

**MINUTES OF THE (Q3) QUARTERLY PERFORMANCE MEETING OF THE
CHIEF OFFICER GROUP, HELD ON TUESDAY 10 MARCH 2015 AT 9.00 AM
IN THE KING ORRY ROOM, GOVERNMENT OFFICE**

Present: Mr W Greenhow, Chief Secretary, Cabinet Office
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 S Jackson, Director of Finance, 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, CO
Mrs Y Mellor, Director, Finance and Performance, CO
Mr D Davies, Director of Change and Reform, CO
Mr C Hawker, Acting Executive Director, Policy and Strategy, CO
Mrs A Martin, Chief Operating Officer, Attorney General's Chambers
Mrs J Sinclair, Assistant Secretary to Council of Ministers, CO

Apologies: Mr M Kelly, Chief Executive, Department of Home Affairs
Ms C Hunter, Head of Corporate Communications, CO
Ms J D Hetherington, Executive Assistant to the Chief Secretary, CO

021/15 MINUTES OF THE COG MEETING HELD ON 13 JANUARY 2015

Having been previously circulated, the Minutes of the meeting of 13 January 2015 were agreed and signed by the Chief Secretary.

022/15 MATTERS ARISING FROM THE MINUTES HELD ON 13 JANUARY 2015

a) Freedom of Information Bill

Minute 004/15

The Freedom of Information Bill has completed its passage in the Branches.

b) New terms and conditions for new starters and promotions

Minute 007/15

The new terms and conditions for new starters and promotions was completed and ready to be taken to ballot however Trade Unions want this linked into pay negotiations and collective bargaining for Public Service Pensions. The Unions are hoping that this will be more acceptable to Members.

023/15 MINUTES OF THE COG MEETING HELD ON 10 FEBRUARY 2015

Having been previously circulated, the Minutes of the meeting of 10 February 2015 were agreed and signed by the Chief Secretary.

024/15 MATTERS ARISING FROM THE MINUTES HELD ON 10 FEBRUARY 2015

a) Panel of External Investigators

Minute 015/15

The Executive Director of OHR is preparing a paper to Council to support the development of a panel of external investigators to supplement in-house investigating officers.

b) Public Services Commission

Minute 017/15

The Public Services Commission ("the Commission") has now been formed. Only some of the functions are operational and it is expected to be several months before the Commission is fully operational.

c) Shared Services

Minute 019/15

Following the recent Public Accounts Committee meeting the Director of Change and Reform has requested that the Director of Assurance and Advisory, Treasury, Caldicott Randall undertakes a 6 month audit of shared services. The Chief Executive of the Department of Infrastructure felt that this timescale was too long as there are projects already being shelved and was concerned that a 6 month audit would delay this work even further.

There remains an outstanding issue with the lack of Service Level Agreements (SLA). It was requested that the audit should be accelerated so a decision can be taken on what SLA model could be followed.

Discussion took place on what direction Shared Services is now taking and that the "SLA model" needs to meet the business needs of Government. It was agreed that an overview is needed on what services have been successful in Shared Services and what services have not merged together successfully. It was agreed that shared services need to ensure that core services are met.

The Chief Secretary agreed to look at this as soon as possible to garner individual requirements and the direction of travel that is needed to meet business needs. There are some shared services that are working really well and others that need further work. Key risks also need to be identified.

An e-mail invitation would be sent shortly inviting Minister's and their CEOs to meet Minister Shimmin to discuss key issues and priorities.

**Action: W Greenhow, Chief Secretary
D Davies, Director of Change and Reform**

025/15 ECONOMIC UPDATE – QUARTERLY REPORT ON THE ECONOMY TO COUNCIL

The Acting Executive Director of Policy and Strategy provided an update on the Quarterly Report on the Economy for the period 1 October 2014 – 31 December 2014.

Major changes since the previous update in December are falling oil prices and concerns about the Eurozone (Greece).

In light of falling oil prices there is increased growth and reduced inflation, which on the surface is good news, but the main risk to the US economy is now the energy sector, much of which cannot compete at current oil prices.

For the Island the main uncertainty at present surrounds the degree to which the Isle of Man economy will benefit from the sharp reduction in global oil

prices. The reduction in oil prices has therefore increased the growth and employment forecasts as well as reducing inflation.

The lower oil price is predicted to last throughout 2015 however, this may be longer. The main risks are that oil prices, plus the problems in the Eurozone, trigger a further round of financial turbulence in the markets. As it stands however the Island appears well placed to benefit from increasing growth in the United Kingdom, increasing local living standards and lower transportation costs, and as such growth forecasts are likely now to be nearer the higher end of the 3%-4% range.

Issues in the UK that may have a knock-on effect on island are the imminent UK election and raising the minimum price of alcohol.

The Chief Executive, Department of Infrastructure reiterated that feedback was needed from Departments on the Strategic Plan. The Group asked whether an extension could be given to the consultation which is due to close on 13 May 2015.

Action: All

026/15 DEPARTMENTAL PERFORMANCE REPORTS

The Group considered the Departmental Performance Reports which included the level of savings expected; level of savings achieved, financial pressures and challenges; risks and departmental issues.

Each Departmental Performance Report was presented by the Chief Executive.

027/15 VISION 2020 ACTION PLAN

The Chief Executive of the Department of Economic Development reminded the Group that Vision 2020 is important and all Departments should look at the priorities and timeframes contained within the Strategy.

The Group were advised that there is no action plan for the strategy as this would be too detailed, however the Vision 2020 document does need to be reviewed and linked to the Quarterly Report on the Economy and the Agenda for Change.

It was agreed that the Chief Secretary would meet with the Chief Executive of Economic Development and the Acting Executive Director, Policy and Strategy to discuss this further.

Action: Will Greenhow, Chief Secretary

028/15 FINANCIAL PERFORMANCE

The Chief Financial Officer briefed the Group on the month end Financial Report for the period ending January 2015.

Discussion took place on capital expenditure and the fees associated with this. It was noted that delivery on smaller capital projects is perceived as deteriorating. The private sector has restructured in light of the economic downturn. The hurdle moving forward will be getting Departments to process capital projects.

With Housing due to move from the Department of Health and Social Care to the Department of Infrastructure there may be a basis in the future to develop a government project management team to advise, lead and to deliver government projects.

029/15 OHR PERFORMANCE

The Executive Director, OHR provided an update on the HR Management Information Report for the quarterly period ended 31 December 2014.

With regard to the Number of Posts it is expected that these will come in on target. Recruitment, ill health, retirement and long term sickness have increased since the previous year. OHR will be looking at whether there is a pattern in causes for the increases. Accidents at work have also increased slightly.

The Executive Director of OHR will meet with the Director of Primary Care, Department of Health and Social Care to discuss GP training for sick/fit notes, associated processes and follow-up.

Limitations on sick pay have been covered in the New Starters Scheme and the Director of Infrastructure agreed to investigate what the terms for new bus drivers will be; it was thought they may not receive sick pay for the first three days of sickness absence.

Action: Nick Black, CEO, DOI

030/15 PERFORMANCE MANAGEMENT – AGENDA FOR CHANGE

The Group reviewed the Agenda for Change Performance Report for the quarterly period ending 10 March 2015.

Once the National Priorities workshops with Ministers and Tynwald Members have been completed and views gathered and agreed the Agenda for Change will be updated.

The Legislative programme will be the subject of a Council Workshop on the afternoon of Thursday 12 March 2015. Council will need to identify from the programme the priorities to identify in order what is realistically achievable during this administration. The group were asked to discuss this with their Ministers before the workshop takes place.

Discussion took place on unrealistic expectations and of timescales in getting Bills through the Branches and it was confirmed that if a Bill has not already started by this point it will not be completed in year 2014/15.

Action: All

031/15 GOVERNMENT TECHNOLOGY PERFORMANCE

In the absence of the Director of Government Technology Services the reports on Performance and Savings were noted.

The Group further noted that it was pleased to see a culture change in the progression of a digital strategy to help deliver services. Concern was raised as to the capacity to deliver the changes and also the finance to enable this to

progress. The Chief Executive of Education and Children reported that lack of capacity and finance has adversely affected some schools and there is concern that GTS do not have enough staff to undertake all Government requirements. It was noted in Treasury the "MiCard" project has slipped by 6 weeks due to staffing resources [this had not affected the overall project].

Concern was also raised with GTS carrying out various large projects at the same time and it was questioned that if Noble's Hospital was deemed a priority then it may be better to concentrate on this area and complete it and leave other less important projects [i.e. DEC projects] until after this work was completed.

032/15 GOVERNMENT REFORM TEAM

The Director of the Government Reform Team, Cabinet Office briefed the Group on progress and confirmed that he is working with GTS to look at a change framework, to assess the course of business and prioritise shared services.

033/15 VALUATION AND ASSET MANAGEMENT

The Valuation and Asset Management report was noted.

034/15 COMMUNICATIONS GRID

The Communications Grid updated for the week commencing 2 March 2015 was noted.

035/15 ANY OTHER BUSINESS

a) Department of Health and Social Care

The Chief Executive of the Department of Health and Social Care advised of his forthcoming trip to New Zealand and the recruitment process that is now underway following his recent trip to Spain.

Clarification had been sought on Departmental Members who had now gone out of office due to the forthcoming Legislative Council elections [and for those not seeking re-election].

It was confirmed that the Member remains as a Departmental Member until their replacement is appointed by the Council of Ministers. Delegations remain in place. However, if a delegation refers to the person as a "Tynwald Member" and not a "Department Member" then the Department should seek clarification from the Attorney Generals Chambers as to the validity of the delegation.

b) Department of Education and Children

The Children's Strategy is to be moved for approval at the March 2015 sitting of Tynwald and the Scottish Care Inspectorate Inspection Report is due in the Autumn.

c) Department of Economic Development

The Chief Executive of the Department of Economic Development informed the group of corruption allegations on Social Media against the Department of Economic Development ("the Department") and confirmed that the Department are working with Internal Audit on this matter.

The meeting closed at 12:40

W. Alow
.....
Chief Secretary

14/4/15
.....
Date