Actively Seeking Work Report for February 2013 states that the total number of people

registered as unemployed and actively seeking work in Jersey was recorded at 2,030.¹ (Quarterly Labour Market Bulletin issued March 2013).

e) Current rates of pay in Guernsey

Currently the States of Guernsey does not collate job-related pay data in order to establish market rates for specific jobs. However, information is available on median earnings per sector in the Guernsey Annual Earnings Bulletin for 2012, (see f) below). This demonstrates that earnings in the traditionally lower paid sectors such as agriculture, horticulture, fishing, quarrying, and hostelry remain in the lowest median earnings. The Hostelry sector had the lowest median earnings in 2012 (£16,770) which was 43% lower than the overall median.

The Social Security Department's Job Centre has, in the past, been a useful source of relevant information on advertised wage rates in some industries. However, whilst not a comprehensive analysis, recent reviews of job centre advertisements reveal that the majority of jobs are advertised at pay 'on application'. Whilst previous wage rates have suggested the establishment of a standardised wage at the Minimum Wage Rate in some traditionally low paid areas of employment, with previous pay ranges having been lost, it is difficult to draw further conclusions from the recent, and currently limited, information available.

f) The increase or decrease in rates of pay in Guernsey over the previous twelve months

The Guernsey Annual Earnings Bulletin 31 December 2012 gives a measure of the average change in primary earnings from employment and reflects the underlying change. The Bulletin reports the following 'Headlines':

The full version is available at www.gov.gg in the Government and Administration Section (Facts & Figures).

- *The median of all employees' earnings was £29,250 in 2012, which, compared to 2011 is 3.2% higher in nominal terms and the same in real terms.*
- *The median of male employees' earnings was £32,500 in 2012, 2.9% higher in nominal terms and 0.3% lower in real terms than in 2011.*

¹ N.B. Statistics are not available to show what percentage of the working population this represents. The only internationally comparable unemployment rate (as defined by the International Labour Organisation, ILO) for Jersey is measured through the 2011 census. On 27 March 2011, measured by this census, the ILO rate was 4.7%, corresponding to 2,570 unemployed).

- *The median of female employees' earnings was £25,870 in 2012, 3.1% higher in nominal terms and 0.1% lower in real terms than in 2011.*
- *Employees aged 40 to 44 had the highest median earnings in 2012 at £35,490, whilst 15 to 19 year old employees had the lowest median earnings at £15,470.²*

g) Such other factors that appear to the Department to be relevant

The following were identified as relevant when considering the statutory minimum wage rates:-

- Public and political expectations.
- The 2010 States Resolution establishing the “policy objective” of equalising the youth and adult minimum wage rates.
- Creating a level playing field for employers recruiting staff from off-island in competition with the UK, Jersey and the Isle of Man.
- The risk to financially vulnerable businesses.

3.2 The Department's comments on the other relevant factors

i. Public and political expectations

The introduction of a statutory minimum wage aimed to ensure that the ‘... *worst cases of financial exploitation in employment were eliminated*’. The experience of the Commerce and Employment Department, with only one complaint having been determined by the Employment and Discrimination Tribunal, suggests that the rate is being respected by most employers.

However, a number of responses to the consultation indicate that other measures may have been taken to keep businesses viable including reducing working hours and reducing staffing levels.

Whether these are a result of the existence, or the particular level, of the Minimum Wage cannot be known, but are likely to be greatly influenced by the difficult trading position as family incomes are reduced and uncertainty about the future affects current levels of demand.

Consideration has been given by the Department to the calls for a wider review raised in the States debate of 26 September 2012. Such a wider review, which could encompass a consideration of a ‘living vs. minimum wage’, is a far more

² The number of hours worked are not recorded and the difference between male and female earnings and also between age groups ‘*may result from differences in number of hours worked as well as differences in rates of pay*’.

complex and time consuming matter than a review of the Statutory Minimum Wage Rates only. Having looked at the matter the Department is firmly of the opinion that this is outside the mandate of the Commerce and Employment Department and falls more naturally under the heading of ‘Social Policy’.

In consequence it was decided that Commerce and Employment would not embark on such a wide review of statutory minimum wage levels, but would restrict itself to the annual rate consultation process required under the Law, as used in previous years.

The Board, however, recommends that any wider review that is done should be undertaken when considered appropriate by Social Policy Group focussing on issues relative to Social Security Department, Housing Department and wider economic and social policy for the Island.

ii. Equalising the Minimum Wage Rates for all ages

The UK Low Pay Commission Report 2013 reviewed the contribution that the National Minimum Wage could make to the employment prospects of young people, including those in apprenticeships. Since its formation the Commission has believed that the minimum wage:

“should be set at a lower level for young people. The evidence continues to show that they are more vulnerable in the labour market, and the threat of unemployment is greater for younger workers. When in unemployment, young people should of course be protected from exploitation, but we do not want the level of the minimum wage to jeopardise their employment or training opportunities.”³

The UK intends to increase the adult minimum wage from 1 October 2013 by 12p and by 4p and 5p an hour for those ages 16-7 and 18-20 respectively; see table above. This represents rises of approximately 2% (adult rate) and 1% (rates for young people) which is less than the level of RPI (3.2%, increase for year to February 2013) and Consumer Prices Index (2.8%, increase for year to February 2013).

The Chair of the Low Pay Commission, David Norgrove said:

“We have as usual considered all the evidence we have gathered together with assessments of the prospects for the UK economy when making our recommendations this year. Although the economy is forecast to grow through 2013 and 2014, the pace is likely to be low and earnings increases still very restrained. We believe our recommendations for October 2013 balance the needs of low-paid workers against the challenges facing businesses,

³ Extract from Low Pay Commission Report 2013

http://www.lowpay.gov.uk/lowpay/report/pdf/9305-BIS-Low_Pay-Accessible6.pdf

particularly small businesses.

The position of young people in the labour market appears to have stabilised compared with the continuing deterioration we reported a year ago. It is too early to know if this trend is temporary or will continue, so we have continued to be cautious with regard to our recommendations for young people. We do not want to damage the employment prospects of young people and the lower rise for them than for adults should further increase the relative attractiveness of young people to employers."

The Department also noted the responses to the consultation with 33 (50%) suggesting increases varying from an increase in line with RPI to £8.50 (see summary below).

The local employment statistics show that youth unemployment in Guernsey as at week ending 2 March 2013, as a percentage of total employment is relatively low at 12.5%⁴ in the 16-19 age group and is lower than 17.6% recorded for the same period in 2012.

Having reviewed the matter and the consultation responses, the Department continues to believe that the Young Persons Rate incentivises employers to hire young people and to give them the opportunity to learn and develop vital labour market skills.

iii. Creating a level playing field for employers recruiting staff from off-island in competition with the UK, Jersey and the Isle of Man

As many industries in Guernsey rely on seasonal workers, the Department believes that the minimum wage rates must strike a balance between setting rates that are affordable to all or most employers operating in Guernsey, yet does not fuel the perception given to potential employees that Guernsey "pays low wages".

The Department's decision on the adult minimum wage rate means that the rate in Guernsey is higher than the UK rate, but set at a similar level to rate in Jersey, (see Table 1). (It should also be noted that the qualifying age for the UK adult minimum wage is 21 years and in Jersey above school leaving age of 16, as opposed to 18 years in Guernsey.)

iv. The risk to financially vulnerable businesses

The Department gave consideration to the financial vulnerability of businesses being required to increase pay rates to at least match the statutory minimum wage and the contribution those businesses make to the economy, the

⁴ UK unemployment rate for 16-24 years old was 21.2% for November 2012 to January 2013, the rate for those aged 16-17 was 37.3%. 16% of teenagers aged 16-19 were registered as actively seeking work as at 28 February 2013.

employment of local labour, and their overall economic contribution to the Island.

The Department recognises that there is uncertainty in the economy and the local labour market. However, it believes it is prudent at the present to increase the rates below which no worker in Guernsey should be paid, in order to maintain the value of a having a minimum level of pay.

The Department is confident that the majority of businesses will be able to adapt to an increase in the statutory minimum wage, as they would adapt to any other increase in cost to their business.

4. Consultation

- 4.1 Between 1st March and 28th March 2013, the Department carried out a public consultation on minimum wage rates. Some 250 consultation papers were sent out to targeted groups including, hospitality, care and residential homes, agriculture and horticulture, trade unions and staff associations and groups representative of employers in Guernsey. Individual States members were also circulated with consultation papers and invited to comment.
- 4.2 Members of the public were also invited to contribute as individuals through the Commerce and Employment (Employment Relations) website. Media releases giving full details of the consultation were made available to all the local media.
- 4.3 A summary of the responses to the public consultation is in Appendix 1 to this report.
- 4.4 The Law Officers of the Crown have been consulted on the drafting of the necessary regulations to give effect to the recommendations in this report. The regulations recommended by St James Chambers were subsequently made by the Commerce and Employment Department.

5. Conclusions

- 5.1 Having considered the criteria and relevant factors as set out in the Law, the Department has concluded that there is a case to increase the Statutory Minimum Wage Rates with effect from 1st October 2013.
- 5.2 The Department does not want to peg this to a particular measure of inflation, but considers that the change this year should reflect increases in costs. However, in the currently uncertain economic environment, it should not push the Adult Rate ahead of pay increases seen in the Island.
- 5.3 The Department does not believe that equalisation of the Young Persons' Rate with the Adult Rate is appropriate at this point and the potential risk of increasing youth unemployment is considered to be a key factor at the present time in maintaining a differentiation in the minimum rates for those entering the labour

market for the first time. However, The Department has taken into account the aspiration expressed in the States resolution regarding the youth rate, and recommends an increase in this rate which will decrease the differentiation between the two rates from £1.80 to £1.25.

- 5.4 The Department believes that it has complied fully with the six principles of corporate governance in the preparation of this States Report.

6. Recommendations

- 6.1 The Department recommends that the States:

- (a) Approves The Minimum Wage (Prescribed Rates and Qualifications) (Guernsey) Regulations, 2013 (as set out in Appendix 2 to this Report) which increases the Minimum Wages Rates, as set out below:-

Adult Minimum Wage Rate to be set at £6.50 per hour (For workers aged 18 and over).

Young Person's Minimum Wage Rate to be set at £5.25 per hour (For workers aged of 16 and 17).

- (b) Approves that 1st October 2013 shall be the date for implementation of the Commencement Order and the Regulations to give effect to the Law.
- (c) Approves that should a wider review, as set out in paragraph 3.2(i) of this Report, be deemed appropriate it should be undertaken by those responsible for Social Policy.

Yours faithfully

K A Stewart
Minister

A H Brouard
Deputy Minister

D de G De Lisle
L B Queripel
H J R Soulsby

Appendix 1: Summary of 2013 Minimum Wage Consultation Responses

Answer Options	Response Count
Employee	25
Trade Union	1
Employer	27
Employers' Association	2
Other	11

Question 2: Should the Minimum Wage and Associated Rates be changed with effect from 1 October 2013? Response count in brackets.			
Answer Options	No Change	Yes Change	Response Count
Minimum Wage Rate Over 18 years (currently £6.30 per hour)	40.0% (20)	60.0% (30)	50
Minimum Wage Rate 16-17 years (currently £4.50 per hour)	30.6% (15)	69.4% (34)	49
Max Accommodation Only Offset (currently £61.50 per week)	57.1% (24)	42.9% (18)	42
Max Accommodation and Food Offset (currently £87.13 per week)	57.5% (23)	42.5% (17)	40

Question 3: In conjunction with Question 2 respondents were asked to indicate the suggested rate for introduction on 1 October 2013 if they had responded 'Yes' to a proposed change in the rates.

A summary of the new rates suggested is outlined below:

Adult rate (Over 18 years)

Of the 30 who responded 'yes' to an increase in the Adult Rate 27 respondents suggested increases; 2 made no suggestions regarding a rate change and 1 suggested a change sufficient to remove individuals from Supplementary Benefit. Increases suggested varied from £6.45 to £10.50 and of these 27 responses three broad trends emerged:

- 9 respondents suggested rates varying from £6.45 to £6.75; 8 of those responding proposed an increase which equates approximately to RPI or RPI plus 1%
- 13 respondents suggested increases within the band of £7/£8
- 5 respondents suggested increases of between £9 to £10.50

Young Persons' Rate (16-17 years)

Of the 34 respondents who supported a change 33 suggested increases to the Young Persons' Rate varying from an uplift in line with RPI to £8.50. 1 respondent supported a change but made no suggestion regarding a possible new rate.

- 4 respondents suggested rates increasing in line with RPI and 2 further respondents suggested a slightly higher increase to £4.75
- 12 respondents put forward an increased rate in the band £5 to £5.50 with 7 of those suggesting a rate at the latter figure
- 12 respondents suggested increases to the rate of between £6 and £7
- the remaining 3 respondents suggested increases of £7.50, £8 and £8.50

Maximum Accommodation Only Offset

18 responded 'yes' to a change in the Maximum Accommodation Only Offset Rate, of these 16 suggested increases (see below), 1 made no suggestion regarding a proposed new rate and 1 suggested a lower offset of £50.

- The majority of responses (9) were in the narrow range of £62.50 to £65 with a high proportion of these suggesting an increase in line with RPI
- 1 respondent suggested an increase in line with any increase in minimum wage
- 4 respondents suggested increases to the offset within the range of £70 to £75
- 1 respondent suggested an increase to £80
- The highest offset suggested was put at £110 (1 response)

Maximum Accommodation and Food Offset

Of the 17 who confirmed that this offset should be changed 14 respondents suggested changes to this offset and 3 respondents supported a change but did not put forward any suggestions regarding an amount. Of the 14 who suggested a change to the Maximum Accommodation and Food Offset 1 proposed a reduction to £80 and 13 suggested increases as summarised below.

- The majority of responses (9) suggested offset rates between £88.13 and £90 of which 5 responses suggested increases roughly in line with RPI.
- The remaining 4 responses suggested offset rates at £95, £100 (2 responses) and £150.

Comments received concerning the Minimum Wage or Associated Rates

“The Minimum Wage legislation and defined minimum wage needs to reflect the research carried out by Loughborough University into Minimum Income Standards in Guernsey...government should aspire to a “living wage”.”

“I think the minimum wage is ‘unsustainable’... One can only hope that the minimum wage is increased to an hourly rate that doesn’t discriminate against..Guernsey people.”

“In the horticulture, agriculture and hospitality industries a minimum wage is essential for un-trained and unskilled labour.”

“Profit margins continue to be very tight in our sector. An increase for a third year with no possibility in increased turnover would be damaging to our industry. Any increase in minimum wage could potentially jeopardise jobs. There is justification for maintaining the Young Person's Rate.”

“If wages are to increase, then local people MUST be prepared to pay more for local food and for the services provided by the local catering industry. If this doesn't happen and the wage rates are further raised then we will see more local producers, hotels and restaurants etc going out of business with increased unemployment.”

“I believe there is a case for these allowances to be raised in line with the cost of living.”

“I have seen that the increase in basic pay leads to the reduction of staff, and of hours, so the overall expenditure stays the same, with employers being less willing to allow overtime.”

“If you wish to encourage local people to work in these industries it has to be a living wage.”

“Raising wages for low income workers is a good strategy for boosting demand... Raising the minimum wage could boost consumer spending reducing the States' budget deficit. There is no possible justification for maintaining the young person's rate.”

“I feel it is important that year on year the rate in increase by a minimal (maybe RPI) amount.”

“I would request that consideration is given to the potential impact of forcing employers to pay unaffordable rates for their lowest skilled staff.”

“There is no justification in increasing the 18+ minimum wage until the single person State pension reaches that figure.”

“In Tourism we must remain competitive! When comparing wages to what is paid in London we are already paying more in the vast majority of positions.”

“The current minimum wage with annual indexed linked increases is sustainable. . . increases to the levels of £8 or £9 will destroy business.”

“We employ a total of 25 people anything other than a small rise would bring our business to a close.”

“The minimum wage should stay as it is for the next 12 months at least. Small businesses in particular cannot sustain more costs of operating in Guernsey; an already very expensive place to operate.”

“Minimum wage has led to a loss of business and staff reduction.”

“I believe that minimum wage should be at a level which is a living wage.”

“There is a fine balance in setting the Minimum Wage (“MW”) so that it provides the social support in stopping abusive employment practices while not making local industries uncompetitive.

While a comparison with the UK was appropriate as a starting point, any ongoing comparison has to be treated with care because there are some significant differences between the nature of our economy and the nature of the UK economy.

While the MW is not, nor should it be, a living wage, this difference in the structure of our employee market needs to be considered when making any comparisons with the UK.

Unfortunately the MW is being used by some employers as the “going” rate for the job, advertising vacancies at that rate and when they cannot attract residents into their employ they are able to seek licenses for employees from outside the Island, justified to Housing Department because they have advertised locally and not found any employees. Clearly there is a relationship between the minimum wage and the issue of short term Housing licences.”

Appendix 2**GUERNSEY STATUTORY INSTRUMENT****2013 No.****The Minimum Wage (Prescribed Rates and Qualifications)
(Guernsey) (Amendment) Regulations, 2013***Made**7th May, 2013**Coming into operation**1st October, 2013**Approved by the States**, 2013*

THE COMMERCE AND EMPLOYMENT DEPARTMENT, in exercise of the powers conferred on it by sections 1(3) and 3(1) of the Minimum Wage (Guernsey) Law, 2009⁵ and all other powers enabling it in that behalf, hereby makes the following Regulations:-

Substitution of schedule to principal Regulations.

1. The principal Regulations are amended by substituting, for the Schedule to those regulations, the schedule contained in the Schedule to these Regulations.

Interpretation.

2. (1) In these Regulations, "**the principal Regulations**" means the Minimum Wage (Prescribed Rates and Qualifications) (Guernsey) Regulations, 2012⁶.

⁵ Order in Council No. I of 2010; as amended by Order in Council No. XIII of 2010.

⁶ G.S.I. No. 40 of 2012.

(2) The Interpretation (Guernsey) Law, 1948⁷ applies to the interpretation of these Regulations –

(a) in the Islands of Guernsey, Herm and Jethou, and

(b) as it applies to the interpretation of an enactment.

(3) Any reference in these Regulations to an enactment is a reference thereto as from time to time amended, re-enacted (with or without modification), extended or applied.

(4) For the avoidance of doubt, unless the context requires otherwise, an expression used in these Regulations has the same meaning as in the Minimum Wage (Guernsey) Law, 2009.

Transitional and savings provisions.

3. (1) These regulations do not have effect in relation to any worker and his work until the first day of the first pay reference period of the worker in respect of that work.

(2) For the avoidance of doubt, before the first day of the first pay reference period of the worker in respect of that work, the principal Regulations have effect in relation to that worker and that work as if these Regulations had not been made.

(3) In this regulation, "**the first pay reference period**", in relation to a worker and his work, means the first pay reference period of the worker, in respect of that work, beginning on or after the date specified in regulation 4 for these Regulations to come into force.

⁷

Ordres en Conseil Vol. XIII, p. 355.

Citation and commencement.

4. These Regulations may be cited as the Minimum Wage (Prescribed Rates and Qualifications) (Guernsey) (Amendment) Regulations, 2013 and come into force on the 1st October, 2013.

Dated this 7th day of May, 2013

K. A. STEWART

Minister of the Commerce and Employment Department

For and on behalf of the Department

Regulation 1.SCHEDULESCHEDULE TO BE SUBSTITUTED FOR THE SCHEDULE TO THE PRINCIPAL
REGULATIONS"SCHEDULE
MINIMUM WAGE RATES

Regulations 1(1) and 2(1)

Adult Minimum Wage Rate	£6.50 per hour.
Young Person's Minimum Wage Rate	£5.25 per hour."

EXPLANATORY NOTE*(This note is not part of the Regulations)*

These Regulations replace the minimum wage rates for adults and young persons with the new rates of £6.50 per hour and £5.25 per hour, respectively, for the purposes of the Minimum Wage (Guernsey) Law, 2009 ("the Law").

Under section 31(3) of the Law, these Regulations do not have effect until approved by a resolution of the States. If so approved, these Regulations will come into force on the 1st October, 2013. The new rates will then take effect on and from the first day of the first pay reference period of each worker in respect of any particular work.

(NB As there are no resource implications identified in the Report, the Treasury and Resources Department has no comments to make.)

(NB The Policy Council supports the Report.)

The States are asked to decide:-

VIII.- Whether, after consideration of the Report dated 7th May, 2013, of the Commerce and Employment Department, they are of the opinion:-

1. To approve The Minimum Wage (Prescribed Rates and Qualifications) (Guernsey) Regulations, 2013, as set out in Appendix 2 to that Report, which increases the Minimum Wages Rates, as set out below:-
 - Adult Minimum Wage Rate to be set at £6.50 per hour (For workers aged 18 and over).
 - Young Person's Minimum Wage Rate to be set at £5.25 per hour (For workers aged of 16 and 17).
2. To approve that 1st October 2013 shall be the date for implementation of the Commencement Order and the Regulations to give effect to the Law.
3. To approve that should a wider review be deemed appropriate as set out in that Report it shall be undertaken by those responsible for Social Policy.

EDUCATION DEPARTMENT

TODAY'S LEARNERS TOMORROW'S WORLD – THE EDUCATION BOARD'S VISION

The Chief Minister
Policy Council
Sir Charles Frossard House
La Charroterie
St. Peter Port

13th May, 2013

Dear Sir

1. EXECUTIVE SUMMARY

- 1.1. The purpose of this report is to set out the Education Department's Vision for Education. This is the strategic direction agreed by the Board following consideration of what we will require from our education system over the next 20 years.
- 1.2. **The Department's aim is to create an education system for the Bailiwick of Guernsey which will meet the challenges and demands of the 21st Century and provide our greatest asset, our people, with the knowledge, skills and tools to face a complex and challenging future with enthusiasm and confidence.**
- 1.3. The Education Department believes that its Vision supports the overarching aims of the States Strategic Plan and aligns well with the Health & Social Services Department's 2020 Vision.
- 1.4. The Vision endorses looking beyond the UK to other outstanding jurisdictions for innovative ways to develop and improve the education system in Guernsey.
- 1.5. The Board has committed to a series of actions and timescales for 15 specific projects which it will seek to complete as part of the delivery of the aims of the Vision.
- 1.6. The States is requested to support the approach set out in this report.

2. BACKGROUND

- 2.1. The Education Board was elected in May 2012, following the General Election.
- 2.2. The Board felt it was important to articulate clearly and publicly its intentions to develop and implement a new policy direction: Transforming Education – Developing Potential and Achieving Excellence.

- 2.3. Working with senior officers from the Department and in consultation with headteachers, College Principals and Heads of Service the Education Board developed its Vision – Today’s Learners Tomorrow’s World.

‘Education is constantly changing. Our world has moved in a new direction, and education must keep pace. It is no longer enough just to look at our near neighbours in the United Kingdom. We are competing increasingly on a global stage; we must prepare our young people for jobs and careers that do not even exist yet and we must do so in the face of financial constraints. We must ensure that we use our limited resources efficiently and sustainably and that may mean doing things differently.’

*Education Board Foreword
Today’s Learners Tomorrow’s World*

- 2.4. The Education Department published its Vision document Today’s Learners Tomorrow’s World on 21st March 2013. A copy of the final document following consideration of the responses to the consultation is included as Appendix 1. A summary of the changes the Board has made is provided in Appendix 2.
- 2.5. The document was designed as an electronic document and includes embedded video clips from a range of inspirational and internationally renowned educationalists speaking on a range of themes. These video clips are intended to illustrate concepts and stimulate wider discussion on some of the issues facing education delivery across the world. The Department does not intend to implement any of the suggested solutions or strategies put forward by the speakers within these video clips without further investigation, evaluation or discussion. The aim was to illustrate the sort of debates around the future delivery of education that are going on all over the world at the current time and stimulate discussion of education within the community. A common theme in those jurisdictions with successful education systems is the high regard for the teaching profession and recognition of the community’s role in supporting education. Part of the Board’s vision is to raise the profile of education and the role we all play in helping our young people to learn and prepare for their future.
- 2.6. In advance of publication of the Vision document, the Education Board and senior officers delivered a series of meetings and presentations to education service staff, politicians, teaching union representatives and the local media. Following its publication, Board Members presented the Vision to business leaders, the Health and Social Services Department Board and senior officers and also held a public meeting on Wednesday 10th April.
- 2.7. The community was invited to provide feedback and comments to the Education Minister in writing by 22nd April.
- 2.8. 70 written responses were received.

3. **CORE VALUES**

- 3.1. The Vision document highlights core values which underpin everything the Education Department does.
- 3.2. These values, plus the requirement to deliver services in the most efficient, effective and sustainable way, can be translated into the core objectives for the Department moving forwards.
- 3.3. The Department will:
 - Develop educational centres of excellence based on high standards of teaching and learning and high expectations for all, where:
 - Learners enjoy learning
 - Teachers enjoy teaching
 - Parents and carers are embraced as partners
 - The wider community is welcomed and encouraged to participate
 - Provide an inclusive system that puts learners of any age at the centre, establishes equality of opportunity for all to realise their potential and ensures that each learner develops the knowledge, understanding and skills they need to pursue a happy and fulfilling life.
 - Encourage and enable learners to become creative, innovative and critical thinkers. To establish a strong work-ethic and to equip them morally, socially, physically and academically to participate in their local community and the evolving global society in the areas best-suited to their interests, talents and aspirations.
 - Provide and encourage participation in a wide range of experiences such as sport, music, arts, activity and volunteer programmes, where mutual respect and collaboration is fostered, both in and out of school.
 - Deliver all our services in the most efficient, effective and sustainable way.
- 3.4. The feedback received did not seek to question these values and in the majority of cases endorsed them with many teachers who responded stating that they already held and worked to these values.
- 3.5. The Education Department would envisage incorporating these core values as fundamental objectives of a future Guernsey Education Law. The development of a new law is one of the specific actions identified in the Vision and would be developed following a separate consultation.

4. **EXCEPTIONAL OUTCOMES**

- 4.1. The Vision recognises that there are many examples of excellence throughout the education service in Guernsey. In delivering its objectives, the Departments wants to enable these examples of excellence to be further developed and extended, sharing good practice across the whole service, between staff, schools, colleges, services and the Department itself.

All our learners will experience an inclusive, personalised, exciting and engaging education which successfully builds on prior learning and prepares young people with the skills, knowledge and personal capability to flourish in all aspects of life, work and lifelong learning. They will develop the attitudes, flexibility and resilience to enable them to fulfil their potential and contribute positively to the Guernsey community and globally in a fast changing world. We must encourage and enable personal responsibility, creativity and innovation to accelerate the progress and optimise the achievement of all our learners.

- 4.2. To achieve exceptional outcomes the education service needs to be:
- **Inclusive¹** – we will provide an inclusive, personalised, engaging education which gives all young people the skills, knowledge and personal capability to succeed in work and all aspects of life and to achieve their full potential.
- 4.3. We will need:
- **Excellent Leadership at all levels** – from the Board setting the strategic direction and policy to the Department in providing appropriate support, monitoring and challenging what happens in schools and intervening where necessary. We need Headteachers, Principals and Heads of Service who have the skills, experience and commitment to drive improvement and raise standards, who are not afraid to question the status quo and who can think creatively and find innovative solutions. We need to develop middle leaders who are enabled to develop learning through distributed leadership.
 - **Excellent staff** – we must recruit, retain and reward creative and innovative staff across the service including teachers, teaching assistants, support staff,

¹ Inclusion is defined as the participation of all pupils in learning which leads to the highest possible level of achievement, whatever setting they are in. It is about providing effective learning opportunities for all pupils through early intervention, removing barriers to learning, raising expectations and achievement and improving partnerships with parents, young people and other agencies. Inclusive educational practice recognises and accepts diversity within the community and is underpinned by clear values where respect for others and their differences is paramount.

We will provide a system of education that embraces all pupils, taking into account the diversity of pupils' needs, where schools nurture learners by providing systems that are open, participatory and flexible. We will ensure that we work to remove barriers to learning and address issues that relate to individuals who are vulnerable to exclusion from education. Inclusive schools identify learners who may be 'missing out', difficult to engage or feeling 'apart' from what the school seeks to provide. These schools take practical steps – in the classroom and beyond – to meet learners' needs effectively and promote tolerance and understanding in a diverse society.

premises managers and caretakers providing them with access to first class training and professional development opportunities.

- **High quality support services** – we will provide a range of high quality support services employing specialist practitioners who will provide expertise but also build capacity within schools through coaching and mentoring.
- **Collaboration** - between all services, schools and colleges, with colleagues from the grant-aided Colleges and across education phases to share good practice and expertise; sharing resources; providing increased opportunities for professional development; creating learning communities. By working more closely together we can improve transition between the phases of education and also ensure that we are making the most efficient and effective use of our limited resources.
- **Partnerships** – we want to work in close partnership with parents and the wider community; with employers and business, building on the good work being undertaken by partnerships such as Every Child our Future and the Youth Partnership for Guernsey & Alderney; across States Departments; with private providers such as the Guernsey Pre-school Learning Alliance; with the Sports and Arts Commissions. The Department recognises there are many examples of good partnership working initiatives but believes there is more potential and expertise to be exploited.
- **Flexible and responsive decision making** – the Board wishes to empower Headteachers/Heads of Service to take more decisions at school level through a Guernsey system of Local Management of Schools (LMS) leading to increased responsibility and levels of accountability. Performance measures will be monitored, challenged and supported by more rigorous performance management. The introduction of LMS will require a new system of school governance building on the work of the existing school committees.
- **Innovative curriculum** – the current Bailiwick of Guernsey Curriculum Statement (see page 14 of the Vision document in Appendix 1) is the envy of many jurisdictions. It seeks to develop learners who will become confident individuals, successful learners, responsible citizens, effective contributors. The UK Education Minister is in the process of driving through significant changes to the curriculum, assessment and qualifications framework in England. Guernsey does not need to follow England and is currently researching the approach of other jurisdictions, such as Scotland, Wales and Northern Ireland, Canada and Singapore and is working closely with the Isle of Man and Jersey to develop a curriculum, assessment and qualifications framework which is right for Guernsey and which engages and motivates students and provides progression into training, further education, higher education and employment in our community and beyond.
- **The Education Law** will need to be reviewed and rewritten to reflect the transformation of the education service and allow for more autonomy in delivering the States' educational objectives.

5. **FEEDBACK**

- 5.1. The Department and Education Board members are pleased with the level of feedback received in response to its Vision.
- 5.2. 70 written responses were received as follows:
- four sitting Deputies and one former Deputy
 - two headteachers, one former headteacher, the Principal of Elizabeth College, the Trustees, Governors and Senior Management Team of Blanchelande College, the Chair of the Ladies' College Board of Governors.
 - The Health & Social Services Department.
 - Skills Guernsey Implementation Group.
 - The Managing Director of the Guille-Allès Library, the Guernsey Disability Alliance, the Confederation of Guernsey Industry, the Chamber of Commerce, the Friends of Music Centre, the GTA University Centre, National Autistic Society Guernsey Branch.
- 5.3. The majority of the remaining responses were from teachers with a large number of responses from staff of the Grammar School & Sixth Form Centre.
- 5.4. Many respondents acknowledged the considerable challenges facing the Department as it seeks to make its vision a reality, especially in light of the financial constraints facing the Department.
- 5.5. Others were critical about the lack of detail included in the Vision document, seeking further evidence for the proposed changes and an indication of the financial costs involved.
- 5.6. The Education Department wishes to make it clear that the Vision document is the start of a journey setting out the strategic direction the Board is seeking to follow. It is not a fully costed action plan. Each of the transformational changes being proposed will require considerable further development and consultation where appropriate. The Education Board is committed to evidence-based decision making and will focus on research and work collaboratively with staff, parents, carers, pupils and the wider community, continuing to listen to those who wish to engage and share their ideas for what a highly effective education system should look like.
- 5.7. As highlighted in Appendix 2 of the Vision document, the Department has committed to a number of continuing workstreams and provided some indicative timescales for 15 specific projects, including its intention to bring six States Reports to the Assembly over the next 18 months.

Review of Selection

- 5.8. Unsurprisingly the issue that has provoked the most comment within the feedback received is the proposal to review the current system of selective education in Guernsey.
- 5.9. The Education Board wishes to make it clear that it has made no decisions regarding the future of selection. Indeed it has not discussed the issue in any detail other than to commit to a review which will include an extensive consultation.
- 5.10. On this issue and all other areas, the Board is fully committed to engaging with the teaching profession, parents and the business community as it consults and develops strategies and action plans in order to implement the Vision.

Tertiary Provision

- 5.11. The other main area of concern highlighted by respondents is the effect the development of a new Tertiary College may have on the Grammar School Sixth Form Centre and the range of Post 16 qualifications available overall in the Island.
- 5.12. The Department is currently working on plans to better co-ordinate and manage the provision of training and learning currently provided by other States Departments. If successful this will form the basis of the States Report the Board envisages bringing to the Assembly later in 2013. The Department has been engaged in discussions with the various stakeholders to progress this initiative. Any further incorporation of the Sixth Form Centre within such a tertiary college, either virtually or physically, would depend upon the outcome of the review of selection and any subsequent States Debate.

6. THE VIEWS OF YOUNG PEOPLE

- 6.1. At this year's Careers Show members of the Youth Partnership for Guernsey and Alderney sought the views of young people aged between 13 and 32 on a range of issues through the use of a brief questionnaire. They were asked a number of questions:
 1. How do you learn best?
 2. What time of day do you study for exams or do your home/coursework?
 3. What do you like learning/what most interests you?
 4. How do you use technology to help you learn?
 5. What skills do you think you will need to get the job you want to or study the course you want to?
 6. What suggestions do you have for how to make the best possible education system of the future?
- 6.2. 243 completed questionnaires were returned. An analysis of the responses highlighted the following:
 - 78% said they learnt best either in a small group or team or on their own.

- The favourite time to study was after the evening meal (23%), followed by weekends (17%) and then straight after school (15%). Only 3% said they studied before school.
- Art was chosen by around 20% of those who responded as something they enjoyed learning, closely followed by Sport/PE (17%) with Maths, History and Science (around 12% for each) also being popular choices.
- Many young people said they used the internet at home for research, information gathering and to help with revision/homework.
- There was a varied response to the question about what skills young people felt they needed. Some highlighted general skills such as communication, leadership, people skills and organisation whereas other were more specific about the qualifications they needed to move on to the next level of their education or career.
- A common theme among a wide range of comments on the best possible future system of education was the need for improvements in the use and access to technology.

'By using more technology our society and education will be amazing' Harry, age 16.

'Keep getting the new helpful technology' Louis, age 16.

- A number of students felt a later start to the school day would help.

'Start school later and end later' Alice, age 13.

- Some respondents focused on quality of teaching as being important.

'The best education will only happen when you have the best teachers - make recruitment/prospects for teachers as attractive as possible' Alex, age 28.

- Another common theme was the breadth of curriculum on offer, the choice of courses and making learning enjoyable.

'Less homework, more use of computers, wider curriculum, more practical work' Matthew, age 18.

'Make it fun to learn, so that it's not boring' Rhys, age 13.

6.3. The Education Department believes these views support the desire to further develop the learning experience within our schools and the critical importance of technology to ensure we provide a personalised learning experience tailored to our young people's potential.

7. TIMESCALES FOR ACTION/NEXT STEPS

*‘Vision without action is merely a dream.
Action without vision is a nightmare
Vision with action can change the world.’*

- 7.1. The Education Board recognises that it cannot succeed in delivering a transformation of the education service on its own.
- 7.2. What it has tried to do is set out its vision for an informed transformation of the education system but at the same time recognises that change will not happen overnight. It will take hard work and dedication and the collaborative involvement of everyone involved in education.
- 7.3. It wishes to thank all those who have responded to its initial Vision document and will take on board the detailed feedback when developing its proposed implementation plans.
- 7.4. The Education Board has committed to returning to the States with further detailed, evidence-based proposals for approval by the Assembly at key stages along the transformation journey. It is currently on track to meet the timescales laid out in Appendix 2 of the Vision and will provide an update on further progress towards achieving the Vision in 12 months’ time.

8. RESOURCES AND PRINCIPLES OF GOOD GOVERNANCE

- 8.1. The Department intends to progress these workstreams to develop future States Reports from its existing budget. The resource implications arising from any future recommendations will be dealt with in those States Reports. The realisation of some workstreams will be dependent on successful capital prioritisation bids later this year.
- 8.2. The contents of this States Report are in accordance with the Principles of Good Governance as outlined in Billet d’État IV 2011, particularly Principles 1, 4 and 6:

Principle 1: focusing on the organisation’s purpose and on outcomes for citizens and service users

Principle 4: taking informed, transparent decisions and managing risk, and

Principle 6: engaging stakeholders and making accountability real.

9. **RECOMMENDATION**

The Education Department recommends the States direct the Education Department to:

1. pursue the strategic direction for the education service as outlined in this report;
2. and report back to the States of Deliberation annually on:
 - a. The progress it has achieved in developing the vision and progressing the actions identified in the vision;
 - b. Any new actions which have been identified as part of the vision; and
 - c. Demonstrate how the community has been engaged in the process.

Yours faithfully

R W Sillars
Minister

A R Le Lievre
Deputy Minister

R Conder

C J Green

P A Sherbourne

D Mulkerrin CBE
Non-States Member

Education Department

Today's Learners Tomorrow's World

The Education Board's Vision July 2013



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Education Board Foreword

The Education Board's Vision for Education seeks to support the States Strategic Plan Objectives by maintaining and enhancing Guernsey's competitive position in order to achieve future economic success whilst at the same time supporting a range of social policy initiatives providing for the health, social, education and welfare needs of the community.

Education is constantly changing. Our world has moved in a new direction, and education must keep pace. It is no longer enough just to look at our near neighbours in the United Kingdom. We are competing increasingly on a global stage; we must prepare our young people for jobs and careers that do not even exist yet and we must do so in the face of financial constraints. We must ensure that we use our limited resources efficiently and sustainably and that may mean doing things differently.

We believe that there is a compelling case for us to enhance and build upon Guernsey's past education successes if we are to continue to be successful in the future. We are committed to ***Transforming Education – Developing Potential and Achieving Excellence***. We need to take a long term view and consider what we will require from our education system over the next 20 years. However we are not going to succeed on our own. All of us – Board members, headteachers and principals, school, college and Department staff, students and parents and the Bailiwick community as a whole – must work together to accomplish successful change.

This Vision statement will be debated by the States in 2013 and there will follow a number of further States Reports as we embark on this journey to transform our education system.

This document sets out the Board's strategic direction for Education and includes a number of video clips from internationally renowned educationalists on a range of key themes to illustrate concepts and stimulate wider discussion and thought. All the views expressed in the videos are those of the presenters and not necessarily those of the Department. .

We have the opportunity to transform radically our education system to ensure that it is not simply fit for purpose, but provides Guernsey and Alderney with an education system which will enable us to thrive and prosper in the years ahead. With your engagement and contributions as we start to develop and implement policy we believe that, together, we can build an even stronger education system that will serve the Bailiwick¹ for decades to come.

Deputy Robert Sillars, Minister
Deputy Andrew Le Lievre, Deputy Minister
Deputy Richard Conder,
Deputy Chris Green,
Deputy Peter Sherbourne,
Denis Mulkerrin CBE.

¹ When we talk about the Bailiwick of Guernsey in this document it refers to Guernsey, Alderney and Herm. Sark's education service is not the responsibility of the Education Department although we do provide support and advice if required.

Core Values

Our aim is to create an education system for the Bailiwick of Guernsey which will meet the challenges and demands of the 21st Century and provide our greatest asset, our people, with the knowledge, skills and tools to face a complex and challenging future with enthusiasm and confidence.

High quality education is central to the future of Guernsey, both economically and socially, and is essential for the wellbeing of our community.

We will:

- Develop educational centres of excellence across all our institutions based on high standards of teaching and learning and high expectations for all, where:
 - Learners enjoy learning
 - Teachers enjoy teaching
 - Parents and carers are embraced as partners
 - The wider community is welcomed and encouraged to contribute
 - Provide an inclusive system that puts learners of any age at the centre, establishes equality of opportunity for all to realise their potential and ensures that each learner develops the knowledge, understanding and skills they need to pursue a happy and fulfilling life.
 - Encourage and enable learners to become creative, innovative and critical thinkers. To establish a strong work-ethic and to equip them morally, socially, physically and academically to participate in their local community and the evolving global society in the areas best-suited to their interests, talents and aspirations.
 - Provide and encourage participation in a wide range of experiences such as sport, music, arts, activity and volunteer programmes, where mutual respect and collaboration is fostered, both in and out of school
-

Executive Summary

A philosophy for Education in the 21st Century

The learner of any age is the centre of our community's investment in education and the teacher is its primary asset. Through investment in learning by providing high quality teachers, support staff, leadership, facilities, resources and maximising productive community support and involvement, we will secure educational experiences and outcomes which compare favourably with anything available worldwide, for all our learners.

All staff working in the service will have the skills, experience, commitment and personal capabilities to ensure excellence in all aspects of education delivery and facilitation of learning opportunities. We have examples of excellence throughout our institutions and we will seek to unleash that potential and make excellence commonplace. Through a process of local empowerment we will support and enable our schools and colleges to ensure that all learners flourish.

Focus Upon Learners

All learners have different needs, aptitudes, interests and strengths. We will provide an inclusive, personalised, engaging education which gives all young people the skills, knowledge and personal capability to succeed in work and all aspects of life.

To ensure equality of opportunity, we will review the current system of selective education in Guernsey and make proposals for the most effective structure of delivery from 4-19 in our schools and colleges.

Focus upon leadership and teaching

The Education Board will retain overall responsibility for strategic direction, the legislative and policy framework and outcomes for learners; however there is increased recognition that more effective decision making can be made within a school or tertiary institution.

We must ensure that we recruit and develop Headteachers/Principals who have the skills and experience to ensure excellence within their institution and who support distributed leadership throughout the organisation to promote staff development and effective learning. We will recruit, train and support teachers who are enabled to use the most powerful approaches to learning and teaching to best meet the needs of all learners. We will encourage collaboration within and across all schools and colleges.

Pre-School Care & Primary Education

It is universally recognised that early childhood education impacts on future learning, health and well-being².

We will work closely with other States Departments, the voluntary sector and private providers to ensure the best possible start in life for all our children. This will include bringing a proposal for an

² Please click on the following link to access an OECD research paper 'Does participation in pre-primary education translate into better learning outcomes at school?' <http://goo.gl/Bghuo>

entitlement of 15 hours a week of high quality pre-school education for all 3-4 year olds in addition to more effective inter-agency working for children and their families from pre-birth to 3.

Primary education provides the foundations for success in secondary school and critically the foundations for success in life. Primary education is pivotal to an individual's future personal achievement, health and wellbeing.

The current data indicates that, at its best, primary education in Guernsey is well developed but we need to address the consistency of its provision, and importantly its effectiveness, efficiency and value for money. The Education Department needs to identify where provision is at its best, where people are making the best use of available resources and make that commonplace.

Tertiary and Higher Education

We must bring together and rationalise the range of Post 16 educational opportunities available within the Bailiwick. At this stage the Department is exploring opportunities to bring all further and higher education in various States Departments within the Education Department. As a consequence of this rationalisation, we will be able to offer a portfolio of flexible and wide ranging courses suitable to meet individual and community needs within a tertiary institution. This would also provide increased opportunity for on-island Higher Education. At the same time we must review our funding and delivery of higher education opportunities to ensure potential students have access to the university and course which is best able to meet their individual needs and aspirations.

Resources and Infrastructure

Fit for purpose learning facilities and resources are also an integral part of any educational provision. All learners should expect to spend their formative years in buildings with resources that enhance their learning experience, provide and encourage excellence in teaching and provide a safe and secure learning environment for all. This will include provision and innovative use of new technology, to enhance the quality of learning opportunities and enable increased access to productive anytime, anywhere learning.

In this 2010 TED (Technology, Entertainment and Design) talk Sir Ken Robinson presents a case for a radical shift from standardised schools to personalised learning -- creating conditions where children's natural talents can flourish. In this talk he challenges the way we are educating our children and proposes an alternative education system which cultivates creativity and acknowledges multiple types of intelligence.³

Video Duration 18mins



³ <http://goo.gl/d2JZ>

Exceptional Outcomes for all Learners

"The despotism of custom is everywhere the standard hindrance to human advancement"

John Stuart Mill

What it is

All our learners will experience an inclusive, personalised, exciting and engaging education which successfully builds on prior learning and prepares young people with the skills, knowledge and personal capability to flourish in all aspects of life, work and lifelong learning. They will develop the attitudes, flexibility and resilience to enable them to fulfil their potential and contribute positively to the Guernsey community and globally in a fast changing world. We must encourage and enable personal responsibility, creativity and innovation to accelerate the progress and optimise the achievement of all our learners.

At another TED Talk Tony Wagner outlines how an overemphasis on individual achievement, hyper-specialization, and an aversion to risk have stymied inventiveness and describes what teachers and parents can do to sow the seeds of creativity.⁴

Video duration 14mins 50 secs



What it means

- Effective use of research-based methods which evolve with our increased understanding of the most powerful approaches to learning and teaching to best meet the needs of all learners.
- Wherever possible ensuring learners are increasingly responsible for their own learning and are well supported in developing this aptitude.
- Developing a curriculum for excellence which is imaginative and innovative; ensures breadth, depth and continuity, is challenging and enjoyable, gives opportunity for personalisation and choice and is motivating and engaging for our learners.
- Having an assessment framework and process which enables learners and teachers to celebrate progress and achievement, identifying new steps for learning and pathways to success.
- A qualifications framework which is right for Guernsey and which engages and motivates students and provides progression into training, further education, higher education and employment in our community and beyond. Qualifications which accurately assess the knowledge, skills and personal capabilities of each student; exploring opportunities for our curriculum and not simply following reforms in England.

⁴ <http://goo.gl/2N4At>

- Recruitment, retention and development of high quality teachers, support staff and others working in the service. Assisting Headteachers in keeping their key staff on housing licences by submitting compelling arguments to the Housing Department for licence extensions. Having well trained, supported and motivated staff working as integral parts of learning communities.
- Staffing structures remodelled and roles clearly defined to ensure the correct staff with the right skills, experience and professional capability are engaged in activities which make best use of their expertise to enhance learning for all students.
- Effective leadership from Headteachers/Principals which supports distributed leadership throughout the organisation to promote staff development and excellent decision making.
- Active and committed support and involvement of parents as essential contributors to the success of young people's learning with full engagement of schools and services.
- High quality support services and interagency teams in place, to support children and families as needed, and to increase opportunity for all.
- The wider community supporting the learning for all, through mentoring, broadening experience, showing relevance and active involvement in school activities and events.
- Flexible, innovative use of new technology to increase access to learning opportunities, to develop new pathways to achievement to increase the variety and effectiveness of teaching and learning methodology and to provide more comprehensive and timely information to assist in raising of achievement.
- All educational establishments, whether mainstream, special, grant-aided, further education or private, working collaboratively to ensure equality of opportunity, breadth of experience, continuity, flexibility of provision and choice.
- Ensuring everyone who has the potential can benefit from Higher Education if they so choose.
- Providing buildings, resources and infrastructure which facilitate high quality learning and teaching and have the flexibility to respond to the future needs of the students, service and wider community.



Salman Khan explains how and why he created the Khan Academy⁵ which comprises a carefully structured series of educational videos offering complete curricula in maths and, now, other subjects. He demonstrates how interactive exercises can be so successful and encourages teachers to think about flipping the traditional classroom -- give students video lectures to watch at home, and do "homework" in the classroom with the teacher available to help⁶.

Video duration 20mins 27 secs

⁵ <http://www.khanacademy.org/>

⁶ <http://goo.gl/iEnM7>

How it will be achieved**Throughout the Education Service**

- Schools and Services have processes in place to ensure that all learners are fully involved in the development of their individual learning opportunities and in the development of the school as a learning community.
- Further development of the most effective learning and teaching approaches in all our schools and services.
- Improved transition processes to better enable learners to build on previous achievement and to move confidently and enthusiastically into the next stage of their education.
- Better recruitment processes, enhanced training and support for all staff within and across schools, giving more opportunities to learn from successful practice in Guernsey and beyond.
- A thorough curriculum and assessment review and development of a new framework.
- Further development of inter-agency teams (including the Third Sector) to improve support to learners and families when needed.
- Continued development of specialist provision to provide highly effective inclusive experiences for learners unable to succeed in mainstream school due to significant learning difficulties.
- A purposeful and considered replacement of new technology with the associated technical support and staff training to enable a positive impact on learning through creative, innovative use to ensure productive, effective, anytime, anywhere learning for all.
- Review of school staffing structures and roles to more effectively utilise staff expertise.
- Enhance and develop successful models of parental engagement through building on successful approaches and use of new creative methods of working with parents including use of new technology.
- Further development of coherent models of community engagement and involvement. This will include working with third sector providers, with open, transparent communication which will have a beneficial impact on the outcomes for all learners, including members of the wider community.

Professor Ken Robinson talks about education reforms and the need for a paradigm change in education systems.⁷

Video duration 11mins 41secs (you can skip the advert at the start)



⁷ <http://goo.gl/rwj7>

Children before school

- We will introduce an Early Years Collaborative group which includes the Education Department, Health and Social Services Department, other States Departments, the voluntary sector and private providers to develop a co-ordinated evidence based approach to ensure the best provision of support for children from pre-birth to 3 years old.
- In conjunction with the above stakeholders and parents/carers we will introduce innovative schemes to encourage the early development of young children, such as the Play Talk Read initiative in Scotland www.playtalkread.org.
- We will work with Health and Social Services and the private and voluntary sectors to prepare a proposal for an entitlement of 15 hours a week of high quality pre-school education for all 3 to 4 year olds.

A brief clip on Scotland's Curriculum for Excellence and learning through play focusing on the impact and benefits it is having in nurseries and other pre-school environments, in learners', parents' and teachers' own words⁸.

Video duration 3mins 54secs

**Primary Education**

- Further development of our successful child-centred approaches at the Foundation Stage and an analysis of the suitability of extending these learning strategies with older children.
- Further augmentation of creative approaches to skills-based learning including maximising opportunity for using the external environment to ensure learning is 'real' for our children.
- Increased collaboration between Primary schools to enable effective staff development, the sharing of expertise and good practice.

Professor Guy Claxton provides an insight into ways schooling and teaching needs to be changed in order to prepare children to become powerful lifelong learners, with the capabilities to meet the challenges of a changing world.⁹

Video duration 29mins 10 secs



⁸ <http://goo.gl/HjPe1>

⁹ <http://goo.gl/IQcO5>

Secondary Education

- Increased collaboration between secondary phase schools and colleges through federated approaches to course provision, sharing of expertise and good practice.
- Introduction of a new qualifications framework with the required support and training for staff and the necessary communication and engagement of parents and employers.
- Review of the current system of selective education in Guernsey and development of firm, evidence-based proposals for the most effective structure of delivery of Secondary Education for all our students.
- Continue with the re-build programme of the secondary and Further Education sector ensuring fit for purpose, adaptable educational establishments which enable effective learning and meet community needs and requirements.

Geoff Mulgan is director of the Young Foundation, a centre for social innovation, social enterprise and public policy that pioneers ideas in fields such as ageing, education and poverty reduction. He's the founder of the think-tank Demos, and the author of "The Art of Public Strategy. In this TED Talk he gives a short introduction to the Studio School, a new kind of school in the UK where small teams of children learn by working on projects that are, as Mulgan puts it, "for real." ¹⁰

Video duration 6mins 16secs

**Post 16 Education**

- Development of a Tertiary College which will bring together current providers of Post 16 education to offer a broad range of high quality, engaging, education and training opportunities which are responsive to individual and community needs including areas identified by Skills Guernsey.
- Expansion of on-island higher education opportunities to increase choice for potential students in collaboration with a range of universities.
- Development of a new campus with fit-for purpose facilities.
- Creating a funding model to ensure that potential students have access to the university and course which is best able to meet their individual needs and aspirations.

Daphne Koller talks about how universities might deliver courses online for free, not just as a service, but as a way to research how people learn. With Coursera (cofounded by Andrew Ng), each keystroke, quiz, peer-to-peer discussion and self-graded assignment builds an unprecedented pool of data on how knowledge is processed. ¹¹

Video duration 20mins 41secs



¹⁰ <http://goo.gl/3x7eE>

¹¹ <http://goo.gl/aRLXt>

For pupils with social, emotional and behavioural difficulties

- A comprehensive review of the Strategy for Supporting Learners with SEBD is ongoing and will be published by Q1 2014.
- During November 2012 an independent review conducted by Mark Whitby from CfBT (an Education Trust) focused on Guernsey's response to pupils with social, emotional and behavioural difficulties (SEBD) across the continuum, the organisation and structure of the SEBD service and the quality of teaching and learning at The Link Centre, which is Guernsey's only specialist SEBD provision. As a direct result of this review, and in order to improve the educational offer and provide equality of opportunity for this specific group of learners, the Education Board has determined that The Link Centre will be re-designated as a school from September 2013. The new school will be known as Les Voies School, which was selected from ideas put forward to the Education Board by staff and pupils. It will be a special school for learners aged 4-16 with significant social, emotional and behavioural difficulties.

Local Empowerment of Schools***What it is***

Jurisdictions which have successfully transformed their education systems have seen governmental authorities move their attention from the control of resources towards a focus on educational outcomes. This has been accompanied with increased decision-making and accountability being devolved to schools so that they can be more responsive to local needs than before.

International research shows a clear relationship between learning outcomes and the relative autonomy of schools in managing teaching policies and practices, providing autonomy is coupled with accountability. Local empowerment of schools means devolving as much decision-making power down to school level as is sensible and possible within the Bailiwick context. However we must ensure in implementing this strategy that opportunities for collaborative approaches which increase educational opportunity and quality are not compromised or diminished.

What it means

- More school-level decision making within the context of a clear policy framework and strategic direction set at Education Board level.
- Schools will be responsible for ensuring that learners achieve clearly defined learning outcomes in ways that are relevant locally and globally
- Schools will be able to effectively respond to individual needs and circumstances within their local communities.
- There are increased levels of accountability for Headteachers and governing bodies with a more rigorous Headteacher performance management process.
- A broad range of performance measures are used to monitor, support and challenge schools and services on their standards of achievement and attainment and to assist in improving outcomes for learners

How it will be achieved

- There will be a new form of school governance, proportionate to Guernsey's scale, to replace the existing school committees.
- The Department will introduce a Bailiwick form of Local Management of Schools to allow Headteachers, with the support of a new governance structure, to better allocate the use of resources within the school.
- The Department will provide leadership and management guidance and training to support these enhanced roles for Headteachers and those involved in the new governance structure.
- The review of the Education Law will take into account the new governance structure.
- Transition arrangements will be implemented to allow transparent devolution of finances to schools in advance of the necessary law changes.
- The Education Department and Board will focus its attention more on;
 - the overall legal, strategic and policy framework; and,
 - holding schools to account for learner outcomes, moving away from the day to day operational aspects of Guernsey's schools.
- The Education Department will support whole school development through a wide and diverse range of programmes , working closely with schools to deliver school improvement.

A Vision with Action

The Education Board has set out its Vision for an informed transformation of the education system. It recognises that change will not happen overnight and this represents the start of a journey. It will take hard work and dedication and the collaborative involvement of everyone involved in education. In recent years the pace of change in so many different fields has been unprecedented and the only thing which we can be certain about is that changes will continue in the coming years. If continued societal, technological and economic change is inevitable, then we must ensure our education system prepares our people for the future, so that we can ensure that the Bailiwick is ahead of our competitors. We as a Department must not be complacent if we are to transform our education system for the better. The Education Board is fully committed to working with all stakeholders to obtain their views and thoughts as it works up options through consultation leading to proposals and detailed costings. We will strive to ensure effective communications as part of this process.

We are committed to evidence-based decision making and will use research evidence to develop our proposals in each of the workstreams identified in the vision. Any changes introduced must be done with our children at the centre and must be carefully planned to ensure a successful implementation.

The Education Department believes that new legislation is a key component in the realisation of a long-term vision for education that ensures that all students experience success and have the knowledge, skills and competencies to be successful in the 21st Century. New legislation will help stimulate the education system to chart a new course, and enhance our responsiveness in meeting system and stakeholder needs, and allow for more autonomy in delivering the States' educational objectives.

The Education Department intends to report back to the States and the public outlining progress and updating activities on an annual basis so that our performance against our objectives can be assessed.

Embracing change means Guernsey will provide the highest quality learning opportunities and enable our children to reach their full potential. We hope that you will join us in being a part of this change.

Appendix 1

Our Learners will become...

Confident individuals, successful learners, effective contributors and responsible citizens who are: safe, healthy and nurtured, achieving and active, respected and responsible, included.

We believe that the Bailiwick of Guernsey Curriculum provides a successful framework to deliver our values.

Purposes: The Bailiwick of Guernsey Curriculum is designed to enable all students to learn and achieve whilst promoting their spiritual, moral, social and cultural development in preparation for the opportunities, responsibilities and experiences of life.

Learners need to become:

Confident individuals

With

- self respect and esteem
- a sense of physical, mental, emotional and spiritual wellbeing
- secure values, beliefs and morals
- ambition

and be able to

- relate to others and manage themselves
- appreciate the importance of physical activity and to pursue a healthy and active lifestyle
- be self aware
- develop and communicate their own beliefs and view of the world
- live as independently as they can
- assess risk and take informed decisions
- achieve fulfilment in different areas of activity

Successful learners

With

- enthusiasm and motivation for learning
- determination to reach high standards of achievement
- openness to new thinking and ideas

and be able to

- use literacy, communication and numeracy skills
- appreciate the creative arts and develop a sense of aesthetic awareness
- use technology for learning
- think creatively and independently
- learn independently and as part of a group
- make reasoned evaluations
- appreciate, link and apply different kinds of learning in new situations

Responsible citizens

With

- respect for others
- commitment to participate responsibly in political, economic, social and cultural life

and be able to

- develop knowledge and understanding of the world and the Bailiwick's place in it
- appreciate local heritage and community whilst understanding different beliefs and cultures
- make informed choices and decisions
- evaluate environmental, scientific and technological issues
- develop informed and ethical views

Effective contributors

With

- an enterprising attitude
- resilience
- self-reliance
- an ability to engage with change

and be able to

- communicate in different ways and in different settings
- work in partnership and in teams
- take the initiative and lead
- apply critical thinking in new contexts
- create and develop
- solve problems

The highly regarded business organisation the Confederation of British Industry endorses the importance of such a curriculum statement in its First Steps report, published in November 2012, which recommends the *'Development of a clear, widely-owned and stable statement of the outcome that all schools are asked to deliver. This should go beyond the merely academic, into the behaviours and attitudes schools should foster in everything they do. It should be the basis on which we judge all new policy ideas, schools, and the structures we set up to monitor them.'*¹²

¹² <http://goo.gl/2vIQ0>

Appendix 2

Workstreams and Timescales

There are a number of key themes within the Education Board's Vision which will require further development and consideration.

The Department is committed to the following workstreams and has provided some indicative timescales for specific projects.

We will bring the Vision to the States for debate during 2013

Exceptional Outcomes for Learners

A modified performance management policy will be introduced by September 2014 – negotiations are already underway

The review of the curriculum, assessment and qualifications framework is already underway with implementation beginning in September 2014.

The implementation of a new Integrated Learning Environment (GILE2) will begin in September 2013

We will submit proposals for the rebuild of La Mare de Carteret site to the Capital Prioritisation process in Q1 2013.

We will bring a States Report to the Assembly in Q4 2013 seeking approval for the introduction of an entitlement to 15 hours per week of pre-school education for all 3 to 4 years olds in partnership with private providers.

We will assist the Health & Social Services Department with its update of the Children and Young People's Plan to be published by 2014.

We will bring a States Report to the Assembly in Q4 2013 seeking to improve outcomes and opportunities in the primary sector

We will bring a States Report to the Assembly during 2014 on a new structure for secondary education.

We will bring a States Report to the Assembly recommending the creation of a new structure for Post-16 education during 2013.

We will bring a States Report to the Assembly recommending a new model of funding for Higher Education in 2014.

The Education Department will be inspected by an external body by Q1 2015

Local Empowerment of Schools

A new form of school governance will be in place by September 2014

A Bailiwick form of Local Management of Schools will be in place for January 2015

We aim to have a new Education Law in place by the end of 2015

APPENDIX 2

SUMMARY OF AMENDMENTS TO VISION DOCUMENT – TODAY’S LEARNERS TOMORROW’S WORLD AS A RESULT OF FEEDBACK RECEIVED.

Education Board Members agreed to the following amendments and additions to the original Vision document (Please note the original Vision document can be found at www.education.gg/vision)

Front cover

The date has been changed to **July 2013** to reflect when the Assembly will debate the Vision.

Education Board Foreword – page 3

Following comments received both in writing and verbally at the presentations on some of the content of the embedded video clips, the following sentence was added: ***‘All the views expressed in the videos are those of the presenters and not necessarily those of the Department.’***

Core Values – page 4

The Board wishes to make it clear that it is committed to achieving excellence across all its schools and services, amending the first bullet point to read:

‘We will

- Develop educational centres of excellence ***across all our institutions*** based on high standards of teaching and learning and high expectations for all.’

Executive Summary – pages 5 and 6

In line with the addition to the core values the Board has added the following to the section, 'A philosophy for Education in the 21st Century'. ***‘We have examples of excellence throughout our institutions and we will seek to unleash that potential and make excellence commonplace.’***

Several respondents commented on a lack of information about the proposed transformation of Primary Education. The Board has renamed the Pre-School Care and Education section Pre-School Care and ***Primary*** Education and added the following:

‘Primary education provides the foundations for success in secondary school and critically the foundations for success in life. Primary education is pivotal to an individual’s future personal achievement, health and wellbeing.’

The current data indicates that, at its best, primary education in Guernsey is well developed but we need to address the consistency of its provision, and importantly its effectiveness, efficiency and value for money. The Education Department needs to identify where provision is at its best, where people are making the best use of available resources and make that commonplace.'

The Board also wished to provide further clarity on the first steps it plans to take towards creating a new structure for Tertiary and Higher Education adding: *'At this stage the Department is exploring opportunities to bring all further and higher education in various States Departments within the Education Department.'*

Exceptional Outcomes for all Learners – pages 7 and 8

Additions to two bullet points in 'What it means' section as follows:

- 'A qualifications framework which is right for Guernsey and which engages and motivates students and provides progression into training, further education, higher education and employment in our community and beyond. Qualifications which accurately assess the knowledge, skills and personal capabilities of each student; *exploring opportunities for our curriculum and not simply following reforms in England.*
- Recruitment, retention and development of high quality teachers, support staff and others working in the service. *Assisting Headteachers in keeping their key staff on housing licences by submitting compelling arguments to the Housing Department for licence extensions.* Having well trained, supported and motivated staff working as integral parts of learning communities.

How it will be achieved pages 9 to 11

In recognition of the changes and improvements made to the support provided for pupils with social, emotional and behavioural difficulties the Board has added a new section as follows:

For pupils with social, emotional and behavioural difficulties

- *A comprehensive review of the Strategy for Supporting Learners with SEBD is ongoing and will be published by Q1 2014.*
- *During November 2012 an independent review conducted by Mark Whitby from CfBT (an Education Trust) focused on Guernsey's response to pupils with social, emotional and behavioural difficulties (SEBD) across the continuum, the organisation and structure of the SEBD service and the quality of teaching and learning at The Link Centre, which is Guernsey's only specialist SEBD provision. As a direct result of this review, and in order to improve the educational offer and provide equality of opportunity for this*

specific group of learners, the Education Board has determined that The Link Centre will be re-designated as a school from September 2013. The new school will be known as Les Voies School, which was selected from ideas put forward to the Education Board by staff and pupils. It will be a special school for learners aged 4-16 with significant social, emotional and behavioural difficulties.

A Vision with Action – new section

Some respondents felt the Vision document lacked detail and costs. The Board added a new section to explain the context of the Vision and how it plans to drive its proposed changes forward, confirming that a number of States Reports will be brought to the Assembly for approval over the next couple of years and that it intends to report back to the States and the public on progress on an annual basis.

A Vision with Action

The Education Board has set out its Vision for an informed transformation of the education system. It recognises that change will not happen overnight and this represents the start of a journey. It will take hard work and dedication and the collaborative involvement of everyone involved in education. In recent years the pace of change in so many different fields has been unprecedented and the only thing which we can be certain about is that changes will continue in the coming years. If continued societal, technological and economic change is inevitable, then we must ensure our education system prepares our people for the future, so that we can ensure that the Bailiwick is ahead of our competitors. We as a Department must not be complacent if we are to transform our education system for the better. The Education Board is fully committed to working with all stakeholders to obtain their views and thoughts as it works up options through consultation leading to proposals and detailed costings. We will strive to ensure effective communications as part of this process.

We are committed to evidence-based decision making and will use research evidence to develop our proposals in each of the workstreams identified in the vision. Any changes introduced must be done with our children at the centre and must be carefully planned to ensure a successful implementation.

The Education Department believes that new legislation is a key component in the realisation of a long-term vision for education that ensures that all students experience success and have the knowledge, skills and competencies to be successful in the 21st Century. New legislation will help stimulate the education system to chart a new course, and enhance our responsiveness in meeting system and stakeholder needs, and allow for more autonomy in delivering the States' educational objectives.

The Education Department intends to report back to the States and the public outlining progress and updating activities on an annual basis so that our performance against our objectives can be assessed.

Embracing change means Guernsey will provide the highest quality learning opportunities and enable our children to reach their full potential. We hope that you will join us in being a part of this change.

Workstreams and Timescales

In line with the other workstreams the Board has added a timescale to the introduction of a modified performance management policy.

A modified performance management policy will be introduced by September 2014 – negotiations are already underway.

- (NB In accordance with its mandate, the Treasury and Resources Department is commenting on the resource implications of this States Report. The Department notes that the Education Department is seeking States approval of the strategic direction for the education system and that existing resources will be used to progress its implementation. If the implementation of any recommendations will require additional revenue budget, this will be detailed in future States Reports and be subject to consideration as part of the States Strategic Plan process, or whichever process for the reprioritisation of funding is in place at that time.)
- (NB The Policy Council supports the Report and also agrees with the comments made by Treasury and Resources Department in respect of the future financing of the Department's Vision.)

The States are asked to decide:-

IX.- Whether, after consideration of the Report dated 13th May, 2013, of the Education Department, they are of the opinion:-

1. To direct the Education Department to pursue the strategic direction for the education service as outlined in that Report.
2. To direct the Education Department to report back to the States of Deliberation annually on:
 - the progress it has achieved in developing the vision and progressing the actions identified in the vision;
 - any new actions which have been identified as part of the vision; and
 - demonstrate how the community has been engaged in the process.

HOME DEPARTMENT

TERRORIST FINANCING, MONEY LAUNDERING AND WEAPONS PROLIFERATION FINANCING

The Chief Minister
Policy Council
Sir Charles Frossard House
La Charroterie
St Peter Port

15th April 2013

Dear Sir

1. Executive Summary

The purpose of this report is to recommend the introduction of legislation similar to Schedule 7 of the United Kingdom's Counter-Terrorism Act 2008 in order to permit directions to be given to the financial sector in relation to money laundering, terrorist financing and the financing of weapons proliferation. This would reduce the risk of abuse of the financial system and would also ensure that the Bailiwick remains compliant with international standards in this area.

2. Advice from Her Majesty's Procureur

Her Majesty's Procureur has advised in the following terms:

"The protection of the global financial system from the risk of terrorist financing, money laundering and weapons proliferation financing has been a high priority for many years and is something to which the international community remains committed. In line with that commitment, the Financial Action Task Force ("FATF") identifies countries that are considered to be particularly vulnerable to terrorist financing and money laundering, and requires its members and other jurisdictions to put in place specific preventative measures in relation to those countries.

The United Kingdom has introduced the Counter –Terrorism Act 2008 ("the Act") in order to give effect to the FATF requirements, and more generally to reduce the risk of its financial system being used for illicit purposes. To this end, Schedule 7 of the Act gives HM Treasury the power to issue directions to the financial sector in respect of the carrying on of business connected to a high risk jurisdiction.

Corresponding legislation has been introduced in Jersey and the Isle of Man to permit directions to be given to their financial sectors. Clearly it is important that the Bailiwick's regime for countering terrorist financing, money laundering and weapons

proliferation is equally robust and in line with international standards. I therefore recommend that local legislation be enacted along the lines of Schedule 7 of the Act.

Schedule 7 of the Act

Under Schedule 7 of the Act, there are three circumstances in which HM Treasury may issue a direction in respect of a country, as follows;

- *the FATF has advised that measures should be taken in relation to the country because of the risk of terrorist financing or money laundering activities being carried on in the country, by the government of the country, or by persons resident or incorporated in the country;*
- *HM Treasury reasonably believes that there is a risk that terrorist financing or money laundering activities are being carried on in the country, by the government of the country, or by persons resident or incorporated in the country, and that this poses a significant risk to the national interests of the United Kingdom;*
- *HM Treasury reasonably believes that the development or production of nuclear, radiological, biological or chemical weapons in the country, or the doing in the country of anything that facilitates the development or production of any such weapons, poses a significant risk to the national interests of the United Kingdom.*

A direction may require businesses to undertake enhanced customer due diligence, to carry out monitoring and systematic reporting, to provide information or documents or to limit or cease a transaction or business relationship. These requirements are underpinned by enforcement powers, powers to impose civil penalties and criminal offences in respect of the failure to comply with a direction, the intentional circumvention of a direction, and the provision of false information.

Unless previously revoked, a direction lapses automatically after 12 months, although a further direction may then be given. There are provisions concerning the steps to be taken by HM Treasury to publicise the making of, amendment of and lapsing of a direction.

There are also provisions permitting HM Treasury by licence to grant exemptions to a direction to limit or cease business. A licence may be general or granted to particular individuals, and it may have conditions attached.

Any person affected by a decision taken by HM Treasury in the exercise of its powers may apply to the court for that decision to be set aside. The court must make a determination on the basis of the principles applicable in judicial review applications.

Bailiwick Legislation

I advise that local equivalent legislation be enacted on a Bailiwick-wide basis, in line with the existing approach to terrorist financing and money laundering issues.

The question then arises as to the appropriate local entity to exercise powers corresponding to those exercised by HM Treasury under the Act. I advise that this should be the Policy Council, as this would be consistent with its existing role across the Bailiwick as the competent authority for the purposes of both the Terrorist Asset-Freezing (Bailiwick of Guernsey) Law, 2011 and the various sanctions Ordinances made under the European Communities (Implementation) (Bailiwick of Guernsey) Law, 1994. This would also be consistent with the approach taken in the United Kingdom, Jersey and the Isle of Man, where functions under the Act and the equivalent Jersey and Isle of Man legislation are discharged by HM Treasury, the Chief Minister and the Treasury respectively, who are the competent authorities for the purposes of sanctions and terrorist asset freezing legislation in their jurisdictions.

Conditions for making a direction equivalent to those in the Act should be put in place, but making reference to risk to the interests of the Bailiwick rather than to the national interests of the United Kingdom. It is expected that in practice, the vast majority of directions given will mirror those given by HM Treasury. On that basis I consider it advisable for the legislation to specify that a direction given by HM Treasury relating to risk to the national interests of the United Kingdom is sufficient to constitute the grounds for a corresponding reasonable belief on behalf of the Policy Council in respect of a risk to the interests of the Bailiwick. This would reflect the fact that our international interests are closely linked with those of the United Kingdom, and would also reduce the likelihood of the Bailiwick courts having to assess the reasonableness of a decision based on confidential information or intelligence, given the attendant practical and legal difficulties that this might involve. It should also be specified that if a direction from HM Treasury is set aside, revoked or ceases to have effect for any other reason, a corresponding direction from the Policy Council will also cease to have effect.

The legislation must also provide for legal challenges. Because of the sensitive nature of some of the information that may be relevant to a decision to make a direction or grant a licence, the legislation should contain some enabling provisions in respect of the legal process so that the Bailiwick framework can be adapted if necessary to make appropriate arrangements for dealing with intelligence. This approach would mirror that taken in the Terrorist Asset-Freezing (Bailiwick of Guernsey) Law, 2011 for the same reasons.

The enactment of these measures is unlikely to lead to any significant resource issues, either in respect of drafting time or in relation to the involvement of the Law Officers or the Courts in the implementation of the relevant legislation once enacted.”

3. Consultation

The Seneschal of Sark, the External Relations Group and Head of Law Enforcement have been consulted and fully support the proposal set out in this report.

The States of Alderney, the Bailiff's Chambers and the Guernsey Financial Services Commission have been consulted and do not have any concerns regarding these proposals.

As indicated above, the proposals set out in this Report are based on the recommendation of Her Majesty's Procureur, who does not foresee any significant resource issues for the Law Officers' Chambers or the courts.

4. Resources

It is not anticipated that these proposals will result in any additional expenditure by the States.

5. Principles of Good Governance

The proposals made in this States Report are in accordance with the Principles of Good Governance as outlined in Billet D'Etat IV 2011, particularly Principle 5 "developing the capacity and capability of the governing body to be effective."

6. Recommendations

For the reasons set out above, the Home Department recommends the States be asked to approve the drafting of Bailiwick legislation equivalent to the provisions contained within Schedule 7 of the Counter Terrorism Act 2008 to put in place a framework for giving directions as outlined in this Report.

Yours faithfully

J P Le Tocq
Minister

F W Quin (Deputy Minister)
M K Le Clerc
M M Lowe
A M Wilkie

A L Ozanne (non-States Member)

(NB As there are no resource implications identified in the Report, the Treasury and Resources Department has no comments to make.)

(NB The Policy Council supports the Report.)

The States are asked to decide:-

X.- Whether, after consideration of the Report dated 15th April, 2013, of the Home Department, they are of the opinion:-

1. To approve the drafting of Bailiwick legislation equivalent to the provisions contained within Schedule 7 of the Counter Terrorism Act 2008 to put in place a framework for giving directions as outlined in that Report.
2. To direct the preparation of such legislation as may be necessary to give effect to the above decision.

