

GD 2014/xxx



Modernising Ministerial Government

Government as a Single Legal Entity

ISLE OF MAN GOVERNMENT
AN AGENDA FOR
CHANGE

October 2014

Price: £4.30



**Isle of Man
Government**

Reiltys Ellan Vannin

To the Hon Clare Christian MLC, President of Tynwald, and the Hon Council and Keys in Tynwald assembled

Isle of Man Government as a Single Legal Entity

At its sitting in January 2014 Tynwald resolved, inter alia, that the Council of Ministers should consider whether there is merit in creating the Isle of Man Government as a single legal entity. I announced in July 2014 that we had engaged Sir John Elvidge, KCB to conduct a review into the matter and am now pleased to be able to present his findings for consideration by this Hon. Court.

Sir John Elvidge was Permanent Secretary to the Scottish Government from July 2003 until his retirement in June 2010, having previously worked as head of the Scottish Executive's Education Department (1999–2002) and Finance and Central Services Department (2002–03). Prior to this his career included working as Deputy Head of the Economic and Domestic Secretariat within UK Cabinet Office. He is a Fellow of the Royal Society of Edinburgh and an Associate of the Institute for Government. As the principal architect of the current Scottish Government model, we believe he is ideally qualified to consider the issue of Government as a single legal entity on the Isle of Man.

Sir John's report has now been considered by the Council of Ministers and the proposals it contains have received Council's full support. I hope that in considering Sir John's proposals, Hon. Members will see that this is not an exercise in organisational theory. It is about improving the way Government delivers its services to its customers, the people of the Isle of Man. The creation of Government as a single legal entity which, in turn, provides opportunities for a more flexible and joined up approach to service delivery is, to my mind, the obvious next step on the journey of constitutional development that the Manx Government has taken over the last 20 to 30 years.

I recognise that this it will be a substantial task to deliver these changes. However, I am convinced that it will bring dividends and help to enable the Island to maintain its position as a successful and forward thinking jurisdiction.

The Council of Ministers therefore recommends that:

Tynwald endorses the report into Government as a Single Legal Entity by Sir John Elvidge and requests the Council of Ministers to report to Tynwald, by no later than June 2015, with recommendations on the means of implementing the proposals contained in the report.



Hon Allan Bell, MHK
Chief Minister



Isle of Man
Government

Reilrys Ellan Vannin

Isle of Man Government as a Single Legal Entity

A Report to the Council of Ministers

by Sir John Elvidge, KCB

October 2014

ISLE OF MAN GOVERNMENT AS A SINGLE LEGAL ENTITY

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Foreword

It has been a pleasure to undertake this work for the Isle of Man Government on the issue of single legal status and related issues. Many people have given generous amounts of their time to assist me in understanding the context for my consideration of the questions and have been open and engaged in offering their views. I have enjoyed and been stimulated by the many conversations which I have been able to have during the process of taking evidence.

I am particularly grateful to the Chief Minister, Madam President and Mr Speaker and to the 17 individual Members of Tynwald for giving me a considerable amount of their scarce time.

I have also derived considerable benefit from the opportunities which the Council of Ministers and the Chief Officer Group have given me, collectively and individually, to understand the nature of the challenges facing the Isle of Man and the scope for improvement which they see in the way in which Governments can secure positive future outcomes.

I could not have made the progress which I hope those considering this report will judge that it constitutes, without the knowledge, insights, advice and support which I have received from within the Isle of Man Government from Jon Callister, Michelle Norman and Joanne Hetherington. The conclusions reached and views offered in this report are my own, however, and responsibility for any omissions or errors lies solely with me.

In reaching my conclusions, I have reflected my view that the Isle of Man is well served by the quality and dedication of its elected politicians and its senior officials. I would not have set out the challenging possibilities contained in the report if I did not believe that the capacity to rise to those challenges exists within the Isle of Man.

I have been particularly impressed by the carefully considered and transparent process of change and improvement in the mechanics of government which has been undertaken over almost 30 years within the Isle of Man. I hope that this report assists with the next steps in that progress.

Sir John Elvidge, KCB
October 2014

Chapter 1

The Evolution of the Executive in the Isle of Man

1.1 The Boards System

- 1.1.1 Prior to 1866, the Government of the Isle of Man was essentially the Lieutenant-Governor. As a consequence of the reforms of 1866, Tynwald acquired the right to retain certain limited tax revenues for the benefit of the Island and to have some say in how the Governor performed his functions, but the Governor was still unmistakably "the Government".
- 1.1.2 In conjunction with changes in the fiscal relationship between the United Kingdom and the Isle of Man, there began a gradual process of delegation of executive powers to "Boards", with individual legal personalities and comprising a number of members, including some drawn from the membership of Tynwald. As this process continued, more and more executive functions were delegated to Boards, which became known as "Boards of Tynwald", with the Governor retaining responsibility for all areas not devolved to Boards. The effect of this was increasing political independence.
- 1.1.3 This evolutionary process continued and, by 1986, there were 27 Boards of Tynwald, the membership of which comprised members of Tynwald and some non-Tynwald members. However, the Board system became characterised by slow decision making and a lower level of cooperation and coordination than should have been expected.

1.2 Executive Council

- 1.2.1 In 1946, an Executive Council was created, comprising eight members directly elected from the Branches, which had the task of advising the Governor, previously the function of the House of Keys. Gradually, the Executive Council assumed a leadership role within the Isle of Man Government, especially after 1980 when the Governor ceased to preside over its meetings. The status of the Executive Council, though, remained an advisory one, its Chairman lacked authority and only a limited number of the Boards of Tynwald could be represented on it.

1.3 The Development of a Ministerial System

- 1.3.1 Pressure during the 1980s for the introduction of a Ministerial System to meet the need for a more decisive, efficient and effective form of Government resulted in the reorganisation and reduction in the number of the Boards of Tynwald, leading to the establishment of nine Departments of Government, technically Boards of Tynwald, and the reconstitution of the Executive Council to include 9 ministers, being the chairs of the Departments, and a Chief Minister.
- 1.3.2 The transfer to a full Ministerial System was accomplished by the passing of the Government Departments Act 1987, which provided for a standardised and simplified constitution for Departments, inter alia that each Department is a body corporate with perpetual succession and consists of the Minister, by whom its functions are exercised, and one or more other members, the Minister and members all being members of Tynwald. Legal proceedings are taken by or against a Department in the name of the Department.
- 1.3.3 The remaining Boards of Tynwald and some other bodies which had not been rationalised into the new Departments retained their separate existence as Statutory Boards, as provided for by the Statutory Boards Act 1987.

- 1.3.4 A review of the Civil Service resulted, inter alia, in the formation of a separate Division of Government Office dedicated to the work of the Chief Minister and the Executive Council, strengthening the administration of the Executive Council. The post of Chief Secretary was established as the Chief Executive of the Government Office, which was renamed as the Chief Secretary's Office.
- 1.3.5 With the passing of the Council of Ministers Act in 1990, the Executive Council was renamed as the Council of Ministers.
- 1.3.6 The Council of Ministers can be considered as serving three main purposes:-
- in the absence of significant party politics, to act as a forum for the Chief Minister and the Ministers to discuss and determine policy on all matters relating to the Government of the Isle of Man;
 - to exercise those statutory powers which have been conferred on it by statute, which are mainly functions which have been transferred to the Council as part of successive reviews of the Governor's functions and for which no other more suitable authority has been identified as well as the authority to issue directions to Departments and Statutory Boards in relation to any matter which appears to the Council to affect the public interest and which directions must be complied with; and
 - to deal with the external relations of the Isle of Man Government.
- 1.3.7 The Chief Minister is considered to be the political head of the Isle of Man Government in whom certain executive authority for the conduct of the Isle of Man Government is vested and he is the person who is most usually seen as the face of the Isle of Man Government externally. However, he has limited statutory powers in his own right, the most significant of which relate to the appointment of Ministers.

1.4 Recent Developments

- 1.4.1 The structure and scope of the Isle of Man Government have been kept under review, most notably during 2006, which resulted in a comprehensive report and recommendations.
- 1.4.2 The 2006 report, whilst acknowledging the very significant and wide-ranging progress that the Island had made since the introduction of ministerial government, emphasized the need for continuing the process of change and made a number of recommendations to address five problem areas which the review team had identified as justifying change, including:-
- Corporate Government – there was a necessity for greater working together across Government to address the perceived continuing silo mentality; and
 - Separating Policy from Operations – there was a great need to redefine and separate the roles of the politician and the manager.
- 1.4.3 Although the recommendations were not adopted, it may be pertinent that they were made against a background of financial stability and prosperity in which there was limited, if any, perception of an imperative for change.

- 1.4.4 In 2010, the Council of Ministers published a report which responded to the 2006 report and recommended changes to the structure of Government through a reorganisation of the existing Government Departments designed to provide a departmental structure for the future which would be fit for purpose in the very competitive global structure of the day. Continuing concerns regarding silo working were proposed to be addressed through the enactment of legislation providing a duty for all Departments of Government to cooperate with each other as far as practicable to secure the attainment of overriding objectives of the Council of Ministers, however, for reasons which are not clear, this proposal was not progressed.
- 1.4.5 The implementation of the Council of Ministers' recommendations resulted in the dissolution of six of the nine Departments, with six new Departments being created in their place, including the Department of Economic Development, to co-ordinate the support and promotion of key sectors in the Island's economy, and the Department of Social Care, which was made responsible for a cohesive social policy.
- 1.4.6 Although, as the number of Departments remained constant at nine, the 2010 changes did not result in an overall change to the structure of Government, the process of reorganising Divisions from the dissolved Departments into the newly created Departments inevitably meant a change in working practices which could be viewed as a first step in changing the culture of silo working.
- 1.4.7 Since 2010, there has been a programme of amalgamating common services which had developed throughout Government, such as finance, estates, fleet management, human resources, catering and information technology, within a single Department or office to reduce duplications and benefit from economies of scale, which is another step in the necessary culture change.
- 1.4.8 The 2006 Review Team published a follow up report into the Scope of Government in March 2012. Although the focus of the follow up report was the scope, rather than the structure, of government, the Review Team did comment that it remained the case that the existing Departmental structure of government enabled a silo mentality to survive, albeit it noted that there was a stronger commitment towards inter-departmental cooperation than had been apparent in 2006.
- 1.4.9 The Council of Ministers' response to the follow up report followed the principle that Government should be smaller, simpler and less bureaucratic and work has been since been ongoing to identify alternative means of delivering public services so as to ensure their sustainability and cost effectiveness.
- 1.4.10 In 2013, in conjunction with the work on Alternative Means of Service Delivery, the Council of Ministers considered wider issues surrounding the future sustainability of public services against a backdrop of a reduction of Government revenue, notwithstanding sustained economic growth, and the changing demographic also experienced by other Western nations. Echoing the earlier reports, despite some successes in recent years such as the shared services programme, the Departmental structure of government continued to be seen as working against the achievement of a truly joined up government which can operate collectively and cohesively towards a common set of goals and priorities.
- 1.4.11 In order to take forward the work of developing priorities against which future policies will be developed, the Council of Ministers identified a need to reform elements of the structure of Government so that it could more effectively deliver the changes necessary, the intention being to create a smaller, simpler, stronger Government for the Isle of Man.

1.4.12 This was initially progressed, in April 2014, by the following steps:-

- the reduction of the number of Departments from nine to seven, by the amalgamation of most of the functions of the Department of Health and the Department of Social Care into a new Department of Health and Social Care, with the remaining function being transferred to the Treasury, and the dissolution of the Department of Community, Culture and Leisure, its functions being transferred to other Departments;
- the reduction in the number of Ministers from nine to eight, allowing for a Minister without portfolio to be dedicated to Policy and Reform and to lead the Transforming Government Programme;
- the improvement in corporate working through the enhancement of the centre of Government by the creation of a Cabinet Office, incorporating the Chief Secretary's Office and other offices providing key corporate services; and
- the combination of the two Statutory Boards providing public utilities into a new Manx Utilities Authority.

1.4.13 The changes delivered in April 2014 have been seen as a first phase, the second being to examine options for further streamlining and improving service delivery as well as a more detailed review and reform of the Departmental System of Government.

1.5 The Next Step

1.5.1 The history of the Isle of Man Government has been one of progressive evolution, the driver for change being both a wish to change the relationship with the United Kingdom to secure greater political independence as well as to ensure that the structure of Government reflected the changing needs of the Island in the modern world. It has seen the development of the Board System, then the adoption of the System of Ministerial Government and is now in a phase of streamlining and a shift to centralisation.

1.5.2 One of the Island's strengths has been its relative agility and freedom in being able to respond to changing economic circumstances and this has enabled it to sustain in excess of 25 years of continued economic growth against a backdrop, particularly since 2008, of worldwide slowing of growth or actual recession.

1.5.3 Since its inception in the mid-1980s, the present System of Ministerial Government has served the Island well. However, just as with the Boards System and despite significant emphasis being placed on joined-up working, it is now seen as holding back the necessary pace of change through its inherent silo mentality. At a time when emphasis is being placed by the OECD on the importance of strategic agility, which is being recognised by a number of developed countries as they consider the continued evolution of their own systems of executive government, the time is right for the Isle of Man to look again at its model and structure of Government and to determine what is, for it, the next right step on the evolutionary path.

Chapter 2 Assessing the Case for a Single Legal Entity

2.1 Purpose of Further Change

- 2.1.1 A fresh view of what further improvement can be made in the functioning of the Isle of Man Government is the starting point for the next step in the progressive process of change described in Chapter 1. I began my consideration of the potential next step in the development of the Isle of Man Government by gathering views on the nature of the challenges which any further change would be designed to address. I found strong agreement that the purpose of my work should be to enable the Government to work more effectively to deliver better outcomes for citizens and for the economy rather than to consider the merits of single legal status, or any of the associated potential changes, in the abstract.
- 2.1.2 The main challenge described to me has been that, despite the changes which the Government has already embraced over the past 30 years, the working of government is not yet sufficiently integrated to deal effectively with issues which involve interrelationships, sometimes complex, between different Ministerial portfolios. Dealing with such issues is an increasingly important part of the work of government. Again, this is not a challenge which is unique to the Isle of Man. It is a central preoccupation of governments in many mature jurisdictions. The search for better 'joined up' government has been for some time a central theme of public policy across the developed world.
- 2.1.3 I also heard recognition that the challenge for modern governments is never a static one; that the world does not stand still. The main challenge which was described to me was that the Isle of Man has to deal with increasingly powerful and complex external circumstances, which are sometimes characterised by rapid change. The great success which the Isle of Man has achieved over the past two decades or so has reflected an ability to adjust effectively to external change. It is increasingly challenging for any country to achieve such success. The Isle of Man Government's ambitions to navigate the shifting tides of international economic change and other powerful external forces require the ability to read and adjust to those tides quickly.
- 2.1.4 I was able therefore to begin my work from a clear and coherent statement of the nature of the improved effectiveness of government which I should have in my sights as I considered the possible changes which the Government might adopt.

2.2 The International Context

- 2.2.1 The emphasis placed on the need for government to work in a more integrated way is unsurprising because that challenge is faced by governments throughout the developed world. The more progress governments make within individual areas of activity, such as healthcare or education, the more clearly they are able to see the challenges of dealing with matters which cross those functional boundaries. Understanding the interaction between aspects of such complex matters and securing effective coordination of action to tackle them are not easy tasks for governments accustomed to focusing separately on the delivery of each public service. In addition, governments have to be able to reconcile potentially competing objectives, such as the desire for economic development and the desire to minimise environmental impacts. In short, all developed governments recognise the need to strive for more joined up government.
- 2.2.2 The Isle of Man Government is not alone in perceiving that this challenge is being intensified by the increasing need to adapt quickly to external economic and other changes. Since 2010 there has been an important stream of work under the auspices of the OECD concerned with the issue of how individual governments can improve their 'strategic agility'. The authors of this key work, on which OECD has based engagement with member governments, argue strongly that improving strategic agility requires governments to adopt new ways of organising themselves and operating, with improved integration and coherence as a core objective.

- 2.2.3 The work undertaken under the auspices of OECD argues that there is a strong link between the challenges of more integrated government and greater strategic agility. Material produced for OECD by the Finnish independent policy organisation, SITRA, in collaboration with INSEAD, the internationally highly regarded business school based near Paris, sets out the core argument that in order to improve strategic agility governments must maximise integration in the way they work. (My own involvement with this OECD work over the past three years stems from the fact that the changes made by the Scottish Government in 2007 correlate closely with the general proposals for change developed entirely separately through the SITRA/INSEAD work.)
- 2.2.4 It is interesting, from an Isle of Man perspective, that this work has been led partly from Finland, as a country which has also enjoyed two decades of considerable economic success, relative to the rest of Europe. Finland has more recently experienced the speed with which economic advantage can be diminished, threatening the sustainability of the level of services provided for citizens by the state.
- 2.2.5 By addressing the challenge of the future as part of this work to consider the next steps in its journey of improvement, the Isle of Man Government is placing itself at the leading edge of international thought about how governments can best serve the future interests of their citizens. In commissioning this report now, the Isle of Man Government has made itself one of a number of governments asking themselves how the increased need for strategic agility can be translated into practical changes in their organisational arrangements and working methods. It is also the case that exploring the transferable learning from experience within the Scottish Government since 2007 is a strong common thread between the OECD work, work on strategic agility in several individual government jurisdictions and my work in producing this report.
- 2.2.6 In the international discussion taking place currently on these issues, a common point of discussion is whether the governments of smaller jurisdictions have an inherent advantage in the ease with which changes which encourage and support a whole of government approach can be adopted.

2.3 Previous Consideration in the Isle of Man

- 2.3.1 The need for more integrated working across government has been identified as a key reason for change in earlier reports to the Isle of Man Government. The 2006 Scope and Structure of Government report said:
- 2.3.2 "The problem of "lack of joined up government" was identified or recognised by virtually all who spoke to us. To be fair, Government has devoted much effort since the introduction of Ministerial Government to developing a corporate approach and improving inter-departmental cooperation and with some success and the reforms of 1985-87 had, as one of their objectives, that purpose. It would also be true to say that in so diverse an organisation, with human failings being what they are, an ideal level of communication and cooperation is unattainable. But the impossibility of achieving perfection should not discourage effort and it is clear to us that there is still room for improvement."
- 2.3.3 This sentiment was repeated, and indeed, developed further in the Modernising Ministerial Report in January 2014, which stated:
- 2.3.4 "The Departmental system in its current form works against the achievement of truly joined up Government which can operate collectively and cohesively towards a common set of goals and priorities. There have been some notable successes in recent years, including the development of shared services in certain areas of activity, but progress has been much slower than anticipated. It is envisaged that the short term proposals for strengthening the centre of Government would provide the impetus necessary to pursue reforms with renewed vigour, but it remains the case that, to some observers, the structure of Government is the biggest barrier of all."

- 2.3.5 Most recently, the report to Tynwald on collective responsibility by the Council of Ministers said:
- 2.3.6 "Joined-up policy-making: The major policies that affect the business of only one department are few. Public policy is inter-connected and the actions of one department can have an impact on the responsibilities of others. Often the interactions are not obvious. Also some of the most difficult and intractable social problems straddle the responsibilities of a number of departments. These connections are more likely to be made if decisions are taken collectively: indeed, our system of collective decision-taking is designed, inter alia, to provide a safety mechanism to identify collateral effects of proposals of which the originating department may not have been aware and it frequently does this. In doing so, it both highlights silo thinking and presents an opportunity to overcome it corporately."
- 2.3.7 In the evidence I took, I found recognition that good progress has been made. Like most governments seeking to address this challenge, the Isle of Man Government has taken various steps intended to address it. As in other jurisdictions, there has been a logical focus on the way in which two key groups, Ministers and Chief Officers, communicate and work with each other. There have also been efforts to secure integration through arrangements to coordinate the work of various Departments on specific issues and efforts to improve coordination by strengthening capacity at the centre of the organisation of government.
- 2.3.8 None of this work is wasted or misconceived. However, the clear and strong view expressed to me that it is not sufficient to make government genuinely joined up is consistent with the evidence from a number of other jurisdictions. It was a desire to explore how to go beyond the limitations of conventional ways of pursuing greater integration which led to the changes adopted by the Scottish Government in 2007 and is currently leading several governments to consider similar changes.
- 2.3.9 There was also a clear view that there was more to be done, particularly as the Isle of Man Government seeks to outperform other jurisdictions in the effectiveness of government as a vital component of competitiveness. I heard a strong consensus that there was unfinished business from the efforts made since the move to Ministerial government to move steadily forward on a journey of improvement.
- 2.3.10 The concept of the Isle of Man Government operating as a single legal entity was explored, amongst many other issues, as part of the Review of the Scope and Structure of Government in the Isle of Man conducted in 2006.
- 2.3.11 The review identified some compelling arguments in support of the model of a Government as a single legal entity, including the concept of the 'silo mentality' or lack of joined up Government. This was described as each Government body (and, sometimes, each division of each body) existing in isolation from the rest of Government and communicating with the rest of Government with insufficient frequency and inadequately. The need to improve corporate Government was identified as one of the five general themes where improvements needed to be made alongside such other themes as reducing the scope of Government, achieving value for money and separating policy from operations.
- 2.3.12 The 2006 review concluded that there was merit in the Isle of Man Government being created as a single legal entity but only for the purposes of external and international relations.
- 2.3.13 It did not agree with the concept that all the powers responsibilities and accountabilities of such an entity should rest with the Council of Ministers and then delegated to Departments and Boards etc. The primary reason for this was that the review did not believe the present statutory authority of Government Departments should be diminished or that, if a third party would have cause to sue Government Departments (and their Ministers) that the Department should be able to avoid direct accountability for their actions. As part of its rationale, the Review also stated,

when summarising its consultation exercise, that: "it was accepted by all that Government cannot be a single monolith but has to be subdivided to allow it to be controlled and managed".

- 2.3.14 The review concluded that the role and structure of the Council of Ministers should remain substantially unchanged but that consideration should be given to the Isle of Man Government being established as a legal entity in its own right, through the Council of Ministers, for the purpose of entering into international agreements. It recommended that this should be in addition to, and not in place of, the separate legal personality of individual Departments and Boards, and it should not impinge upon the legal personality of individual Departments and Boards.
- 2.3.15 This recommendation was formally reported on by the Council of Ministers in its report to Tynwald in January 2010. In a rather brief response it was reported that the matter was already being addressed within the proposed Finance Bill. This proposed legislation has not come to fruition in subsequent years and, as a result, the implementation of this recommendation remains outstanding.
- 2.3.16 In January 2014 the matter was raised again in the Modernising Ministerial Government report of the Council of Ministers that was unanimously approved by Tynwald. This report argued that the retention of the Departmental system in its current form works against the achievement of truly joined up Government which can operate collectively and cohesively towards a common set of goals and priorities. The Council of Ministers proposed that the review would be commenced to reconsider the basis on which the Departmental system operated to determine whether it remained the most appropriate structure for the effective delivery of public services or whether an alternative approach was required. This report is the product of that review.
- 2.3.17 It can be seen therefore that the concept of the Isle of Man Government as a single legal entity has emerged for consideration from time to time over the last decade, and whilst it has not been implemented, there appears to be increasing support for the concept as evidenced during the debate in January 2014 and during questions on the Chief Minister's statement on Modernising Ministerial Government in July 2014.

2.4 Future Options/Implications

- 2.4.1 The specific change on which I was asked to report was that the Government should become a single legal entity. I have no hesitation in recommending that the time has come to take this step, which as indicated above, has been under consideration for almost a decade now.
- 2.4.2 The main reason for this is that it clearly creates a favourable context for the more integrated working of government. It removes potential inhibitors to joint action by different parts of the government structure. In terms of behavioural culture within government, which is much more important in practice than organisational and process changes, it encourages a predisposition towards communication and cooperation.
- 2.4.3 It opens the door to further changes of greater substance, without in any way forcing choices about the extent to which the Government decides to adopt those changes.
- 2.4.4 In all these respects, it offers a clear and compelling match to the improvements in effectiveness which those I consulted wish to see achieved.
- 2.4.5 It also has advantages for the citizen in that, insofar as legal identity is of consequence to them, it relieves them of the need to unravel the complex structure of government to identify the legal entity relevant to their interest.

- 2.4.6 These arguments are so powerful and clear cut that I hope, in the interests of brevity in this report, that they do not require more extensive elaboration. I did, of course, consider very carefully whether there were countervailing arguments which might moderate or reverse my conclusion.
- 2.4.7 Single legal status is a model which is in use by several other governments, within the UK and elsewhere, so there is much evidence available which allows me to rule out the risk that there might be unforeseen adverse consequences. In particular, I am clear from my knowledge of other jurisdictions that single legal status need not weaken clarity and acceptance of responsibility, quality of scrutiny or rigour of accountability.
- 2.4.8 Governments which are single legal entities necessarily pay attention to the functions which should be outside that boundary. I am clear from evidence from other jurisdictions that single legal status is compatible with the independence of those functions, notably financial regulation, which require it and which, in some cases, international bodies require should be transparent and demonstrable. There is more consistency in the view taken of how to draw the boundary than there is about the organisational forms which should be used for functions which are to be outside the boundary. This demonstrates that there are a variety of workable organisational solutions which can be adopted for functions which it is appropriate to place outside the boundary of single legal status.
- 2.4.9 It was agreed at the outset of the work to produce this report that the question of which functions should be independent, and the related question of which organisations should be outside the single legal identity, should be the subject of separate detailed consideration if the Government and Tynwald agreed to proceed with single legal status. There is no doubt, from the evidence of practice elsewhere and from the consistent views put to me in the Isle of Man, that regulatory functions which require to be independent from Ministerial intervention would constitute one major category. This does not preclude some regulatory functions, for example land use planning permissions, remaining within government. In other jurisdictions, it is not considered an inherent source of difficulty that government may occasionally have to regulate itself. This is dealt with by ensuring that officials and Ministers seeking regulatory permission or subject to regulatory scrutiny are isolated from the regulatory process to the same degree as an external applicant or subject would be.
- 2.4.10 The evidence from other jurisdictions suggests that this separate consideration would embrace the appropriate relationship of commercial activities carried out under government ownership, such as the services provided by the Isle of Man Post Office, to single legal status. Most jurisdictions adopt separate legal structures for major commercial activities carried out under government ownership. I was made aware by those offering evidence that there is already extensive discussion within the Isle of Man of the appropriate future models for major government owned commercial activities.
- 2.4.11 A specific question was raised with us, which I considered particularly carefully, whether the change might have negative consequences for data protection. I was able to secure unambiguous reassurance from the Isle of Man's Data Protection Supervisor that there would be no consequential weakening of data protection. He was able to draw on his closer knowledge of other data protection regimes to supplement our own understanding of the evidence that there is no such effect in other jurisdictions with a single legal identity for government. The Data Protection Supervisor has written to me to confirm this position, which I attach at **Appendix 3**. I am able to affirm from my own knowledge of circumstances in Scotland that single legal identity strengthens rather than weakens understanding of data protection principles, while allowing effective data sharing where there is a statutory power to do so in compliance with data protection principles.

2.4.12 There is one consequence to which I should draw attention, although I would not characterise it as a negative consequence. Single legal status would remove any potential barrier to the application of equalities legislation across the whole of government. The pay and conditions of jobs in one part of government would be open to comparison with those in another part of government. I take the view that this fulfils the underlying intention of such legislation and is therefore a positive matching of practical effects to the will of Tynwald. It is true, though, that in some other jurisdictions where there has been reluctance to act on the will of the legislature, costs have eventually arisen for those organisations which have not acted in accordance with the legislation.

2.4.13 I should make clear that my recommendation is for single legal identity to replace the separate legal identities of the constituent parts. I am aware that the possibility of coexistence of single legal entity and the retention of single legal entities has been raised in the past. I have not heard any evidence presented in favour of that option. I consider that it would create potential confusion both for citizens and for those working within government; and would potentially negate some of the potential benefits of the further options discussed in the following chapter.

2.4.14 I conclude that the balance of argument overwhelmingly favours a change to single legal status for the Isle of Man Government. I also conclude that, given the sense of urgency about enhancing the Isle of Man's ability to secure competitive advantage through improving the strategic agility of the Government, it would be timely to make the change as soon as practicable.

Chapter 3 Government as a Single Organisation

3.1 Introduction

- 3.1.1 Government as a single legal entity is not the same thing as government as a single organisation. As set out above, one argument for the change to single legal status is that it opens the door to other changes designed to enhance the strategic agility and integrated functioning of government. It is important to be clear that, although the arguments for a change to single legal status are strong, that change, in itself, is unlikely to have a powerful effect. It is more a matter of removing an obstacle to the Government's ambitions than of creating a tool to achieve those ambitions.
- 3.1.2 In other words, government as a single organisation, or even government as a well-integrated organisation, does not flow automatically from a government being a single legal entity. It is for that reason that several governments are currently considering a menu of changes to enhance integration and strategic agility. It was also essentially for that reason that the Scottish Government made a radical package of changes in 2007, which the evidence suggests have delivered positive progress in a difficult period for all governments. There are numerous examples of governments as single legal entities. Scotland and Sweden may currently be the only examples of government as a single organisation, although several other governments are currently considering whether they should seek to adopt a version of that model. There is no example yet of a government trying and failing to make this shift. Scotland and Sweden both have experience of learning and improving over time in relation to the development of the model, which can involve discarding detailed aspects which do not work well.
- 3.1.3 It may be helpful to set out the menu of further changes which the Isle of Man Government might wish to consider. They are drawn from my experience in Scotland, although the SITRA/INSEAD work on strategic agility has generated a compatible set of ideas and the menu is one which has been used in my recent work with several governments.
- 3.1.4 The first thing to reemphasise is that there is no necessity to adopt all the changes, or to concentrate a large number of changes in one radical shift, as the Scottish Government has done. The point is not to transfer the Scottish model, or the Swedish model, to the Isle of Man but instead to consider which of these changes, if any, would fit with the Isle of Man's own carefully considered journey of progress towards more effective government.
- 3.1.5 The elements of the menu are:
- a single strategic framework for Government
 - an integrated performance management framework
 - a collective approach to political decision making
 - common systems underpinning the operation of central Government e.g. finance, ICT, HR.
 - integrated financial planning and budget management within central Government
 - an integrated Civil Service structure, with a clear overall point of authority
 - a basis for aligning the activities of centrally funded public bodies which are at 'arm's length' from central Government with the Government's strategic framework
 - a basis for aligning the activities of municipal/local Government with the Government's strategic framework
- 3.1.6 In any jurisdiction, some of the elements are likely to be a more natural fit with the existing context than others. One difference between Sweden and Scotland is that Sweden has introduced elements of the model over an extended period of time and continues to consider the adoption of further elements 17 years on from the initial change, whereas Scotland made its changes as a single 'big bang' transformation, except for elements which had existed under the previous 'federal' model, and has concentrated on deepening the impact of the changes over the 7 years since their introduction.

3.2 Single strategic framework for government

- 3.2.1 Strategic frameworks within governments vary considerably in form. In jurisdictions with a tradition of single party governments, the election manifesto of that party may serve that function. In jurisdictions with a tradition of coalition government, there tends to be an explicit coalition agreement of some kind setting out the agenda for the period of government which has been agreed between the parties within the coalition and that becomes the framework for government, although it may lack strategic coherence. The model of government as a single organisation requires some way of expressing the purpose of that organisation but it need not be significantly different from the type of statement of agreed shared purpose which exists in the more normal 'federated' model of government.
- 3.2.2 In Sweden, the coalition government's agreed programme for government, produced essentially to reflect the balance of political power between the parties and to provide political 'glue', serves the purpose. In Scotland in 2007, there was substantial innovation despite the emergence of a single party government which need not have produced a formal programme for government. The Scottish National Party had committed in their manifesto to the introduction of a single statement of strategic aim for government and a framework of national outcomes to give direction to the work of government and its agencies.
- 3.2.3 The idea of a framework of outcomes was explicitly based upon the experience over about a decade in the Commonwealth of Virginia, in the United States. The key point of focusing government on outcomes, rather than inputs or outputs, is driven by a concern about the effectiveness of government. Senior civil servants in Scotland had been engaged in discussions in preparation for advising whatever government which emerged from the 2007 elections which had come to conclusions which also emphasised the importance for government performance of a clear focus on outcomes.
- 3.2.4 The Scotland Performs framework introduced in 2007 was produced through a brief and intensive interaction between civil servants and senior Ministers. There is now all party agreement that a national outcomes framework should be given statutory force and legislation has recently been introduced before the Scottish Parliament. The Scottish framework has been described by Professor Joseph Steiglitz, one of the members of the Sarkozy Commission and a leading expert on measuring national wellbeing, as one of the three best examples in the world of a framework for assessing national success which captures the dimensions of success which cannot be measured solely through Gross Domestic Product.

3.3 Integrated performance management framework

- 3.3.1 It is a well-established feature of performance management that organisations focus on delivering the things which are measured. Separate performance management systems for different organisations will tend to produce a focus on the objectives which are specific to that organisation, rather than common to the government as a whole. Some adherents of the approaches to performance management which have been generally dominant for the past two or three decades argue that accountability is undermined by performance measures which are not within the control, and exclusively within the control, of the organisation or individual whose performance is being managed. The counter argument is that, unless performance measures relate to objectives for government as a whole, pursuit of those objectives will be subordinated to pursuit of narrower, often second or third order, organisation specific objectives.

3.3.2 In Scotland, the national outcomes framework which is the foundation of Scotland Performs is elaborated into 50 national performance indicators which constitute the primary performance management framework for government and the wider public sector as a whole. It has replaced a plethora of separate performance frameworks, which were at the same time duplicative in some respects and inconsistent in others. Performance against the national indicators is tracked through data in as close to real time as possible and published online in a form which makes performance very easy to assess by the public (with a detailed level of assessment available through a 'second click' on the simplified assessment of performance).

3.4 Collective approach to political decision making

3.4.1 All governments with cabinet based models of Ministerial political decision making, as distinct from presidential systems, have some degree of collective approach to political decision making. This is evident even in systems, such as Northern Ireland, where matters which fall within the responsibility of single Ministers are explicitly exempt from collective responsibility. In jurisdictions where some form of coalition government is the norm, it is also common for there to be a very high degree of autonomy for individual Ministers over their Departmental responsibilities. When Sweden adopted the government as a single organisation approach in 1997, one of the most important elements was the explicit agreement that a necessary element would be a substantial shift in the boundary between what was determined by individual Ministers and what was determined collectively by Cabinet. In a system in which the use of arm's length bodies for service delivery is a dominant feature, they agreed that all significant Ministerial decisions about individual arm's length bodies should be taken collectively.

3.4.2 In Scotland, within a single party government, there was also a clear tendency for much more decision making to take place at Cabinet level but this has happened through developing practice rather than any explicit agreement. A key mechanism has been the presence on every Cabinet agenda of a paper scanning current issues and imminent actions across government, a practice which predated the 2007 changes but which was used by the First Minister after 2007 in a different way from his predecessor, as an entry point for Cabinet into decisions which would otherwise have been taken by individual Ministers.

3.5 Common systems within central government

3.5.1 Common systems oil the wheels of integration within government. Integrated financial management becomes much more difficult if there are a series of separate financial systems which do not feed into each other automatically. Flexible allocation of staff is much more difficult if parts of government operate different HR systems. Integrated performance management is harder and slower if performance data has to be drawn from incompatible IT systems and simple matters like communication within government, which are key to the behaviours required in a government seeking to function as a single organisation, are harder without a single secure ICT system.

3.5.2 The persistent problems faced by the UK Government in securing more effective integrated action across Whitehall have been exacerbated by their multiplicity of different Departmental systems.

3.5.3 In Sweden, a central task following the move to the model of government as a single organisation in 1997 was to move to common systems and it is illustrative of the scale of the challenge, and perhaps to some extent a measure of resistance to change away from the federal model of government, that it took over 15 years to achieve.

3.5.4 In Scotland, the big bang approach to the 2007 change was made much easier by the existence of long established common systems and it is an open question whether the abolition of the Departmental structure could have been made credible without the flexibility of organisational structure which they provide.

3.6 Integrated financial planning and budget management

- 3.6.1 In most jurisdictions, there is some form of Finance Ministry/Department responsible to a Finance Minister which exercises an overall control of public spending. Often the mechanism for this control, is a series of spending controls/budget limits on individual Departments or public bodies.
- 3.6.2 The disbenefit from this arrangement tends to be the creation of incentives on Departments to place a high priority on the protection of their relative share of overall resources, rather than on collaboration to achieve results or the adoption of policies designed to reduce their relative spending needs, and a lack of flexibility in the allocation of resources to match innovation in ways of delivering the government's agenda.
- 3.6.3 In Scotland, there was an established practice, predating devolution, of the collective engagement of senior officials in advising Ministers on the initial allocation of the budget and in the in year management of expenditure within budgets. However, formal financial accountability rested with individual Heads of Department, as is common in systems in other jurisdictions which have the concept of individual financial responsibilities for senior officials distinct from those of Ministers.
- 3.6.4 There was a series of formal changes from the beginning of devolution onwards which moved in the direction of strengthening the responsibilities of the single senior official within the Scottish Government and strengthening the degree of collective engagement in managing expenditure against the overall budget. This was reinforced by the Parliament's agreement in 2011 that management against the overall budget should take precedence over management against Minister's individual portfolio budgets.
- 3.6.5 This has removed an important formal constraint on the ease with which resources could be reallocated rapidly to support innovation in approaches to delivering objectives.

3.7 Integrated civil service structure, with a clear single point of authority

- 3.7.1 It is a point of difference between civil service structures between jurisdiction whether the civil service is a single structure, with common citizenship across different Departments and bodies, or as a series of separate employment structures without common citizenship. Absence of common citizenship prevents or inhibits movement of staff between Departments or bodies. Career development tends therefore to be confined to each Department or body. It is often reinforced by a high value on subject expertise, rather than on broader understanding of economic and social issues and of the operation of government. Another reinforcing factor of a fragmented approach can be the way in which appointments are made to senior posts and particularly the extent of control of such appointments exercised by individual Departmental Ministers.
- 3.7.2 In Scotland, the part of the UK Civil Service serving the Scottish Government has used the common citizenship model throughout the devolution period, drawing on pre-devolution experience which included a move away from separate Departmental employment and career management structures as far back as the 1960s. The key change in 2007 was to take that approach further by abolishing Departmental structures (but not the structure of Executive Agencies within the wider Scottish Government structure e.g. the Scottish Prison Service or Transport Scotland). In formal terms, this was simply a matter of terminology, including the job titles of several of the most senior posts, but in substance it involved redefinition of responsibilities of the most senior staff to give much greater emphasis to their responsibility to contribute to delivery of the whole of the Scottish Government's objectives. This change did not directly affect the structure of Ministerial portfolios, although the numbers of both senior Minister and official posts were reduced to promote greater emphasis on team working in both groups.

- 3.7.3 In Sweden, despite a smaller core Civil Service than in Scotland (about 3500 compared to about 5500) and a larger number of Departments within the government structure there was no similar change in 1997 and it remains a change to which there are substantial perceived barriers, despite the desire to progress further with an integrated approach to the operation of government. In the other country most actively considering the Scottish model at present, Finland, this is also seen as a matter of substantial difficulty.
- 3.7.4 An interesting contrast in approach is the Public Service Agreement programme within the UK Government during the second half of the last decade, which took to a highly sophisticated level the traditional approach to integration within government, which is to overlay integrated cross Departmental groupings around key strategic objectives on top of a continuing Departmental structure. This incorporated innovative elements, notably making an identified senior official responsible for progress on each Agreement, and was strongly supported by Sir Gus O'Donnell, as the then Cabinet Secretary and Head of the Home Civil Service. I can see with hindsight that it dissolved completely, despite the claims made about progress towards objectives at the time and the powerful leadership support which it enjoyed.
- 3.7.5 This is consistent with general evidence about what happens when mechanisms designed to achieve integration in government are imposed on systems which remain essentially Departmental/federal. Having a single civil service structure implies having a post which has authority over that structure. This differs from the position in jurisdictions where all Heads of Department are formally equal and autonomous of each other, even if there is one Head of Department who is 'primus inter pares' whether by virtue of their post (often the Head of the Prime Minister's Department or the Cabinet Secretary) or by some process of appointment (in the Netherlands, this is election of a leader by the members of the collective group).
- 3.7.6 In Sweden, the creation of such a post in 1997 was one of the key features of the move to the model of government as a single organisation. In Scotland, such a post had existed for several decades but there were significant additions to the functions and formal authority of the post at the beginning of the transition to devolved government. The most important of these additions was overall formal accountability for controlling government expenditure within the aggregate budget. Another important feature of the post in Scotland is the high degree of authority over appointments to senior posts, within the wider UK tradition of a more limited role for Ministers in such appointments than is found in many jurisdictions. These issues about a single point of authority are significant because achieving substantial cultural/behavioural change in any organisational structure, whether governmental or not, requires strong and persistent leadership.

3.8 Basis for aligning arm's length bodies with the single strategic framework

- 3.8.1 There is a strong risk within any system of government which makes extensive use of arm's length bodies that the bodies will develop mutually inconsistent strategic approaches. The use of Ministerial powers of strategic direction is the conventional counterweight to this but different sets of Ministerial directions also carry the risk of lack of coherence. Both Sweden and Scotland are jurisdictions in which very extensive use is made of arm's length bodies.
- 3.8.2 In Sweden, the mechanism for seeking greater coherence is to make all public bodies accountable effectively to the Cabinet rather than to the Departmental Minister whose portfolio is primarily relevant to their activities.
- 3.8.3 In Scotland, the approach has been to substitute the National Performance Framework for separate Ministerial strategic directions to individual bodies.

3.8.4 Executive Agencies within central government and Non-Departmental Public Bodies at arm's length from government are also subject to performance management frameworks which link to this strategic framework and are expected to align their internal performance management frameworks accordingly.

3.9 Basis for aligning municipal/local government with the strategic framework

3.9.1 The democratic autonomy of municipal/local government renders the use of direct Ministerial direction unusual in most jurisdictions. In jurisdictions where there is a central government financial contribution to the funding of individual local authorities, a common alternative means of achieving central government influence is the hypothecation of some or all of that financial contribution to specific uses, often with restrictive conditions further limiting the use.

3.9.2 In advance of the 2008-09 financial year, the Scottish Government and the Convention of Scottish Local Authorities negotiated an agreement whereby local authorities agreed to align their own strategic planning with the national outcomes in return for a substantial progressive reduction in the proportion of central government finance which was hypothecated.

3.9.3 This was the foundation of a system of single outcome agreements which form the basis of the funding settlement between the Scottish Government and each of the 32 individual local authorities. The process of strategic alignment is reinforced by a system which links an individual Director from within the Scottish Government with each local authority, as a first point of contact for discussion of the relationship between the overall Scottish Government agenda and the local authority's plans, as agreed with local partners through a Community Planning Partnership.

3.9.4 This arrangement has the secondary benefit of requiring individual Directors within the Scottish Government to be able to represent the whole of the Scottish Government's interests, giving a practical expression to the expectation that senior officials will devote a considerable proportion of their time to supporting the delivery of the Government's overall agenda.

3.10 Isle of Man Government's progress towards becoming a single organisation

3.10.1 The reforms to the structure of the Isle of Man Government over the last 30-40 years show a clear trajectory of progress towards it becoming a more cohesive and joined up organisation. This period began by loosening the control of the Lieutenant Governor in areas such as determining the budget and chairing the Executive Council, and has included the abolition of the Boards system, the development of the Ministerial system and the refinement of that system including the reduction in the number of Ministers and Departments and the strengthening of "the centre", as part of the Modernising Ministerial Government programme. During the same period the Government has moved from an essentially Departmentally minded policy review process through a corporate planning process to a new performance management and reporting process based around the Agenda for Change of the current administration, which was published in January 2013.

3.10.2 These reforms have enabled the Isle of Man Government to implement, to some degree, many of the elements from the single organisation menu. My support team have helpfully produced an analysis of the progress achieved on the Isle of Man in relation to each element, and the further progress which would be possible both within the current structure and within a single legal entity. This is attached at **Appendix 4**.

3.10.3 This analysis reinforces the view that good progress has been made in some areas towards the Isle of Man operating as a more cohesive and joined up organisation. As I indicated at the start of Chapter 2, there is a strong and widely shared view that there is further to go before the Isle of Man Government matches the expectations of both citizens, Ministers and Tynwald. It is an important source of confidence in the Government's ability to achieve further change therefore that it is starting from a track record of progress with the elements of the single organisation menu. It is my judgement that, if Ministers conclude that government as a single organisation would be the right future model for the Isle of Man Government, the capability to achieve that exists within the Government.

Terms of Reference and Methodology

Terms of Reference

The agreed terms of reference required the review to make a recommendation to the Council of Ministers in relation to the appropriateness, or otherwise, of establishing the Isle of Man Government as a single legal entity. I was asked to take account of:

- approaches taken in other relevant jurisdictions (UK local and central Government, Crown Dependencies, Overseas Territories and other etc.) in relation to Government structures (central and local Government) and, in particular, in respect of the utilisation of a single legal entity as opposed to separate authorities each with their own legal personality;
- the adequacy, including the relative merits and constraints, of:
 - a) the current structure comprising separate Departments, Statutory Boards and other legal entities,
 - b) a structure based on a single legal entity;
 and the legal and practical implications of each approach;
- impact on the workings of the Council of Ministers;
- impact on the determination, coordination and implementation of strategy and policies and the delivery of public services;
- value for money principles;
- impact on Government's role in supporting and sustaining the Island's economy, and the development and coherence of society; and
- any ongoing requirement for separation between service delivery and regulatory functions.

If a single legal entity approach was to be recommended I was asked that any such recommendation must include proposing a criteria on which decisions could be based to identify those current (or proposed) entities which are to be included and those, if any, which are to be excluded.

Questions to consider:

Closed Questions – Level 1

- Could a single legal entity improve the delivery of Government services?
- Would a single legal entity improve the leadership of the Isle of Man?
- Would it improve decision-making and enforcement decisions?
- Would it make any difference to the alleged silo mentality/culture within Government?
- Would it be possible to centralise (as shared services) all common activities which still currently exist independently within Departments?

Closed Questions – Level 2

- How would regulatory/enforcement responsibilities sit within a single legal entity?
- How would you organise the government within a single legal structure?
- How would Ministerial portfolios be allocated?

- How and on what basis would authority be delegated to Ministers/Departments?
- How would legal accountability operate?
- How would you resolve statutory differences between Departments?

Open Questions

- What would a single legal entity offer that can't already be achieved within the existing government structure?
- What constitutional issues, if any, does it raise?
- What political issues, if any, does it raise?
- What would the roles be for bodies currently at the "centre" operate within such a structure (e.g. the, Treasury Cabinet office)?
- In whom would the statutory functions of Government be vested?
- What legislative change would be necessary to achieve a single legal entity?
- What impact would it have on existing employment structures?

It was not expected that the Review would be able to provide definitive answers to all of the questions. Many of the questions touch upon subjective judgements on the part of relevant stakeholders. Therefore, I was asked to endeavour to provide clear answers or choices where this is possible, but could be limited to identifying a high level analysis or framework for follow up questions where it was not possible to be definitive.

Methodology

The terms of reference required me to conduct appropriate consultation, prior to reporting back to the Council of Ministers during September 2014. The review has been conducted over a relatively short timescale, commencing in August 2014 and it has therefore not been practical to embark on a wide public consultation, although that will clearly be something the Council of Ministers will need to consider should it choose to accept some or all of my recommendations. Instead, I have conducted a limited consultation with a range of internal stakeholders, through a combination of one to one and group meetings. A full list of stakeholders consulted as part of the review is attached at **Appendix 2**.

I am very grateful to all those who found the time to meet with me and contribute to the process.

During the consultations, my starting point was to seek to understand what others thought of the nature of the problems to be addressed, seek views on whether moving towards a single legal entity would provide an opportunity to address those problems and in particular, to establish what challenges or obstacles might stand in the way. I was very pleased that all the people I consulted displayed an active interest in the subject and were very open and forthcoming with their views.

Some common themes emerged from the consultations, which I have summarised below and endeavour to address in the main body of the report:

- Political imperative for change
- Political appetite for change
- The future role of Tynwald
- Implications for regulatory and enforcement functions
- Implications for commercial functions
- The future role of the Treasury
- Implications for data protection and freedom of information
- Employment law implications

List of groups/individuals consulted as part of the review

Chief Minister & Council of Ministers	Hon A R Bell MHK, Chief Minister
	Hon C R Robertshaw MHK, Minister for Policy and Reform
	Hon L D Skelly, MHK, Minister for Economic Development
	Hon T M Crookall MHK, Minister for Education and Children
	Hon R Ronan MHK, Minister for Environment, Food and Agriculture
	Hon R H Quayle MHK, Minister for Health and Social Care
	Hon J P Watterson MHK, Minister for Home Affairs
	Hon P A Gawne MHK, Minister for Infrastructure
	Hon W E Teare MHK, Minister for the Treasury
Tynwald Members	The Hon C M Christian MLC, President of Tynwald
	The Hon S C Rodan SHK
	Mrs D Anderson MHK
	Mrs K Beecroft MHK
	Mr A L Cannan MHK
	Mr G Cregeen MHK
	Mr D Cretney MHK
	Mr J Houghton MHK
	Mr D Quirk MHK
	Mr J P Shimmin MHK
	Mr L Singer MHK
	Mr C Thomas MHK
	Mr P Braidwood MLC
	Mr M Coleman MLC
	Mr G Corkish MLC
	Mr A Crowe MLC
	Mr A Downie MLC
Ret Rev Robert Paterson, Lord Bishop of Sodor and Man	
Mr T Wild MLC	
Chief Secretary & Chief Officer Group	Mr W J Greenhow, Chief Secretary, Cabinet Office
	Dr M Couch, Chief Financial Officer, Treasury
	Prof R Barr, Chief Executive, Department of Education and Children
	Mr C Corlett, Chief Executive, Department of Economic Development
	Mr M Charters, Chief Executive, Department of Health and Social Care
	Mr M Kelly, Chief Executive, Department of Home Affairs
	Mr N Black, Chief Executive, Department of Infrastructure
	Dr M Couch, Chief Financial Officer, Treasury
	Mr J Callister, Executive Director, Office of Human Resources, Cabinet Office
	Mr C Kniveton, Department of Health and Social Care
Cabinet Office Executive Leadership Team	Mrs D Fletcher MBE, Executive Director, External Relations
	Mr C Hawker, Acting Executive Director, Policy and Strategy
	Mr D Davies, Director of Change and Reform
	Mr M Lewin, Director, Government Technology Services
Attorney General's Chambers	Mr J L M Quinn, Her Majesty's Acting Attorney General
	Miss M Norman, Senior Legal Officer Advisory, Civil Division
	Mrs A Martin, Chief Operating Officer
	Mr D Bermingham, Chief Legislative Drafter
	Mr H Connell, Legislative Drafter

**Statutory Board
Chief Executives & Officers**

Dr C McLaughlin, Director, Communications Commission
Ms R Oldham, Director of Policy & Legal, Financial Services Commission
Mr S Brennan, Chief Executive, Gambling Supervision Commission
Mr D Vick, Chief Executive, Insurance and Pensions Authority
Mr M Kelly, Chief Executive, IoM Post
Mr D Catlow, Chief Executive, IoM Post
Mr E Southworth, Director, Manx National Heritage
Mr P King, Chief Executive, Manx Utilities Authority
Mr I Murray, Chief Executive Public Sector Pensions Authority
Mr M Ball, Chief Isle of Man Office of Fair Trading

**Office of the Data Protection
Supervisor**

Mr I McDonald, Data Protection Supervisor

**Former IoM Government
Chief Officers**

Mr K Kinrade (former Chief Executive, Department of Local Government
and the Environment and Department of Environment, Food and
Agriculture)
Mr M Shimmin MBE (former Chief Financial Officer, Treasury)

Data Protection Act 2002

I have been asked to provide a view as to how the Data Protection Act 2002 ("the Act") would apply to the processing of personal data in the event of IOM Government becoming a single legal entity and what affect that would have on data sharing within that entity.

The Act applies to the processing of personal data by data controllers established in the Island. With regard to the public sector, every Department is a separate data controller and each has an entry in the Register of Data Controllers maintained by the Supervisor describing the purposes for which they process personal data.

If a single entity was established then IOM Government would become one data controller with one register entry describing all the purposes for which personal data are processed.

All processing of personal data must comply with the provisions of the Act and in particular the eight data protection principles. One of the fundamental requirements of the Act is that personal data must be processed lawfully. For a public body to process personal data lawfully it must be mandated to do so by statute, if it was to do otherwise then it would be acting "ultra vires."

Therefore, if Isle of Man Government were to become a single entity this will not in itself permit personal data to be processed where no statutory power to do so exists.

A single entity will encompass many diverse statutory functions and, as such, will have to carefully consider how data can be lawfully shared.

There are many other things to consider beyond the Act. These things include whether there are any statutory provisions, such as those contained in the Income Tax Act, that expressly restrict the use of data, compliance with the European Convention on Human Rights, the common law duty of confidentiality and other sector specific compliance obligations such as those set out in the Caldicott Principles or professional codes of conduct.

In conclusion, establishing IOM Government as a single entity will not affect how personal data is processed or shared.

Iain McDonald
Isle of Man Data Protection Supervisor
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Analysis of Progress towards Isle of Man Government as a Single Organisation

a) Single Strategic Framework

In 1987 the new Ministerial Government produced its first overall statement of policies. This statement was called "The Development of a Prosperous and Caring Society". Subsequently, with effect from 1988, an annual policy and budget cycle was introduced which saw the Council of Ministers produce to the October Tynwald each year a Policy Document. This was, in part, an annual statement or restatement of policies and report of what had happened and been achieved in the previous year; but, most particularly, a statement of plans and programmes for the future, including estimates of costs and staffing implications. This document was used by Government following the October Tynwald debate as a lead-in to the Budget in the following spring. Once the Budget was dealt with, the cycle of preparing the Policy Document for the following October would begin again.

Changes were made progressively over succeeding years and, in particular, the annual Policy Document grew in size and detail but became increasingly formalised and stereotyped. From 2003 further changes were made which saw the development of a formal business planning approach, and the publication of a Government Plan based on policy themes, rather than Departmental inputs and containing a series of targets and key performance indicators. In 2007/08 the Government developed this approach further by producing a Strategic Plan, again formed around key policy themes, but still focused on detailed inputs and activities. In January 2013, the current administration published its Agenda for Change which identifies the basis on which the public service would reform activities and to monitor and measure performance against them.

There are 5 policy themes:

- Our Economy
- Environment and Infrastructure
- Good Government
- Income and Expenditure
- Welfare Reform and Wellbeing

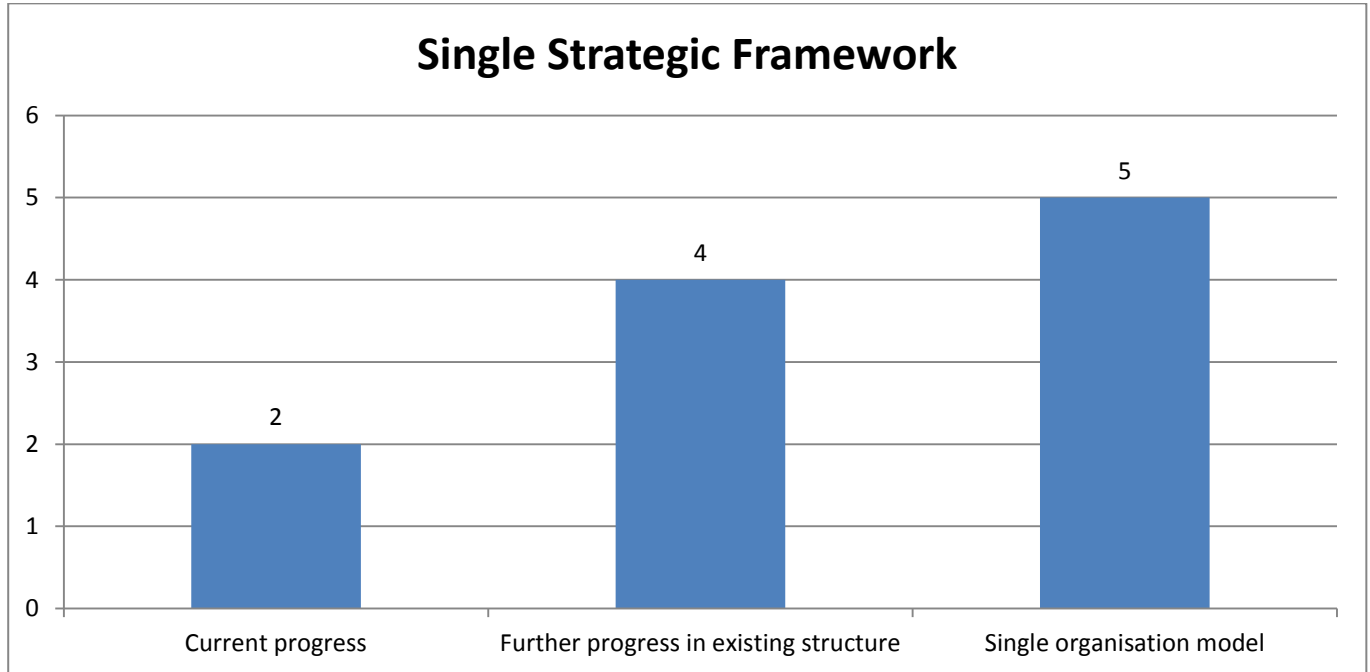
Within each theme there is a range of high level priorities which have been set by the Council of Ministers for the remainder of this political administration, to 2016. The 5 policy themes are supported by 17 targets which in turn are supported by 71 corporate objectives which have been determined by the Council of Ministers.

As with previous plans, the Agenda of Change is an admirable attempt to articulate the activity of Government in meeting its objectives to rebalance the budget, grow the economy and protect the vulnerable. The Agenda for Change is more publicly accessible than its predecessors and there is a published framework in place for managing performance against its objectives.

However, what now exists in numerous jurisdictions, and appears to be only in its infancy on the Isle of Man, is an outcomes-based approach to delivering the objectives of Government combined with a system for tracking performance against outcomes and reporting it transparently and accessibly. In Scotland, for example, its Framework has a 'dashboard' of economic, social and environmental indicators which provide a broad measure of national and societal wellbeing. It is a single framework to which all public services in Scotland are aligned. It provides a strategic direction for policy making in the public sector, and provides a clear direction to move to outcomes-based policy making. It forms the platform for on-going, wider engagement with the Government's delivery partners including Local Government, other public bodies, the third Sector and private sector organisations. It is a key tool therefore for focusing and tracking progress against the Scottish Government's public service reform programme.

Such an approach can of course be delivered within the traditional Governmental structure, but is perhaps, more easily delivered in a single legal entity operating as a single organisation.

However, in the current structure, without a single legal entity, further progress could still be made. The Council of Ministers could develop its own outcomes-based performance framework from which its policy priorities would flow. It is understood that the opportunity is to be taken in the near future to review the Agenda for Change document with a view to setting out proposals for the remainder of the current administration as well as some longer term thinking. The opportunity therefore exists at this point to consider whether some form of framework of outcomes would be desirable.



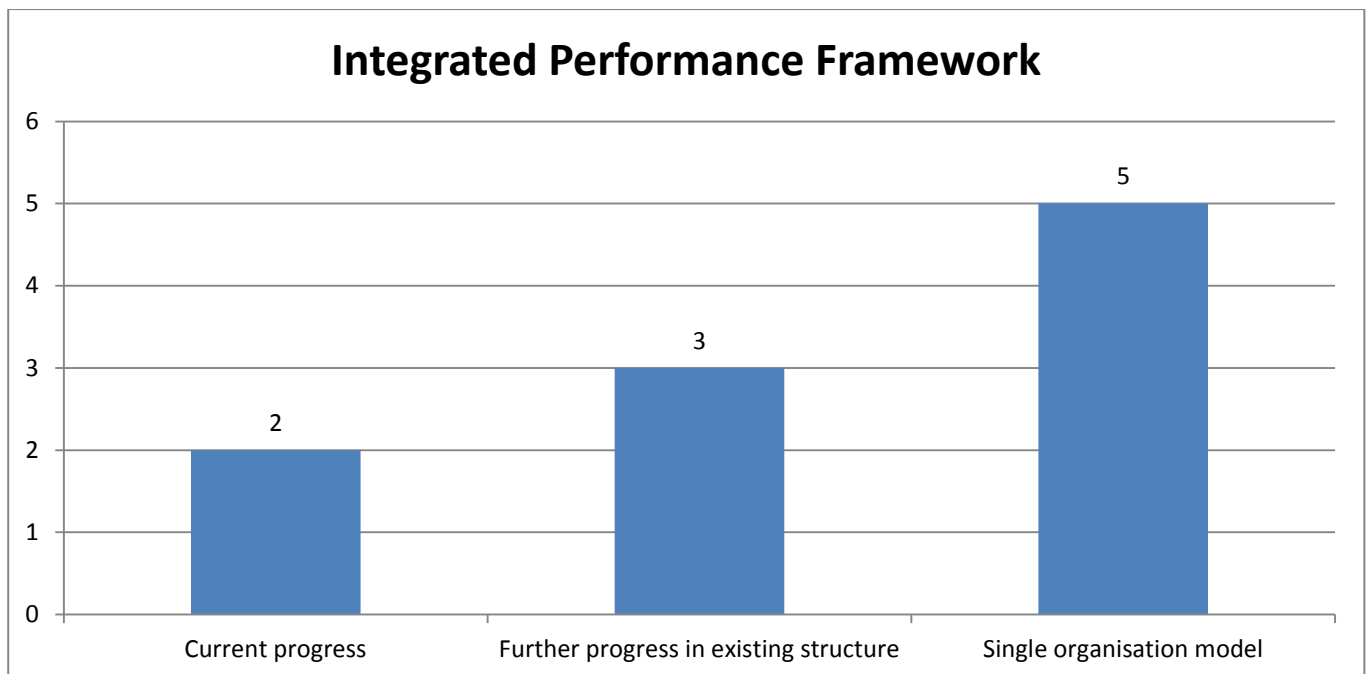
Current Progress	Further progress	Single organisation model
<ul style="list-style-type: none"> • <i>Agenda for Change</i> • Corporate objectives • Corporate targets 	<ul style="list-style-type: none"> • Outcome-based planning within a national strategic policy framework approved by Tynwald 	<ul style="list-style-type: none"> • Removes blockages/silos • Portfolios based on outcomes • Accountable to the single legal entity • Functionally driven decisions accountable to corporate policies

b) Integrated Performance Management Framework

The Agenda for Change document is underpinned by a corporate performance report which is published quarterly and reports upon Government’s progress towards achieving its objectives. This is a more accessible approach than in previous incarnations of Government Plans, and demonstrates a shift towards the measurement of outcomes. However, many of the objectives relate to inputs and activities that are difficult to measure and are not specifically aimed at improving outcomes for the people of the Isle of Man.

It is acknowledged that there has been previous research undertaken on the Island identifying high levels of satisfaction amongst the population with quality-of-life on the island, and that spending on public services on a per capita basis was higher, some years ago, than many comparable jurisdictions.¹ It is also notable that crime rates on the Island continue to decline. Yet it is unlikely to be the case that improvements could not be made in relation to the health of the population; the life chances for children, young people and families at risk; and in enhancing the skills and education of the workforce. The current performance reporting system appears not to measure many outcomes in these areas. From a political perspective it is interesting to note that a previous Scottish Government successfully achieved its list of objectives, but nonetheless failed to achieve re-election, possibly because the outcomes for the citizen had not improved.

Again, it would be possible within the current structure of the Isle of Man Government to introduce performance measures against which the achievement of its outcome based objectives could be assessed. However, unless performance measures relate to the objectives of Government as a whole it is too easy for the pursuit of those objectives to become the focus of only one part of Government without having regard to other parts. It is easier to define performance measures from a corporate perspective when the organisation is structured and behaving in a way which fully supports the achievement of corporate objectives.



Current progress	Further progress	Single organisation model
<ul style="list-style-type: none"> • Quarterly Performance Report (QPR) • Some benchmarking • Some external reviews 	<ul style="list-style-type: none"> • Improve accessibility of QPR • Improved benchmarking • More external reviews 	<ul style="list-style-type: none"> • Simplifies and sharpens the performance framework • Ties in horizontal and vertical outcomes • Targets and outcomes become determined by corporate needs with more honest accountability

¹ scope of Government report 2006 (chapter 6)

c) Collective Approach to Political Decision-Making

The establishment of the Council of Ministers in the 1980s and the creation of the Government Code describing the Council's functions, demonstrate that the Isle of Man Government already has a collective approach to political decision-making in respect of certain issues. However, the vast majority of decision-making is left to individual Departments and Boards and only certain specific issues are elevated to Council of Ministers for consideration. Among other things, Council is responsible for the following functions:

- determining central planning assumptions
- agreeing the strategic plan (agenda for change)
- approving Treasury proposals for the budget
- agreeing the legislative programme
- determining general HR management policies
- agreeing external relations matters
- resolving disagreements between Departments

In the 2006 review it was suggested that many of the matters brought to the Council of Ministers should be delegated to facilitate time for high-level policy work and long-term planning. It was felt that much routine business was not of sufficient importance to warrant collective consideration. Whilst a detailed analysis of the business presented to Council has not been undertaken as part of this review, a number of contributors to the exercise have echoed these sentiments.

In moving to a single organisation, it would be expected that a greater number of policy decisions which currently sit within Departments would be agreed collectively by the Council of Ministers. This will present a challenge to the capacity of Council and its Sub-Committees to manage this additional workload unless some of its other, more transactional functions, were delegated to other parts of the organisation.

Some contributors also indicated that major policy initiatives can often be left to individual Ministers to deal with because the Council of Ministers is unable to agree a collective position and can easily avoid doing so within the current structure. Unfortunately this can mean that decisions taken in one area have significant negative impact elsewhere which may have been avoided if all relevant interests had been considered collectively.

Shifting decision-making on important policy matters from individual Ministers to the Council of Ministers or to its various sub-Committees, would enable decisions to be made from a corporate perspective reflecting the interests and needs of all stakeholders and not simply those who would be delivering the service.

In the current structure, without a single legal entity, it would be possible to increase the amount of collective decision-making at the Council of Ministers through modifications, perhaps, to the Government Code and by articulating more clearly those items for which the Council of Ministers is responsible and those which would be left for individual Ministers to deal with.

Consideration could also be given to reviewing the provisions for the maintenance of collective responsibility within the Council of Ministers. At present, the Government Code provides for five circumstances under which Ministers have freedom to speak publicly against policies and decisions of the Council of Ministers:

- 1) Matters of Conscience
- 2) A declared position
- 3) Constituency matters
- 4) Inconsequential matters
- 5) Unresolved issues

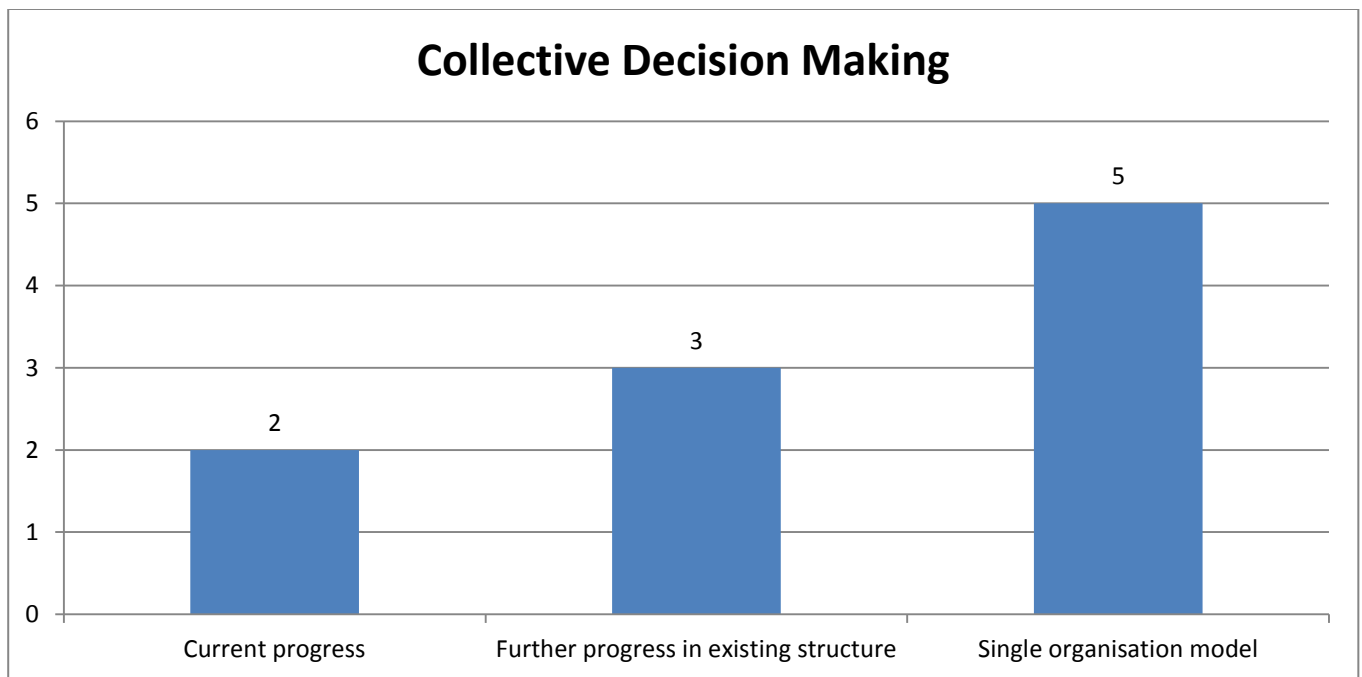
These are fairly broad exemptions and have the potential to undermine attempts to ensure a more cohesive approach to decision making.

By comparison, the Ministerial Code applicable to the Scottish Government has only two exceptions to the doctrine of collective responsibility which apply only to the Lord Advocate (in respect of criminal investigations and investigations of deaths) and the First Minister (in respect of specific statutory other responsibilities conferred on the First Minister alone).

In respect of constituency issues, for example, the Isle of Man Government Code provides that a Minister must have the right to represent a constituency interest if he so wishes where it conflicts with a Council decision. In Scotland, the Code states:

“The issue of collective responsibility is particularly acute where the portfolio Minister is likely to take a decision that will be unpopular in another Minister's constituency. Once a decision has been reached, the constituency Minister must be prepared to defend that decision, even if individually, he/she would have argued against it in private, or, in the case of a constituency issue, had made representations as a constituency MSP”.

Council could also more clearly identify those issues for which a more robust system of cross Departmental dialogue is necessary prior to papers being presented to Council for consideration. Such a system could involve greater use of the Chief Officer Group in the joint preparation of papers for Council, and could avoid situations arising at Council where disputes emerge as a result of inadequate dialogue between Departments when policy changes are planned.



Current progress	Further progress	Single organisation model
<ul style="list-style-type: none"> • Strategic Plan • Budget approval • Legislative programme • Secondary legislation • Corporate change programmes 	<ul style="list-style-type: none"> • All major policy initiatives (e.g. fees/charges; workforce restructuring; outsourcing) • Formalised process of cross-Departmental dialogue • Strengthening of Government Code • Review of exceptions to the doctrine of collective responsibility 	<ul style="list-style-type: none"> • All statutory functions vested in the Council of Ministers • Improved resolutions and outcomes across conflicting policy areas • Promotes open and constructive dialogue between officers & politicians • Supports highly objective decision-making processes • Reduces risk of potential information suppression

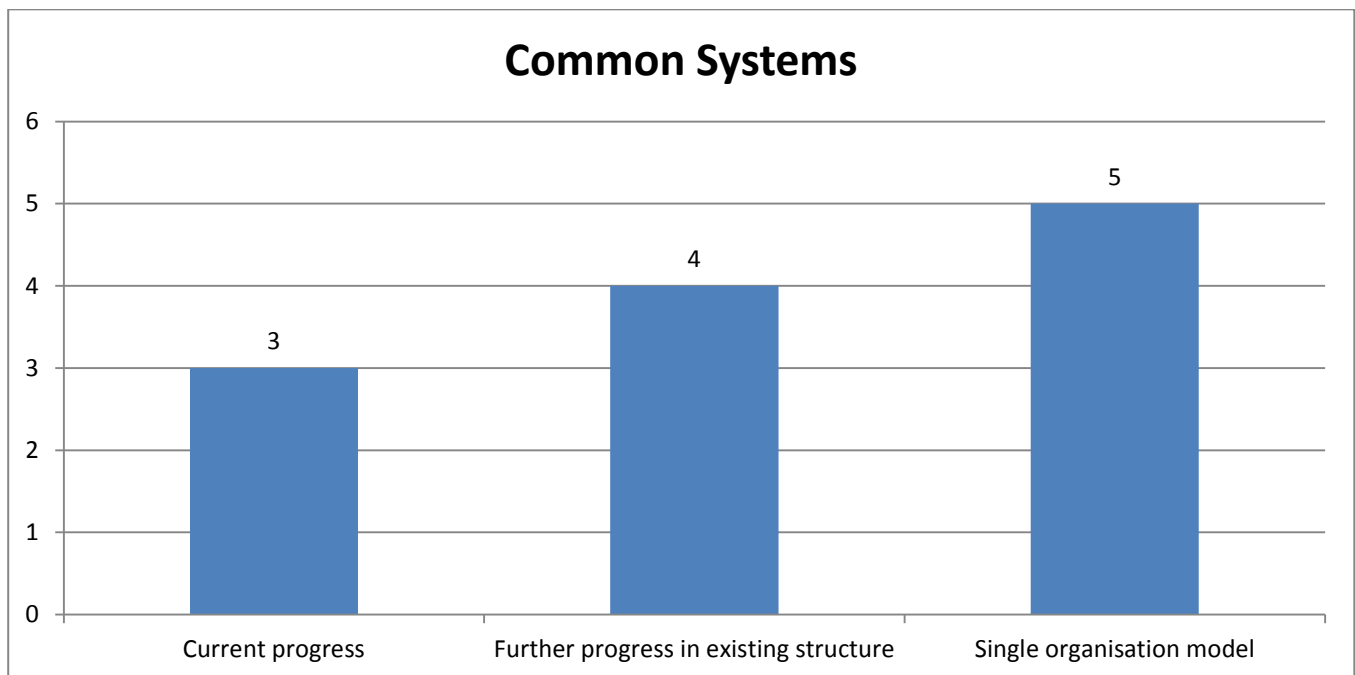
d) Common Systems within Central Government

Operating as a single legal entity and a more joined up organisation is more easily achieved if common systems apply to all parts of the Government. Central Government on the Island already operates, to a large degree, with integrated finance, HR and IT systems. It is understood that in some cases the systems are in need of improvement but they are systems used by the majority of Government.

Government has also moved a long way towards introducing the concept of shared services including Finance, Pensions Administration, HR, IT, Estates, Catering, Procurement, Caretaking and Cleaning and Learning and Development. This has enabled Government to achieve greater efficiencies and provide more consistent professional services.

There are multiple different employment groups within the Government structure and this does present difficulties in terms of consistency and fairness. However this is an area where work is already underway to achieve greater harmonisation, including through the proposed establishment of a Public Services Commission.

Most Government control systems, such as Financial Regulations, Corporate HR Policies and Information Security Policies are common to all areas of Government and there is a continuing drive across Government to operate a more centralised and consistent approach to its systems of administration. This should make it much easier to move to a single organisation model.



Current progress	Further progress	Single organisation model
<ul style="list-style-type: none"> • Shared Services • Common IT systems • Some common HR policies • Planned workforce reforms • Common Financial regulations and other control systems • Supports integration 	<ul style="list-style-type: none"> • Public Services Commission • Single points of access for public services • Extension of online services 	<ul style="list-style-type: none"> • Single employer • Single finance and corporate services function

e) Integrated Financial Planning and Budget Management

In a single organisation model, the financial responsibilities of the single senior official are strengthened; there is a high degree of collective engagement in managing expenditure against the overall budget and there is flexibility in the allocation of resources to match innovation in order to deliver Government's agenda. This helps to remove incentives on Departments to place a high priority on the protection of their relative share of overall resources rather than on collaboration to meet corporate strategic objectives.

In accordance with the Treasury Act 1985 it is the duty of the Treasury, inter alia -

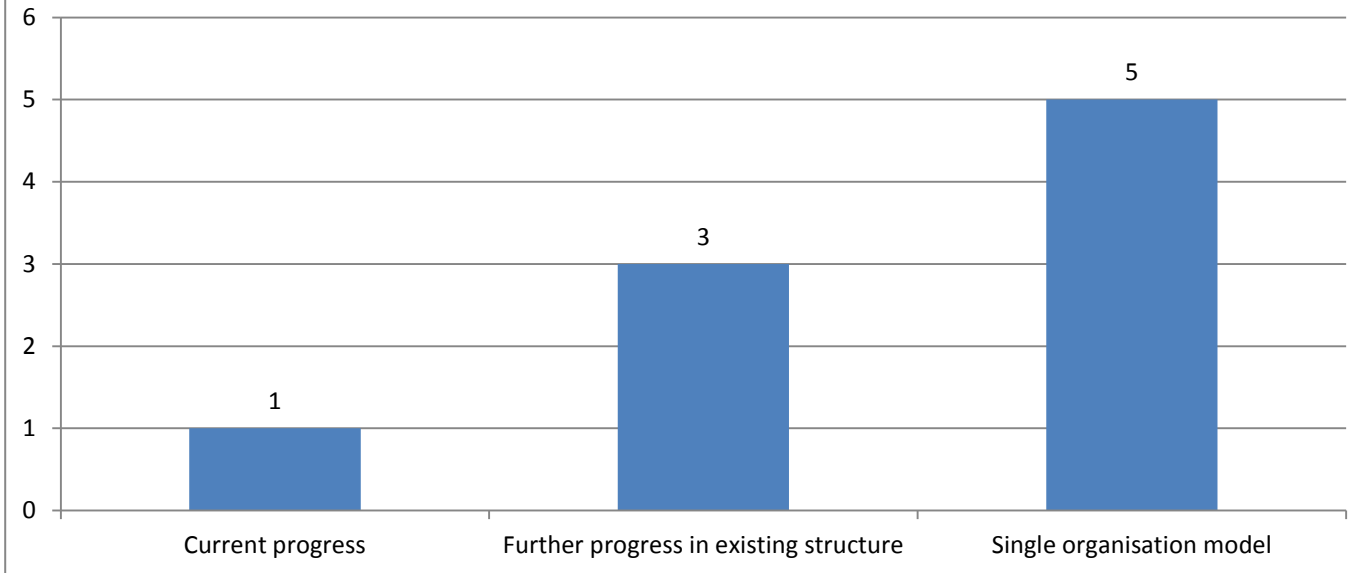
- to determine priorities of expenditure, to give directions to designated bodies and Departments of Government as to accounting and economies, and to consider applications by designated bodies for supplementary expenditure; and
- to consider all matters of financial and economic policy affecting the present and future prosperity of the Island.

In practice, of course, Treasury's proposals for allocation of resources (the Budget) are subject to a process requiring Council of Ministers approval. However, the Council of Ministers does not have statutory powers to determine priorities of expenditure nor to consider financial and economic policy issues. This was an issue considered by the Scope of Government review in 2006, although no recommendations were made to strengthen the Council of Ministers powers in this area.

The Treasury therefore is often seen as the powerbroker and as part of this review a number of contributors have suggested that the Treasury's influence over policy is a key issue which needs to be addressed. It would be possible within the existing Government structure to make some changes, which could include transferring some powers to the Council of Ministers. There was a strong view expressed during consultation that policy decisions should drive priorities and spending rather than the Treasury's fiscal imperatives driving policy decisions.

In terms of the management and scrutiny of expenditure against the budget, the Government has a Departmentally structured model whereby individual Departments require Tynwald approval for supplementary funding if they overspend, even if Government as a whole, is sufficiently underspent to accommodate the funding shortfall. By comparison, in Scotland the Parliament agreed in 2011 that management against the overall budget should take precedence over management against Minister's individual portfolio budgets.

Integrated Finance & Budgeting



Current Progress	Further Progress	Single Organisation
<ul style="list-style-type: none"> • Budget approval by Council of Ministers • Incremental Departmental Budgeting 	<ul style="list-style-type: none"> • Transfer some powers to Council of Ministers • Separate programme budgeting from Departments 	<ul style="list-style-type: none"> • Aggregate budget accountability • Greater flexibility of resource allocation • Outcome-based budgeting

f) Integrated Civil/Public Service Structure with a clear single point of authority

Unlike many larger jurisdictions the Isle of Man Government has always had a unified Civil Service with common citizenship across different Departments, Boards and Offices. With the advent of the Public Services Commission, which it is proposed will take effect in 2015, this position will be reinforced although there may be changes to employment categories within the new body.

The very senior Civil Service comprises approximately 60 posts in the form of the Corporate Leadership Group. Work is currently underway to develop a number of additional groups of public servants, including those represented on senior management teams and those active on corporate initiatives, to help implement programmes of reform to both culture and delivery. This will involve a further development of cross Departmental working, which is already a key element of most senior job descriptions.

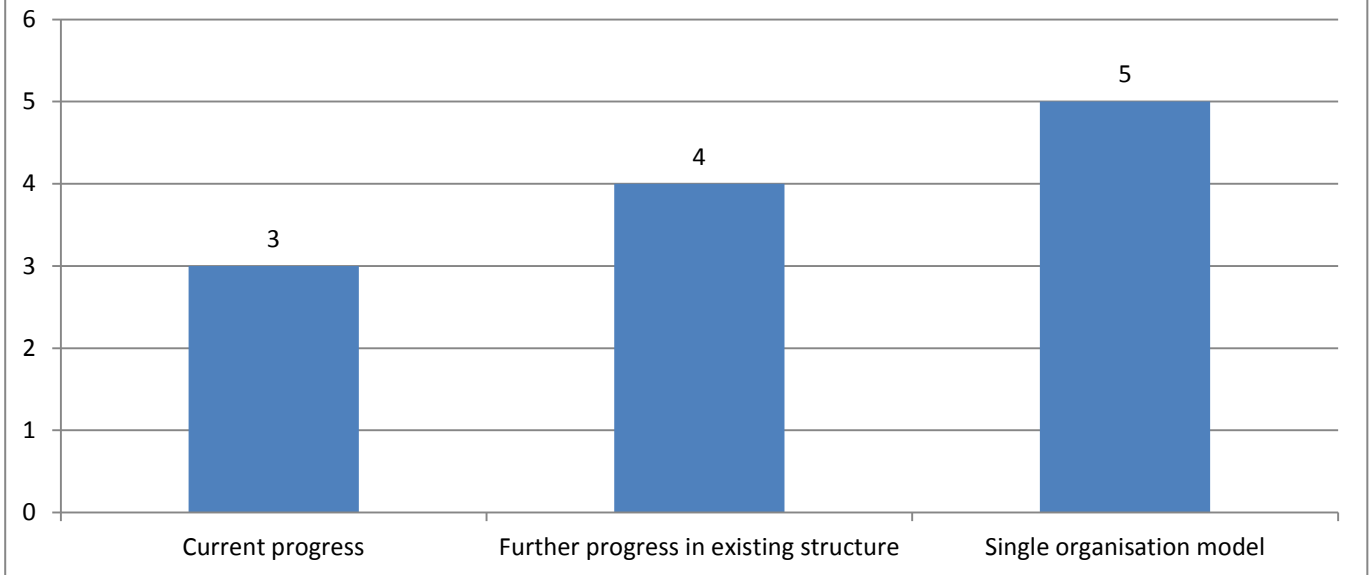
The Isle of Man system however does not provide for a single point of authority. The Chief Secretary role, whilst it is the reporting officer for Chief Officers under the Civil Service performance scheme, does not have overall authority over Chief Officers and the rest of the Civil Service. However, the Modernising Ministerial Government programme did introduce a reform whereby Ministers delegated their authority to the Chief Secretary to manage Chief Officers in relation to corporate matters and this is being reflected in Chief Officer Job Descriptions. This is a fairly new initiative and is yet to be fully tested.

It is also the case that individual Chief Officers remain as the Accounting Officers for their respective Departments and this function is not vested in the Chief Secretary as it is with similar positions elsewhere.

In the current structure, without a single legal entity it would be theoretically possible for all Ministers to delegate their functions to the Chief Secretary who could, in turn, delegate those functions to officers of the Departments concerned, in accordance with Section 3 of the Government Departments Act 1987. This, however, would only enable the Chief Secretary to delegate functions to officers within a Minister's Department, and not allow for Chief Officers, and others to act with authority as a broader corporate resource. It would represent an uncomfortable workaround to a problem better solved by adopting single legal entity status.

If, however, Government was a single legal entity it would be possible for the establishment of a Chief Executive post for the whole of Isle of Man Government who would be the Accounting Officer for Government as a whole and have the authority through appropriate structures and systems of delegation, to give management instruction to the whole public service.

Integrated Civil/Public Service Structure



Current progress	Further progress	Single organisation model
<ul style="list-style-type: none"> • PDR Reporting through Chief Secretary • Corporate decisions accountable to Chief Secretary 	<ul style="list-style-type: none"> • Delegate Departmental functions to the Chief Secretary 	<ul style="list-style-type: none"> • Chief Secretary as Single Accounting Officer • Authority to instruct on all matters • Chief Officers as corporate resource • Supports delivery of clear corporate leadership and intent

g) Alignment of Arm's-Length Bodies with Strategic Framework

The nature of arm's-length bodies within the Isle of Man Government falls broadly into two categories. First, there are eight Statutory Boards each of which, as in the case of the Departments, is a separate legal entity with its own functions, powers and responsibilities set out in a number of Acts of Tynwald of specific relevance to its work. All are also governed by the Statutory Boards Act of 1987, which sets out general provisions applicable to all. But, unlike a Department, a Statutory Board is a Committee and does not have a Minister. It does not have a seat in the Council of Ministers but reports to the Council through one of the Departments. Each of the Statutory Boards has its own constitution which as a matter of policy provides for a mix of Tynwald and non-Tynwald Board Members. Currently, four Statutory Boards are chaired by Tynwald Members, but in all cases the Boards are appointed by the Council of Ministers or Treasury, subject to Tynwald approval.

The IOM Post Office and Manx Utilities Authority are broadly self-financing, raising their funds through rates or commercial activity. The other Boards are all regulators funded either from fees from those being regulated or from Government's General Revenue.

The second category relates to a large number of other bodies, usually operating on a board or committee basis, which form a part of Government or the Public Sector but which are not formally constituted as Statutory Boards under the Statutory Boards Act 1987. The most significant of these is Manx National Heritage. It is statutorily a Trust with members appointed by various bodies, and, apart from its Government budget, it receives additional, private funding from bequests and donations. It reports to the Council of Ministers via the Department of Economic Development and is treated in the budget process, for the most part, as though it were fully a part of Government. Other important arm's length non-Departmental bodies include the General Registry, Road Transport Licensing Committee, Office of the Data Protection Supervisor and Manx Industrial Relations Service.

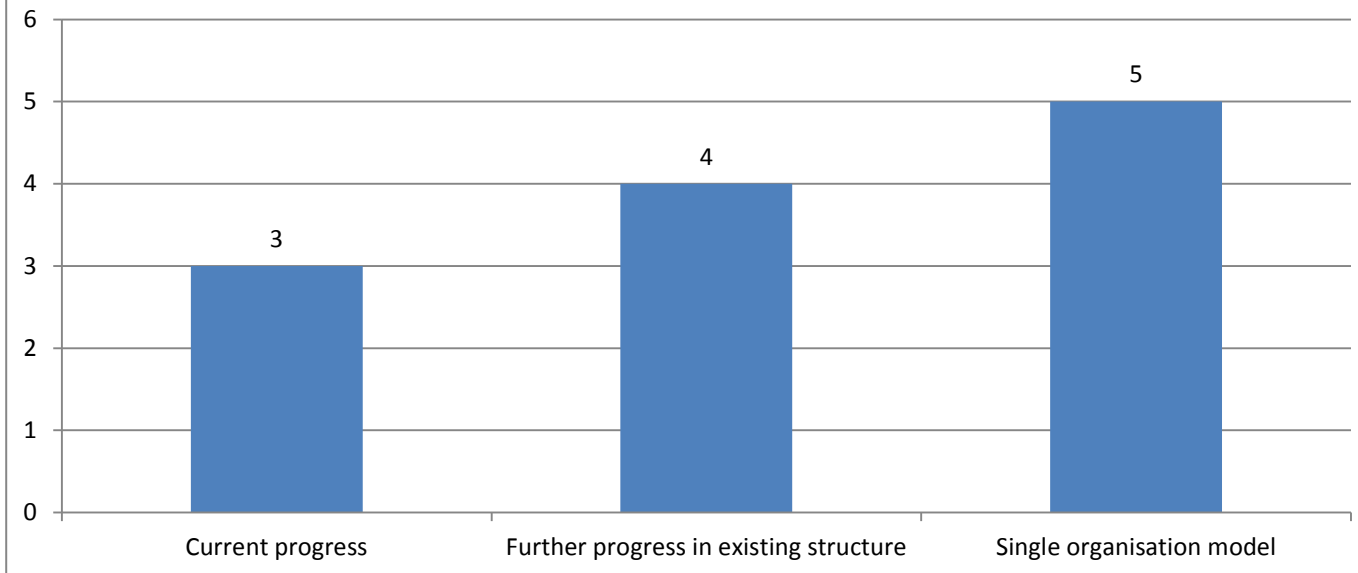
The Council of Ministers may, after consultation, give Manx National Heritage or any Statutory Board such directions as to the exercise of its functions in relation to any matter which appears to the Council of Ministers to affect the public interest.

There are some other committees and tribunals which exist either within the structure of Government or linked to Government activity but operating outside the structure in order to maintain independence. A number exist within the structure of individual Departments, but most have a separate existence, performing some advisory, supervisory or quasi-judicial function. The method of appointment to these bodies varies, although a large number are appointed by the Appointments Commission in order to ensure their independence from Government.

There is a risk that within any system of Government which makes extensive use of arm's-length bodies, that the bodies will develop mutually inconsistent strategic approaches. However, on the Isle of Man whilst there are a considerable number of arm's-length bodies, the extent to which they exist to provide extensive public services is fairly limited, compared to jurisdictions elsewhere. There are considerably more Non-Departmental Public Bodies, Executive Agencies, Non-Ministerial Departments and other Public Corporations in the United Kingdom for example.

In relation to the small number of Isle of Man arm's-length bodies, they operate within most Government control systems, they are part of the strategic planning and budgetary processes and are already fairly well aligned to Government strategic objectives. Within a single legal entity, it is anticipated that many of these bodies would continue to sit outside the mainstream structure in order to preserve their independence, but it would not be envisaged that their relationship with central Government would be diminished in any way.

Arm's Length Bodies



Current progress	Further progress	Single organisation model
<ul style="list-style-type: none"> • Budgets set by Tynwald (via Treasury/Council of Ministers) • Lack of clarity about regulation versus delivery in some areas • Lack of regulation in some areas 	<ul style="list-style-type: none"> • Introduce requirement for arm's length bodies to demonstrate alignment with <i>Agenda for Change</i> • Development of closer working between regulators 	<ul style="list-style-type: none"> • Greater clarity about boundaries between regulation and delivery • More separation of regulatory/enforcement functions • Greater clarity in regard to requirement for less <i>or</i> more <i>or</i> retention of the same number of arm's length bodies

h) Alignment of Local Government with Strategic Framework

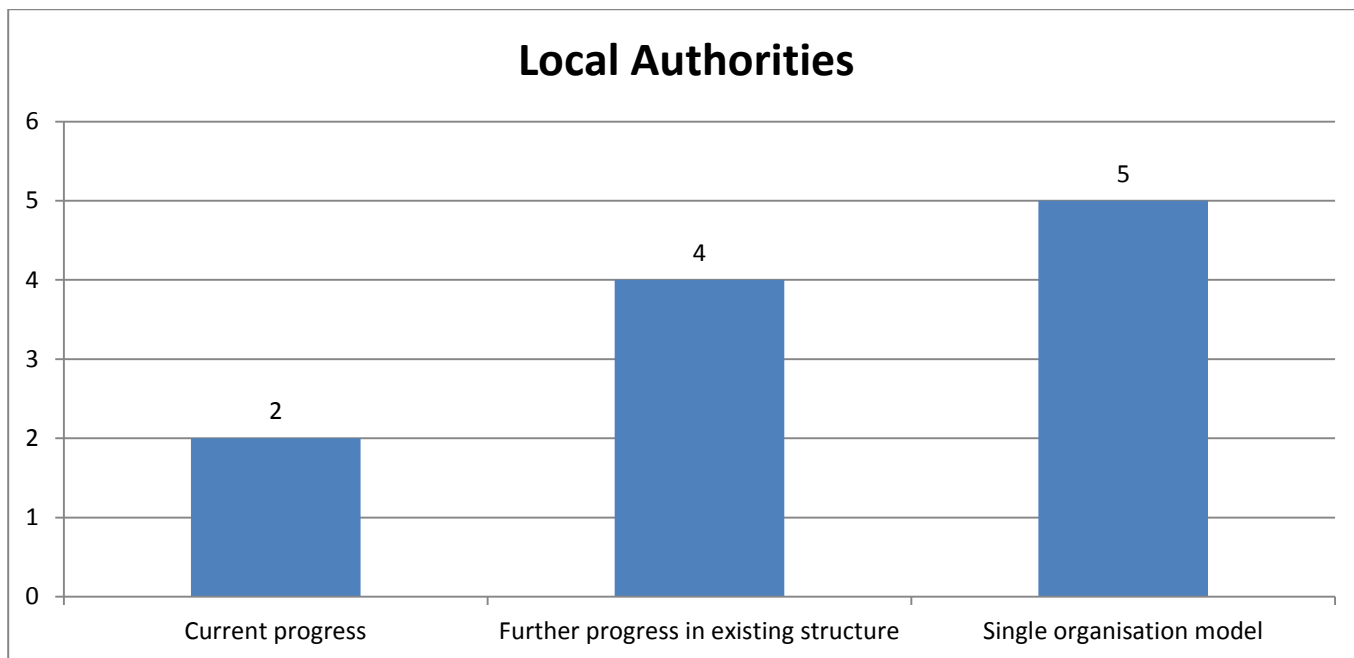
Isle of Man local authorities presently provide a relatively limited, but varied schedule of services. Generally, the larger the authority the more services it provides. All authorities consider Town and Country Planning issues affecting their district, are responsible for refuse collection (in some cases through a joint board), have powers to provide street lighting and responsibility for certain legislation relating to environmental health. Some provide public sector housing, building control, street cleaning, public conveniences, parks, playgrounds and leisure facilities, car parking, libraries and control of dogs.

There have been a number attempts over the years to achieve radical reform of local Government, but none has secured political approval for any one reform package and, ultimately, all have failed. One consequence of this failure is that new functions and services which might have been given to the local authorities had they been larger and better resourced have been assumed by central Government or given instead to combination authorities. This includes civic amenity sites and regional swimming pools.

In Scotland, there is a system of single outcome agreements which form the basis of the funding settlement between the Scottish Government and each of the 32 individual local authorities, aimed at ensuring greater alignment with the National Outcomes Framework. But those local authorities are responsible for a much broader range of functions including education and social services, which have a significant role in the achievement of national outcomes.

The Department of Infrastructure and the Treasury have various powers available to them in connection with the operation of local authorities, including powers relating to the removal of functions, standards of performance and auditing of accounts. These powers can be used therefore to ensure greater alignment with Government objectives.

There are proposals being considered to reform the local government system and, if progressed, may present an opportunity to ensure greater alignment with central Government's strategic framework.



Current progress	Further progress	Single organisation model
<ul style="list-style-type: none"> Local Authorities have limited responsibility Department of Infrastructure and Treasury have statutory powers 	<ul style="list-style-type: none"> Obtain commitment to support national strategic outcomes framework 	<ul style="list-style-type: none"> Link local funding model to support national strategic outcomes Coherence around shared purpose