

**POLICY AND RESOURCES COMMITTEE:
CONSTITUTION**

**Lodged au Greffe on 23rd November 1993
by the Policy and Resources Committee**



STATES OF JERSEY

STATES GREFFE

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1993

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PROPOSITION

THE STATES are asked to decide whether they are of opinion -

- (a) to refer to their Acts dated 8th November 1988 and 24th January 1989, providing for the appointment and responsibilities of the Policy and Resources Committee, and their Act of 28th August 1990, regarding the future structure of the Committee, and to rescind paragraph 3 of the Act dated 24th January 1989 and paragraph 3 of the Act dated 28th August 1990 (both of which refer to the membership of the Committee);
- (b) to request the House Committee to amend the Standing Orders of the States of Jersey to delete paragraph (1A) of Standing Order No. 41 and to agree that, at the time of the appointment of Committee Presidents in December 1993, paragraph (1A) should be waived.

POLICY AND RESOURCES COMMITTEE

REPORT**1. Introduction**

- 1.1 The States on 8th November 1988, approved the creation of the Policy and Resources Committee. On 24th January 1989, they approved its terms of reference as set out in the Appendix to this report.
- 1.2 The Committee, principally in the light of views expressed by States members at an informal meeting held on 7th April 1993, decided to review its past performance, and to consider if its modus operandi was right in today's circumstance. This review also examined the Committee's constitution and its terms of reference.

2. Background - the intended rôle

- 2.1 The origins of the Policy and Resources Committee go back to the 1987 report prepared by KPMG Peat Marwick McLintock entitled "States of Jersey: A review of the machinery of government".
- 2.2 The areas of governmental weakness identified in this report were the subject of scrutiny by a Special Committee of the States. After much debate, the Policy and Resources Committee was created as the body to address these principal areas of weakness, namely a lack of -
 - "Island wide" direction and/or policies;
 - political and administrative co-ordination;
 - any system to determine policy priorities so as to allow for the proper allocation of resources;

- an appropriate Committee and departmental structure to implement policies effectively.

3. **Actual rôle to date**

3.1 The Committee meets fortnightly - an average of six items being considered at each meeting.

3.2 Some of the Policy and Resources Committee's major achievements are listed below -

Immigration Policy - and subsequent modifications.

1991 Strategic Policy Report, including -

the introduction of Island wide aims and objectives to which Committees would have regard in the formation of their own policies.

1992 Strategic Policy Report, including -

Committees policies to be in line with the agreed States aims and objectives;

initiation of a corporate strategic planning and monitoring process;

relaxation of Zero Job Growth to support employment;

refining agreed policies to cater for the overall development of finance, tourism and agriculture and fisheries;

relaxation of (k) and (j) housing policies.

1993 Strategic Policy - Review and Action Plan, including -

an action plan for the economy to combat recessionary pressures;

dealing with environmental matters;

a new public sector budget and manpower strategy.

Capital P.70/90 - introduction of new procedures for capital to allow for early decisions on future allocation and to ensure the proper planning of capital projects;

Capital programme - development of a four year capital programme, updated yearly;

Capital allocation - development of a "model" and associated procedures to enable capital requests to be ranked in order of Island-wide strategic importance, so that capital funds are only allocated to highest priority projects;

Law drafting - allocation of resources by development of a priority ranking model.

Revenue/manpower - consultation with the Finance and Economics and Establishment Committees to recommend implementation of cash limits/manning levels proposals for 1994 and future years. Prioritisation of additional manpower requests.

Chief Officers' Policy Group - consultative and pro-active policy body leading, for example, to acceptance of uniform public sector business planning approach.

Initiation, investigation of, (and States agreement to) proposals for -

A public archive service

Consumer Protection (Fair Trading) Legislation

Traffic and Transport policy

A States Property Management Office

The Environment and Environmental Adviser

The Sport Leisure and Recreation Committee

Training - Jersey Training Agency

Employment - Employment Enterprise Board

- 3.3 The Committee's achievements outlined above are principally to do with strategic policy development and the adoption of a corporate policy planning process, resource allocation, and also the bringing forward of policies to resolve problems that have Island-wide significance, but are not the responsibility of any one Committee.
- 3.4 The Committee recognises there will continue to be some political resistance to its existence on the grounds that, to some people, it is an organisation that cuts across the traditional Committee system. However, this criticism is philosophical and does not address the issue of whether the Committee is performing well or otherwise under its existing arrangements.
- 3.5 The States must bear in mind that the Policy and Resources Committee is a new Committee, and as such must be given time to evolve, and to find its proper and accepted rôle within the States organisation. The Committee is some way down the learning curve, and has changed its modus operandi in a number of ways during the last year.
4. **The constitution of the Committee**
- 4.1 The present constitution of the Committee, which was established by Acts of the States dated 24th January 1989 and 28th August 1990, is -
- (a) the President of the Finance and Economics, Island Development and Establishment Committees, as ex-officio members;
 - (b) six members appointed by the States.

- 4.2 The Committee is firmly of the view that its future rôle must principally involve the formulation and co-ordination of the Island's long-term aims and objectives, and also the short-term strategies that need to be taken on board to cope with changed circumstances. Some comment has been made to the effect that the Committee should not involve itself in operational or executive matters. This view is accepted, the only proviso being that the Committee does have a significant rôle to play, in conjunction with the Finance and Economics and Establishment Committees, in continuing to develop a corporate planning approach, and in resource allocation.
- 4.3 If the Committee is primarily concerned with the development of a co-ordinated strategic planning philosophy throughout the States administration, it is considered that it should be made up of those States members who are felt to be the best qualified to deal with such matters. There certainly needs to be a close relationship between the Committee and the principal resource Committees, but it is doubted whether the best arrangement is for the Presidents of the latter to be automatically ex-officio members of the Policy and Resources Committee. It is suggested that this question is best considered by the Presidents concerned at the appropriate time. Even if a major resource President is not a member of Policy and Resources, one must remember that the Committee, in accordance with its intention to communicate and consult far more, recognises the value of regular meetings both with the Finance and Economics and Establishment Committees, and with States members.
- 4.4 The Committee believes that, if there is general agreement to the suggestion that there should no longer be ex-officio members and that members should be elected as outlined in the above paragraph, the total number of members should be reduced from nine to seven. Experience has shown that there is no particular "magic" of having nine members, and it is considered that with the pressures currently imposed on States members, a reduction in membership will be of indirect general benefit to the States, and will not adversely affect the workings of Policy and Resources in any way.

5. Consultation and communications

- 5.1 The Committee recognizes the true value of consulting regularly not only with Committees, but with States members. It has instituted a general policy that if any agenda item concerns a Committee either directly or indirectly, it will invite that Committee or its President to attend the meeting when that particular item is discussed.
- 5.2 When considering Island policy matters concerning such matters as inflation, unemployment, public sector cash limits and manning levels, the Committee consults with the Finance and Economics and Establishment Committees at joint meetings. There is therefore a wider debate than otherwise would be the case, and this approach also ensures that proposed policies are co-ordinated effectively and are complementary.
- 5.3 The Committee is of the view that it should arrange regular meetings with States members to discuss any matters of concern or interest. To date these meeting have been on about a six monthly basis, but the Committee has agreed that they should be more frequent.
- 5.4 With regard to the media, the Committee issues press releases after each meeting, and the President also talks personally to the individual organisations concerned to answer any questions that might be raised, or to provide further explanations.

6. Terms of reference

- 6.1 The Committee in carrying out the review outlined in paragraph 1.2 above, recognised that some of its original terms of reference were no longer completely relevant, or were in need of revision to bring them fully up to date.
- 6.2 However, the Committee has agreed it would be more appropriate for the new Committee to consider the whole question of its terms of reference early in the New Year, and to make recommendations to the States if this is considered appropriate.

Conclusions

- 7.1 When the Policy and Resources Committee was created in 1989, there was no Island "direction". This was because the States had never previously investigated and decided on what the overall strategic aims and objectives of the Island should be. There were no mechanisms in place to allow Committees (and Departments) to realistically plan ahead. This was because, firstly, they did not know which way the States (and/or other Committees) wanted them to go, and secondly, because they did not know what resources they would (or would not) be able to have for the period in question.
- 7.2 It is suggested that the Policy and Resources Committee, in its limited period of existence, has filled the gap described above. Its initial, and principal rôle, has been achieved in that it has obtained States agreement to the Island wide aims and objectives. The task it intends to continue is that of developing a true public sector corporate strategy - i.e. to review and modify the pace and scale of change given external and internal pressures via its annual Strategic Report, now more correctly entitled "Review and Action Plan".
- 7.3 With the development of a corporate planning approach, processes have been set in place to ensure that the policies of Committees and departmental business plans are in line with the Island wide aims. Committee policies will be monitored to ensure that they are reviewed after each Review and Action Plan debate so that they continue to lock in with agreed shorter term strategies.
- 7.4 The Policy and Resources Committee is of the view that if difficult times are ahead, there will be no alternative - among other measures designed to support the economy - other than to recommend the introduction of tough policies to control public sector expenditure. It is considered that it is in the best interests of the Island for such policies to be properly co-ordinated and to be "corporate" - with a consensus view. The Committee therefore hopes that individual States Members, and all Committees, will not only recognise the contribution made by the Policy and Resources Committee since its establishment in 1989, but will also continue to support it in the possibly difficult days that lie ahead.

- 7.5 The Policy and Resources Committee now wishes to proceed with two principal revisions to its constitution - firstly, to remove the present arrangement for ex-officio members, and secondly to reduce the number of members from nine to seven. Reducing the Committee's membership to seven will bring it back into line with other Committees of the States. Standing Order No. 40 of the Standing Orders of the States of Jersey provides that Committees of the States shall each consist of a President and six other Members of the States, unless other arrangements are made by the States. Thus the only amendment necessary to provide for the constitution of the Policy and Resources Committee to be the same as other States Committees is to rescind the earlier decisions of the States that gave the Policy and Resources Committee a different membership. The proposition to which this report is attached provides for those decisions to be rescinded.
- 7.6 Following the decision of the States to appoint ex officio members of the Policy and Resources Committee, Standing Order No. 41 of the Standing Orders of the States of Jersey was amended to provide that the Presidents of the Island Development Committee and the Establishment Committee would be appointed immediately after the Presidents of the Policy and Resources Committee and the Finance and Economics Committee. If the States agree that there should no longer be ex officio members of the Policy and Resources Committee, this arrangement will become unnecessary. The Committee accordingly recommends that the Standing Order No. 41 is further amended to restore the previous order of appointment of Committee Presidents. As this amendment cannot be effected in time for the appointment of Committee Presidents on 9th December, the Committee recommends that the States waive the appropriate Standing Order so that Committee Presidents will be appointed in the order previously in force.

16th November 1993

APPENDIX

POLICY AND RESOURCES COMMITTEE

Terms of reference

The responsibilities of the Policy and Resources Committee are -

- (a) to produce, through a process of consultation, and for approval where necessary by the States, a framework of strategic policies and objectives, to which committees would be required to have regard in the formulation of their own policies;
- (b) to ensure the overall co-ordination of those policies and objectives and to recommend to the States relative priorities in the use of money and/or manpower resources;
- (c) to ensure the effective execution by Committees of their respective policies and to review performance against objectives;
- (d) to initiate the examination of, or to require other committees to examine, particular issues where -
 - (i) the issue falls within the area of responsibility of more than one Committee;
 - (ii) the issue does not fall within the area of responsibility of any particular Committee;
 - (iii) otherwise, the Committee believes that issues need to be examined;and, where necessary, to present a report and proposition to the States;
- (e) to consider, and to comment on to the States as necessary, all reports and propositions which raise -

- (i) issues of importance for the Island as a whole;
- (ii) issues which affect the interests of other committees;
- (iii) issues involving major resource implications;
- (f) to review the structure of Committees and present for consideration by the States, proposals for the restructuring of committees and departments where necessary;
- (g) to present proposals for the effective management of States' properties;
- (h) to present an annual report to the States for debate;
- (i) to assume the responsibilities of the Constitution Committee.