



# TYNWALD COURT OFFICIAL REPORT

RECORTYS OIKOIL  
QUAIYL TINVAAL

# PROCEEDINGS

DAALTYN

STANDING COMMITTEE OF TYNWALD  
ON SOCIAL AFFAIRS POLICY REVIEW

BING VEAYN TINVAAL MYCHIONE  
AASCRUTAGHEY POLASEEYN ER COOISHYN  
KIARAIL Y THEAY

DEPARTMENT OF SOCIAL CARE

HANSARD

**Douglas, Wednesday, 17th July, 2013**

PP127/13

SAPRC-SC, No. 3

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**Members Present:**

*Chairman:* Mrs B J Cannell MHK  
Hon. S C Rodan SHK  
Mr E A Crowe MLC

*Clerk:*  
Mr J D C King

**Business Transacted**

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*The Committee sat in private at 12.48 p.m.*

# Standing Committee of Tynwald on Social Affairs Policy Review

## Department of Social Care

*The Committee sat in public at 11.08 a.m.  
in the Legislative Council Chamber,  
Legislative Buildings, Douglas*

[MRS CANNELL *in the Chair*]

### Procedural

**The Chairman (Mrs B J Cannell MHK):** Welcome to this public meeting of the Social Affairs Policy Review Committee ó a Standing Committee of Tynwald.

5 I am Mrs Brenda Cannell, Member of the House of Keys and I chair this Committee. With me is the Hon. Steve Rodan, Speaker of the House of Keys, and Mr Alan Crowe, Member of the Legislative Council. We also have our Clerk for today, Mr King.

10 Could I ask everybody to please ensure that your mobile phone is off and not just on silent as it interferes with Hansard. Also, for the purposes of Hansard, I will be ensuring that we do not have two people speaking at once.

### EVIDENCE OF HON. C R ROBERTSHAW AND MRS Y MELLOR

15 **The Chairman:** The Social Affairs Policy Review Committee is one of three Standing Committees of Tynwald Court, established in October 2011 with a wide scrutiny remit. We have four Departments to cover, namely: Education and Children; Health, Home Affairs and Social Care.

20 Today, we welcome back the Department of Social Care. The last time we met and took evidence from them was some seven months ago, so I would say good morning to the Minister.

**The Minister for Social Care (Mr Robertshaw):** Good morning.

25 **The Chairman:** And to Mrs Mellor, who I see now *is* the Chief Executive, whereas previously I was corrected by the Minister in that Mrs Mellor was the Acting Chief Executive. Welcome to both of you.

30 We have a copy of *Hansard*. I think you also have a broad list of subject matter that we will cover and there might also be one or two other subjects that crop up, that we have not given you warning of. I hope you will be happy and prepared to answer those.

I am going to invite the Speaker to cover the first two topics that you have been given, so I will hand over to Mr Speaker.

**The Speaker:** Thank you, good morning.

35 **The Minister:** Good morning, Mr Speaker.

**Q166. The Speaker:** It might be quite useful just to go back to the Tynwald Questions that were tabled last week because they covered a number of areas I would like to talk about, but Written Answers were given because the time was not reached.

40 There is one that just caught my attention ó Question 58, actually ó it was residential homes. You are asked how many homes the Department operates for looked-after children and you indicated that there were 51 children up to the age of 18 in residential care, under contract with two providers but you did not actually give the number of homes. Are you able to indicate that? How many homes are you talking about?

45

*Mrs Mellor:* I have not got the exact number with me, no. I was not aware you were going to ask that question. I can come back to you with that though.

50 **Q167. The Speaker:** If you could come back to us on that, thank you very much.  
Could I ask you ó in relation to a Question last week which picked up the Answer given to a  
Question of mine in June in connection with the number of locum agency social workers that have  
been employed by the Department, following the grant by Tynwald of funds for the employment  
of 10 permanent posts, and it was indicated that between June 2011 and May 2013, there were 51  
55 agency locum workers engaged at a cost of £2,027,000 to cover these vacancies ó when Tynwald  
voted for the original £498,000, it was assured that any agency staff costs would be met through  
savings elsewhere: can you confirm that you have been able to do this and save over £2 million in  
the Department to cover this cost?

60 *The Minister:* I think that, Mr Speaker, does not quite look at it from the right direction,  
because we are looking at two different issues here.

We are certainly looking overall at the agency staff that came in to fill the additional posts, but  
it should also be borne in mind that we were also filling vacancies within that area, which was  
already established.

65 So it is not really possible to put the two together so there was not the necessity to find the  
savings because what we were doing was employing agency workers to fill the establishment posts  
and you are seeing them as simply filling the new temp posts, so it goes beyond. Does that explain  
it?

70 **Q168. The Speaker:** The funding of £498,000 ó are you saying that is included in the cost of  
£2 million?

*Mrs Mellor:* Yes, it is.

75 **Q169. The Speaker:** If I put it another way then, were you able to find, through savings  
elsewhere, £1½ million for the agency social workers?

*Mrs Mellor:* I think that there is a bit of a misunderstanding. There were vacancies within the  
Department which had a budget and salary head count 4 that some of those locum social workers  
were filling and some of them were filling the 10 new posts as well.

80 So we actually had the budget in the Department, we did not need to make savings to do that.  
We had more than we originally anticipated for part of that period and therefore we made savings  
within the Department to cover those costs. But actually part of them were actually in that salaries  
budget and part was in the vote that came from Tynwald, and extra was savings on top. So it is  
85 made up of the three components, really, that funds that £2 million cost for those two years.

**Q170. The Speaker:** It is a very high turnover of staff, is it not? That does indicate there is  
some problem with the system and is that problem not the question, that you are aware of, of over-  
referral to Social Services of children?

90 *The Minister:* Mr Speaker, I am going to give you quite a long answer and I hope this helps  
the Committee because you raise an important point.

I need to take you right back if I may, to the debates when I first came into the House and I  
myself was concerned, if you recall that, about the circumstances that the Children and Families  
Division found itself in, and indeed referrals.

95 It has been an enormous journey to travel from that point to where we are now. Insofar as, at  
that time we had the Every Child Matters agenda, which in itself, if you recall, tended to engender  
additional referrals. You will also recall that I was very supportive of Professor Eileen Munro's  
approach to the whole issue of children and families ó

100 **Q171. The Chairman:** Sorry Minister, can I just askí if you recall when you were in seven  
months ago, you informed us of all of this. In fact, what you said then is almost word for word  
today ó

105 *The Minister:* It does informí I will get to the answer in a fewí I will make it as quick as I  
can.

**The Chairman:** I am timing you, Minister, because ó

**The Minister:** Fine, that is great.

110 So we had a situation where we had to stabilise the Children and Families Division itself and also we had a culture out there which was tending towards adopting the Every Child Matters agenda.

115 It has probably been one of the most difficult things that the Department has achieved in the near two years that I have been thereí which specifically is to stabilise Children and Families Division.

In the initial period, it lacked sufficient staffing, it lacked the necessary leadership, and so there was a huge deal of work to do within Children and Families to stabilise that.

120 Please understand that in that process, we had to be very, very careful indeed on referrals. If we had not ourselves arrived at a position where we had full confidence in what we were doing, to try to resist a referral at that stage could possibly result in a catastrophic failure.

125 So therefore we have taken the slow train. We have taken the process forward to a point now where we do have confidence in the leadership of Children and Families. We do have a lot more confidence in the process. So the challenge for us now is to work with other areas, which are providing referrals and develop a new culture that progressively inhibits it.

**Q172. The Speaker:** Yes, I understand that the first port of call has been your Department, and it is not necessarily your Department but other agencies that are best placed to deal with the things that have been referred.

130 But the fact remains does it not, you have described the problem, but it has had the unfortunate impact of very broad referral criteria. The Every Child Matters agenda has been employed to create a large number of referrals, and the figures that you are aware of ó 959 referrals to Children's Social Care ó which distilled down to only 60 child abuse entries on the Child Protection Register. So, a large number of referrals necessitating the use of many, many agency social workers, actually to have stretched the service to the point where it cannot be managed effectively. Is this not the situation?

**The Minister:** I think it is best described as an organisation emerging from a storm really and it is getting calmer and calmer all the time. But do please understand, as I am sure you do, that Government invested a lot of time and effort in generating support for Every Child Matters, which was creating in the mind set of these other agencies a desire to refer and it is not possible just to stop it in a sudden fashion, because we might miss somebody ó we might miss a child.

145 So we have had this double whammy of wanting to help other agencies look at areas that they were competent to do so themselves, on the one hand, and, on our part, to achieve a higher degree of competency within the Children and Families Division.

145 We have certainly achieved the latter. We are moving more now towards energising the process of encouraging professionals and other agencies to be more confident themselves, having been already educated through the Every Child Matters agenda to act in another way.

150 **Q173. The Speaker:** Yes, because we have in the Isle of Man approximately 1,000 children a year born. If we have 959 referrals annually, it means that every child in the Isle of Man is going to be the subject of a referral before the age of 18 at some stage, which is, would you not agree, quite a nonsensical situation?

155 **Mrs Mellor:** I think you could interpret it that way. I think that is assuming that there is only one referral for each child, which I think is probably not the case because they can be referred for a variety of different reasons. Children can be referred to us who are not necessarily going to end up in a child protection issue because there are children in need and there are various other things they need to be referred to us for.

160 I think there is a combination of the fact that there are other agencies which have now got to learn what should be referred and what should not to what is actually a statutory service and not actuallyí they have accountability to look after some of these referrals themselves.

165 So, you would have a combination of all of that that changes ití but you can have more than one referral, more than one contact for a child. So it is not necessarily 951 different children. It could be two or three different agencies contacting you and it is called a referral in that sense.

**Q174. The Chairman:** If I can just come in here, are you suggesting then, Mrs Mellor, that the number of referrals are not necessarily the quantity of children: that you could have 10 referrals in that total figure for just the one child?

170 **Mrs Mellor:** Potentially you could have, because it could be that Health has referred it through  
because they have had a concern about a child. It could be that Education has referred it through  
because they have got concern about the same child. It has come from two different sources and  
then we would be taking it further forward, once we have got that position established as to where  
175 we need to go with the child. So it is not necessarily 951 children.

**Q175. The Chairman:** Okay, so who is actually measuring the quantity of children who are referred, as opposed to the quantity of referrals?

180 **Mrs Mellor:** I should imagine we probably have that information around the agencies, but I do  
not know if it is actually collected as one set of documentation.

**Q176. The Chairman:** Is there any way of you being able to establish that and let us know ó

185 **Mrs Mellor:** I should imagine so.

**The Chairman:** ó because at the moment we have the impression that, as Mr Speaker has said,  
of 1,000 children born each year, almost 1,000 are referred in a year, which suggests that the  
majority of children at some point are going to be scrutinised by a referral, which is very much Big  
190 Brother and too much hands-on.

So if there is a difference between those two figures, that 900 or 800-odd referrals may only  
represent possibly 200 to 300 children, can you ascertain those figures and let us know please, so  
that can be clarified properly?

195 **Q177. The Speaker:** The problem of course is that the referrals end up identifying children in  
need and that there are statistics of children in need who are then passed on but child abuse  
enquiries are proportionately more than take place in England for a similar proportion of children  
being put on the register. I think it is 37 in England per 10,000 children and 35 in the case of the  
Isle of Man. But the figures that you have provided show that there are 263 child abuse enquiries,  
200 which is proportionately far more: four times the number that takes place in England for the actual  
number of child abuse cases.

I know Minister that you have been very concerned that the numbers of families who are  
needlessly caught up, through this blanket referral policy, into very distressing situations of having  
their family circumstances investigated needlessly, which can lead quite innocent families to be  
stigmatised and suffer, and this is going on in the Isle of Man because the system is not  
205 sufficiently refined or defined in statutes. That still remains the problem does it not?

**The Minister:** You describe, Mr Speaker, my sentiments precisely and they have not changed  
just because I am in the Department of Social Care. All I can repeat is that we have had to tread  
very, very carefully indeed in this process. It has been so difficult to assemble a Children and  
210 Families Division in which we could have confidence, because the situation that we are in, to  
some lesser or greater extent, is replicated right around the UK and good children and family  
social workers are gold dust.

But we have progressively and systematically improved our position, so I can say to you today  
that I do have confidence in my Division, which is helping all the time and it will show over time.  
215 It is nurturing a better understanding in the agencies of what they should be doing. As we grow in  
confidence, we will expect the agencies to do the same and we will be working to that end.

It is unfortunate it has taken so long. It would have been great if I could have taken my position  
and delivered the right outcomes within a year. It has taken two years to get this far and it has not  
220 been easy but we are progressing and we are progressing in a very solid way now.

**Q178. The Speaker:** You are describing where you would like to go and you recognise what  
the problem is, but can I just ask you to summarise what positive actions the Department is taking  
to reduce the unnecessary number of referrals, to refine the system into a more workable system  
that is not swamped to the extent that you are having to engage so many ó 51 agency social  
225 workers over two years, of whom 28 do not stay? It is a terrific turnover of staff.

*Mrs Mellor:* You are right, we have had a very turbulent two years. I think at the moment we are now down to seven locum workers. The rest are now fully employed ó we have permanent members of staff in post.

230 We have had a great deal of difficulty getting those, which the Minister has alluded to. Coming to the Isle of Man has not proved attractive for a lot. We have had to have them on relatively short-term contracts, so therefore they cannot look at the more difficult cases. So we have suffered considerably for that.

235 I think now having down to six locums is a huge feat from where we were because at any point in time we had at least 28 in the Department at one time.

**Q179. The Chairman:** Sorry, Mrs Mellor, is it six or seven locums?

240 *Mrs Mellor:* I think it is seven at the moment. It was six, but about two weeks ago we have had to have a new one brought in because we have got a vacancy to fill.

**The Chairman:** Right.

245 **Q180. The Speaker:** And do all the 10 posts still remain to be filled?

*Mrs Mellor:* No, I think three of the locums are covering off the 10 posts and the others are covering off vacancies that we have had.

250 **The Speaker:** Yes, if ó

*The Minister:* Can I answer the other part of your question, Mr Speaker, which I think you asked me. Stop me if I am wrong. What are we doing, going forward?

255 One of the core tasks of this administration, in terms of the responsibility of Ministers, is going to be, and is, to ensure an evermore close working relationship between the Departments, whatever the subject is ó in this case we are talking about the outcomes for children.

260 That process is beginning to accelerate now. I am on record as saying many, many times that I think the Isle of Man Government is too siloed and I absolutely stand by that, but we are working intensely now to limit that ó in this case so that those involving other agencies learn to work more closely together with us and with each other, so that we get the outcomes that we were desperately seek.

265 **Q181. The Speaker:** Yes. Are you saying then that the threshold for compulsory intervention is now returning to that of a child at risk of significant harm, which is what the Act says, rather than broader definitions of children's well-being, as was the case with the five outcomes under the Every Child Matters policy? You are going back to narrow definitions so that referrals only take place when they have to take place?

270 *The Minister:* To us, yes. I mean there should be work occurring in the various agencies to make sure that they are responding to the child's need at their level, in their location, within the context of their responsibilities.

Yes, you are correct. We do need to get to a point ultimately where those agencies have the confidence to come to us when there is a recognition of significant harm and the like.

275 **Q182. Speaker:** Yes and that would be in tune with the Eileen Munro recommendations, of course.

*The Minister:* Absolutely.

280 **Q183. The Speaker:** Can you state for us then, just for the record, why it is that you are not going for an Ofsted type of inspection of the Social Services, but instead using the Scottish Government Care Inspectorate who themselves are in the process, through their Children and Young People (Scotland) Bill, of widening out the definition for state intervention from the narrow one of significant harm to the "Getting it right for every child" definition, which looks awfully like the "Every Child Matters" policy and you are getting their inspectors to come here.

285

**The Minister:** Mr Speaker, fear not because we are determined that we will not end up in a situation where we are returning to anything that looks remotely like Every Child Matters. It was a mistake. Everybody understands and recognises it was.

290 To specifically answer your question, my initial instinct was to go with Ofsted. That seemed to me the right thing to do. However, because the UK was slightly ahead of us, in terms of recognising the failures of Every Child Matters, it was very much a situation in the UK where they were still locked into Every Child Matters agenda as Ofsted inspectors, and they were beginning to move away from it. What I feared, if I called Ofsted in at that particular time, and I am pretty confident that this is what would have happened, we would have an inspection based on the Every Child Matters agenda, which is what we were trying to move away from.

295 So at the point the decision was made to recruit the inspectors, we were much more comfortable with the Scottish model. That does not mean to say that that is necessarily where we will stay. We will continue to review it because it is important to appreciate, and I think I am on record as saying this already, that inspections are part of the process. They are not a one-off that just happens once in a blue moon. They should happen as regularly as necessary, so that we continue to check back to see how we are getting on. I will ó

305 **Q184. The Chairman:** Sorry Minister, if I can just I will quote you from seven months ago:

It does not mean to say that further down the line, when I am satisfied that English Ofsted has moved itself sufficiently, we will not move more accurately to an Ofsted inspection which is properly linked into Eileen Munro. Everything is moving. There is no fixed status in England, there is no necessary fixed status in Scotland.ó

310 We have covered all of this. (**The Minister:** Well, I am sorry.) We are going over ground that we have already covered. I think perhaps to bring us up to speed, you did say that you were going to in fact it was Mrs Mellor who said that:

315 There is a programme in place for us to be able to go out for external inspection in June 2013.ó

That is when it was revealed that the consultants were coming from Scotland. So my question is have you engaged the consultants and have they started their inspection?

320 **The Minister:** Yes and yes.

**Q185. The Chairman:** They have. So are they currently here? (**The Minister:** No ó) Or have they finished?

325 **The Minister:** No, they have started their initial work. I have had my interrogation to begin with and other key officers have as well, and I think Mrs Mellor will more accurately describe the date and times. I think it is August and September, isn't it?

330 **Mrs Mellor:** Yes, there was a Question in Tynwald this month where we gave the terms of reference and the timescales for the inspection, so the dates in there are September and October, when they are coming back to do the detailed work.

They have been over for an initial meeting with the chief officers of the various social policy and children services Departments, so Education, Health, Home Affairs and ourselves. They are due to come back with a full inspectorate team in September to start the casework on the cases they select to be looked at (**The Chairman:** Okay.) and reporting by the end of the year.

335 **Q186. The Chairman:** Have you actually given them a remit or have they got a wide remit?

340 **Mrs Mellor:** No, they have got a remit and that was attached to the Answer to the Written Question that we had at July Tynwald.

345 **Q187. The Speaker:** If I may, Chair, just ask about some elements of this inspection. Are they being given free rein to investigate all aspects, such as the over referral policy that is giving the Departments so many difficulties, the amount of staff turnover that has been caused as a result? Will they be commenting and investigating these specific aspects?

**Mrs Mellor:** They do their inspection by taking a number of live cases that are still live now, and reviewing how we dealt with those in the round. So every service will be looked at in that process.

350 As part of that they will cover: whether they were appropriately referred; how they were referred; how the case was treated; how each of the services provided what they should towards resolution of that particular child's issue.

355 So, it will be based on each case they happen to select. So they are covering: children in need; looked after children; children who have already been looked after but are now back in their home environment. So they have got a wide variety of cases they are looking at, but they will be looking at how the service provision is for all of the Departments towards that child.

So, yes, in essence they will consider the fact that there has been a large turnover of staff within Social Care and interim workers within there. They will also look at whether there has been over referral by certain Departments if it relates to a specific case.

360 **Q188. The Speaker:** Yes, that is fine. In the Tynwald Question, you were asked whether members of the public will be able to put in a submission and you said basically, no, but the views of politicians and partners who are contracted to provide services, and the children and families who they provide services to, will be consulted with.

365 But what about the children and families themselves who are either within the system or were referred to the system and, under the broad referrals that have taken place, those who were false positives, if you like, those who have had experience of the system by being referred to it, without foundation? They would have a relevant input into this. Their views are surely important too.

370 **The Minister:** Every child who has been impacted by the service one way or another is important but I want to reassure you absolutely that there is no intention whatsoever or trying to hide anything or smooth anything down.

It is very important this inspection, and the ones that will follow, are absolutely open, transparent and detail the stronger points that have been achieved and the weaker points. There will be no question other than saying this is how the service is and this is where we are.

375 Then the next inspection after that will then review how we have coped. But there has to be, for any inspection to be articulate and respected, to have a set of terms of reference. But the terms of reference that they have got have not been dictated by us. It is what the inspection team, in all their experience, deemed to be helpful and appropriate.

380 If you are alluding to the fact that historically there have been areas where we should have real concerns about how outcomes worked a number of years ago, it is too big a mountain to climb to go back to those sort of individual cases, Mr Speaker. But the important thing with this inspection is to establish how we are doing the job now and how we must improve going forward.

385 **Q189. The Chairman:** Sorry, Mr Speaker. Can I just ask you Minister, how can it be open and transparent if members of the public or families who have been affected by it in the not-too-distant past and I am referring perhaps to the last 12 to 24 months and how can it be open and transparent if they are not allowed any input into it?

390 Isn't it really a case of bringing these people in to look to see how you are doing in dealing with, as Mrs Mellor says, live cases? So they will select a certain batch of live cases. So those that were potentially *live*, in other words, children who have been referred with a potential life within Social Services, are not going to be looked at at all? In fact, it appears to me to be rather narrowly defined and their inspection.

395 **The Minister:** I think the inspectors are taking on a tremendous remit and the open and transparent part of it is their report to Tynwald. It is their report, not ours. We will not influence it. They will say what they think is appropriate.

400 If you consider that Children and Families and I think we have to be practical about this and has been a troubled service for a given number of years, it is not practically possible in one inspection to embrace anything and everything that we might be concerned or worried or deeply troubled about. It establishes where we are and how we are doing now. If then we are able to establish a necessary level of confidence in what we are doing now, that informs everything else we are doing. If an inspection embraced and it is their inspection and to some significant extent it is their terms of reference and they are doing what they deem they are competent to do.

405 **Q190. The Speaker:** So, as the inspected party, you have not written the terms of reference for the inspection?

410 *Mrs Mellor:* We have written the terms of reference for this. We are not the only inspected party here, I think that needs to be very clear. It is all of the children's services. So it is the children's services in Education, in Health, ourselves. So it is not just Social Care that is being inspected.

415 The terms of reference have been taken from the thoughts of what we wanted to have a look at but we have been guided by the inspectorate because we have never been inspected before, as to what they would normally consider as part of their inspection regime.

**Q191. The Speaker:** So the referral system has not been left out of the inspection?

420 *Mrs Mellor:* They will have a view on the referral system but they are picking it from cases that have actually gone through the referral systems, but they will have a view as to whether we should be doing it differently. That will come out from the inspection process.

**Q192. The Speaker:** Why not say to them, "Look, invite the public to send in views"? It is just a point the Chairman made.

425 *Mrs Mellor:* Because it is an inspection, not a consultation really. It is not asking people's views. It is looking at how we are providing the services that we need to do.

So, if we have had referrals that they consider could have been done differently or better then they will pick that up as part of the inspection.

430 **The Chairman:** Mr Speaker, can I just ask you to pause there? Mr Crowe, would like to raise a question?

**Q193. Mr Crowe:** Thank you and thank you, Minister and Mrs Mellor, for what you have contributed so far.

435 Yes, your answer to the Question to Tynwald did set out the report. The only thing that seems to be missing is when you expect to report to Tynwald on this; and, whilst I am speaking, I would also ask you to comment on the recruitment of social workers, where you have lost a lot through turnover, through people going back to the UK and so on. Is there a local policy to train people, to encourage young people on the Island to train in social work, that you have a core of local people who can use this as a career path, rather than having to bring in outside social workers?

440 *The Minister:* I cannot overstate the degree of anguish that we have gone through trying to get to the point where we ourselves had confidence in the service and, at a very fundamental level, what you have to do is get the leadership right. We are confident now that we are in that area, which therefore gives us the opportunity to nurture and bring on and develop our local social workers and that is very much in the frame and that is what we were trying very hard to achieve because ultimately that is where we are going to be successful.

445 The whole concept of bringing social workers from across was all part of the "how do we mend what we are not happy with"? Once we get to the stability, which we are now arriving at, we then begin to nurture and grow our own service.

The other part of your question was when we expect it to go to the floor of the House.

455 *Mrs Mellor:* The inspector's report is due to be issued out at the end of December and we anticipate bringing it to the floor of Tynwald early in the new year.

**The Chairman:** Okay, thank you.  
Mr Speaker.

460 **Q194. The Speaker:** Yes, I just have one further question in relation to the inspection. I put the Question in June Tynwald about the independent consultant's summary report and when it would be presented to Tynwald Members and you answered that it had been provided to key Departments last January, but it would be more appropriate to wait for the full report rather than debate the outcomes of a self-evaluation, the interim summary report (*The Minister:* Yes.) that was done last November. What is wrong with laying it before Tynwald as a public document, as you had promised?

465 *The Minister:* When I first made the statement that I wanted to bring the interim report to the House, I was not sufficiently aware of the degree of self-assessment that the inspectors will be

470 asking of us and, ultimately, that level of self-assessment was such ó and it also missed out a significant number of areas ó that I took the view that what the House needs to see is not our assessment of what is happening and where we are, but the inspectors. í a combination of that and it only dealing with certain areas, left me with a very strong view that nothing would be gained by taking it any further.

475 **Q195. The Speaker:** But nonetheless in May 2012, you gave a very clear undertaking that this summary report would be made available to Hon. Members very early in 2013 and you went on to say that, I quote from *Hansard*:

480 -This approach will give this Hon. Court not one, but two, independent reports in 2013 to show how the Government is improving Children's Services, particularly in relation to child protection.ø

*The Minister:* I think ó

485 **Q196. The Speaker:** You did not deliver that undertaking.

*The Minister:* No, because if you look at my wording there, I am talking about independent assessments and it transpired that the initial work was very much a self-assembled process which would have no value, and it contradicts my understanding of what the initial assessment did. I thought the initial assessment was going to be independent.

490 I learned from the inspectors that it would be very much one of certain areas and self-assessment. It turned out that it was a way of the inspectors educating the services in various Departments into how to understand what it was that they were intending to achieve. So it was not what I expected it to be and therefore it did not have the value I hoped it would have.

495 **Q197. The Speaker:** So why didn't you issue a statement to that effect or tell Tynwald: -I am sorry, my undertaking to give you this report, I am not able to do for these particular reasonsø?

*The Minister:* Perfectly reasonable criticism, on reflection, I should have done, yes.

500 **The Chairman:** Can I just suggest to you Minister, it is not too late. It is never too lateí (*The Minister:* Thank you, Chair.) in politics to make a statement to clarify a situation, especially when it is a promise made to the parliament.

505 **The Speaker:** Or, in fact, issue this summary report that has been given to other key Departments ó issue it as a public document and we can assess it.

510 *The Minister:* I think I would prefer to apologise for not reporting it and explain the reasons why I would be perfectly happy to issue it once the main inspection comes out, so that Members can see the value of it in relation to what the inspectors actually said. It would have more value that way.

515 **Q198. The Speaker:** Thank you, one final (**The Chairman:** Yes, Mr Speaker.) point if I may. It is really to the Chief Executive as well. To what extent does the Department, for its documentation, model itself on English local authorities ó Social Services authorities?

520 *Mrs Mellor:* I do not know the answer to that question in totality. What we record I suppose is very much in line with what the UK would do. We do not have systems that are the same as the UK. We have one that was put in place for us to record all of our information on children that are in our services. But we would have a standard way of recording that information and it would be along similar lines to the UK, I guess, but I am not 100% sure if it is exactly the same or what it looks like.

525 **Q199. The Speaker:** We use, for example, Tri.x Care for the Protecting Children Board. They employ them, contract it to them ó for the protection procedures and they operate according to an English model that appears to have been lifted wholesale and applied here without tailoring to local circumstances.

*Mrs Mellor:* Yes the Protecting Children Board has. We have had a look at the Tri.x procedures, with regards to how they would be equally suitable for here, but a lot of them are not.

530 A lot of them do need changing and we are in the process of looking at whether we can adapt those or put new procedures that are more Manx specific in, to allow us to have the right things for the Isle of Man rather than just wholesale picking up a set of documents that are suitable for the UK, where we actually are slightly different here.

535 **Q200. The Speaker:** Yes, when we go on to the Department website, and if we go onto the Department Strategic Plan 2013-16, curiously if you click on the document's properties, the words 'Gloucestershire Social Services Policy Records Management Policy' comes up and this is the Department's Strategic Plan and indeed the 2012 Business Plan has for some reason 'Gloucestershire Social Services Policy' so

540 *Mrs Mellor:* Oh, I will have a look. I do not know. I have not been on to have a look on the website.

545 **Q201. The Speaker:** You are not aware of that?

*Mrs Mellor:* No.

550 **Q202. The Speaker:** I understand that Government agencies do not continually reinvent the wheel in terms of policy and that there are models. I am aware the Department of Health Dental Care Strategy, for example, was modelled on that of Salford and, embarrassingly, the wording was identical in both policies, so I do not think you are (*Mrs Mellor:* Unique.) unique in doing that, but it did seem odd that Gloucestershire Social Services should come up in this way. I am just wondering is their Social Service Policy the model for yours in some respect?

555 *Mrs Mellor:* No, it is not.

**Q203. The Speaker:** Not that you are aware of?

560 *Mrs Mellor:* No, (**The Speaker:** No.) and our Business Plan for 2013-14 is on there too, I think at the moment, and I have been on that website and had a look and it does not have any links to anything else, so I will have to check through the previous ones.

565 **The Speaker:** Is something that has been inadvertently left on and, anyway, I bring it to your attention.

**Q204. The Chairman:** Thank you, Mr Speaker.

I am still sweeping up on unresolved issues that we covered seven months ago and one of them was in respect of the Protecting Children Board. We had a concern, and we still have a concern, that in fact, they do not operate under statute.

570 So the question is really have you had a chance to look at this to provide the legislative framework for them to do what they do, bearing in mind that they are often dealing with very sensitive matters?

575 *Mrs Mellor:* No, we have not. It has been brought up with the Protecting Children Board but the Protecting Children Board is not a Department of Social Care body. It actually goes through to the Chief Secretary's Office. So it is not mandated to us to be able to do that in the first place actually. I know it has been discussed at length though, but not progress has been made to date that I am aware of.

580 **Q205. The Chairman:** That you are aware of. So, I asked you the same question seven months ago in December last year, in terms of who oversees the operation. You said at that time that they report to the Council of Ministers but who is actually directly responsible for overseeing what they do?

585 *Mrs Mellor:* They do report directly to the Council of Ministers but as a Government Department that is involved with where it reports through to, it goes through to the Chief Secretary's Office. It does not go through to the Department of Social Care. We all sit on it.

590 **Q206. The Chairman:** So it would be up to the Chief Secretary's Office then would it to actually look at providing statute for their operation?

*Mrs Mellor and The Minister:* Yes, it would be.

595 **Q207. The Chairman:** Yes, I also asked you Mrs Mellor whether or not you were aware this particular board was registered for data protection and you said: -I do not know-

Have you anything more to add to that? Do you now know if they are registered with data protection?

600 *Mrs Mellor:* I do not, no.

**Q208. The Chairman:** No. I would have thought I accept the point that it does not come under your direct responsibility, your remit as a Department but nevertheless they are dealing with children, which does come under your Department, one Department, for which you have a concern, especially those children in care and protecting and looking out for the welfare of the child. So I would have thought perhaps that you would have more of a steer on what this board is actually doing and how they are operating.

610 *Mrs Mellor:* The reality is, it is made up of the five social policy Departments, not just ours and the remit of it is set through the Chief Secretary's Office and, albeit I do sit on it with other members of the various Social Policy Committees, its structure and everything else is dealt with through the Chief Secretary's Office, so I have not been involved in it, I have to be honest, but then I would not expect to be.

615 **Q209. The Chairman:** You have not been involved in it but you do sit on it.

*Mrs Mellor:* I have not been involved in looking at whether they are going to make it legally a board in its own right, is what I am saying actually.

620 **Q210. The Chairman:** If you sit on it, should you not be asking those sorts of questions?

*Mrs Mellor:* The questions have been asked but the progress has not happened to date.

625 **Q211. The Speaker:** I think the implications of what the Chairman is saying is, of course, unless the board operates according to statutory policy, given the experience of people being incorrectly sucked into the Child Protection arena, then if the procedures operate without statute, there is going to be some difficulty in defending those procedures in a court of law if they are operating without statutory authority.

630 *The Minister:* I think it is important that you might want to address these questions elsewhere because we are subject to the Protection of Children's Board and as such, as their subject, it is not for us to necessarily impose upon them. It is for higher authority to establish process etc. I am slightly uncomfortable if it is somehow put at our door, any more than it should be perhaps put at any of the other Department's doors. This is an important body that sits high up in the hierarchy of scrutiny, really.

635 **The Speaker:** I accept your point entirely, and perhaps through you Chair, I simply ask that you communicate as a Minister of a Department, which is only one of the relevant parties to make representations to that effect for the protection of Government as a whole.

640 Thank you.

**The Chairman:** Yes and in the meantime, we will take your advice and we will follow it up with the Chief Secretary's Office, (*Laughter*) (*The Minister:* Thank you.) because it is of concern to us that there is a group of people sitting with this level of involvement without being protected by statute and appear to be answerable to nobody other than the Council of Ministers. But anyway we will chase that with the Chief Secretary's Office.

Mr Crowe, do you have anything on this before we leave this subject matter?

**Mr Crowe:** No, thank you, Chairman.

650 **The Chairman:** Mr Speaker, do you have anything else on this subject matter?

**The Speaker:** No.

655 **Q212. The Chairman:** No, okay.  
Still sweeping up on the last time we spoke up, I just wanted to ask you whether or not we can have an update on ATOS?

The last time we met, the pilot scheme was running with this agency, unclear exactly how long it was going to be running for, but that was seven months ago and you did say at that time that they have been *in situ* for five months. We are 12 months down the road so can I ask for an update on where we are?  
660

**The Minister:** Sure. Despite what appeared in the public arena, it was a successful exercise with ATOS, in so far as it helped to identify much more clearly the needs of those on those benefits and that is not really understood. We have got some work to do yet to help people understand what it is we are trying to achieve here, which is a much more intense focus on individual needs, rather than simply categorising people in a particular area and then leaving it.  
665

As you will probably know, the outcome of that exercise was that a third of those involved simply went back to work; a third of them were identified as being on the right benefit; and a third ó and from my perspective as Minister, the area of most concern ó was that there was a further third who needed further help to improve their life fulfillment.  
670

The initial trial was extended beyond Christmas. It has now come to an end and we have gone out to tender for the more permanent version, and if I could ask Mrs Mellor to identify how many submitted their entries.

675 **Mrs Mellor:** We had about six who submitted interest to it and we are hoping to appoint by the end of this month. They were on Island and off Island, so there was both which I think ó

**Q213. The Chairman:** Both on and off Island?

680 **Mrs Mellor:** Yes, which I think was a concern for your Committee when I last appeared before it that there was not any opportunity for somebody on the Island to be able to perform these services. So we went out with a tender documentation and an information notice to say would people be interested. We now have got down to the tender process, so hopefully we will have somebody appointed by the end of this month.  
685

**Q214. The Chairman:** Of the six that responded to the open tender, has a shortlist been made or are you going to literally make an assessment on all six and choose from the six?

690 **Mrs Mellor:** Yes, we are going to do it from the six.

**The Chairman:** From the six, okay.

**Mrs Mellor:** Yes, because there were more than that originally who came in and showed an interest and some dropped off when they realised the scale of what we were looking to do. We had six who actually came in, so we are going to choose from the six.  
695

**Q215. The Chairman:** So the level of interest was higher than six then, initially?

700 **Mrs Mellor:** Yes.

**Q216. The Clerk:** Sorry, Mrs Cannell, may I just ask ó was it because the scale was bigger than they expected or smaller than they expected?

705 **Mrs Mellor:** Wider maybe, I think is the way they were looking at it, rather than bigger or smaller. Originally, we were looking at, obviously, just Incapacity Benefit but we would like to extend that to what is in the UK is now the Personal Independence Payment, which is DLA here: Disability Living Allowance. So it was slightly wider than they thought they needed slightly more resource than they had on Island, for some of them.

710 **Q217. The Chairman:** Okay, thank you. Will there be an announcement made at some point on who the appointed agency is and can I ask how long the contract period will run for?

**The Minister:** There will be an announcement. I do not know the length of the contract.

715 *Mrs Mellor:* I think we looked at three years initially.

**Q218. The Chairman:** So a three-year contract, okay. Estimated cost of that?

720 *Mrs Mellor:* I do not know off the top of my head, Mrs Cannell. I cannot remember.

**Q219. The Chairman:** You must have a budget though, if you have invited somebody to submit a tender. (*Mrs Mellor:* We do.) You must have a budget of what you have evaluated in terms of what you want and what it is going to cost.

725 *Mrs Mellor:* Yes, we have. I have not got that data with me at the minute ó to hand.

**Q220. The Chairman:** Could you provide that to Mr King please, so that we have got an idea of actually what the whole scheme is going to cost? It would also be useful in terms of how does this compare with what it was costing you prior to the agency approach. You were doing everything in house, presumably, and you engaged outside general practitioners previously to do assessments.

730 *The Minister:* No Chair, the process that is now provided, through ATOS and whoever succeeds here, is a much more sophisticated process than was previously the case and it is not simply a yes/no, in terms of benefits. It is designed to help us identify what, particularly, that group in the middle need in terms of support to live better lives. So it is a significant enhancement of whatever went on before. So it is apples and pears, really.

740 **Q221. The Chairman:** Okay, but you will recall, Minister and Mrs Mellor, when we last took evidence from you last year, I did suggest to you ó and I will read and quote from *Hansard* ó I asked you the question:

745 *Are you aware that the original contract with ATOS in the United Kingdom was £112 million, but one of the things that the British government overlooked was the cost of an appeal system, so that was, at the time, a £60 million additional cost on top of that?ó*

750 Because what they had not anticipated was the level of appeals ó there were over 44,000 appeals lodged. So, this is why I am interested in what budget you provided, because I am just wondering whether or not you have assessed the eventualities of there possibly being a number of appeals and have you budgeted for that?

755 *Mrs Mellor:* There has always been an appeals process for Incapacity Benefit and the move away from í because when we had GPs who were actually doing assessments for us before, there has always been an appeals process. So that is already established, that would just be enhanced going forward to take into account the wider remit that we are looking at going forward as well.

760 The budget for that is included. Yes, we have got that budget as well. From the trial that actually took place, we had one appeal against that, which went through the appeals process. So if we use that percentage compared to the number of people we tested through, I think the appeals process in the budget we have currently got are more than adequate. I have to get you the budget, if that is what you are going to ask me, I do not know.

765 **Q222. The Chairman:** You did say, or the Minister did say, of the 140 who have gone through the process ó which is not a great deal over five months ó you can see how careful and cautious we are. We have had seven people who have asked us to look at it again. Out of the seven, one was successful and the other six had their judgments confirmed. So, what you are saying, Mrs Mellor, is the situation has not changed since then, that we were told that seven had asked for the decision to be looked at again ó

770 *Mrs Mellor:* There are two sets of appeal here. There is a first appeal for the original jurisdiction, and that is what that relates to and then there is actually an appeal process in which you go before a panel to appeal like you would for any of our benefits.

So it has not changed. There are more who have gone through that first process than when we last spoke but actually there has only been one who has gone to the appeal panel.

775 **Q223. The Chairman:** So that is only one but there were more than seven that asked you to look at ó

*Mrs Mellor:* Look at it again, yes.

780 **Q224. The Chairman:** Look at it again, okay.  
The actual appeal, you are going to keep the present system in place are you?

*Mrs Mellor:* Yes, I do not see any reason to change it.

785 **Q225. The Chairman:** Right, because that is headed up by lawyers, isn't it? (*Mrs Mellor:* Yes.) Yes, so you are going to keep that the same. (*Mrs Mellor:* Yes.)

790 But aren't the criteria, if you are going to lodge an appeal with that particular tribunal, it is judged merely on a case of misunderstanding or misinterpretation in the regulations, is it not? It is not merely they do not sit there and decide whether or not it was a good or a fair decision that affected Mr Jones or Mrs Jones, but rather whether or not the decision reflects the true position, as provided for in the regulations?

795 *Mrs Mellor:* But the regulations actually include that the assessments are done in an appropriate way and the person sitting on the panel is a doctor ó one of the people on the panel is their doctor so they will assess to make sure the assessment is correct as well, which is what the person is appealing against. They are appealing against the fact that they are able to work, or not as the case may be.

800 **Q226. The Chairman:** The regulations reflect the old system, they do not reflect the new type of assessments, do they?

805 *Mrs Mellor:* They do, because we changed the regulations to do that when we went forward with the trial because we brought them in a while back. So they do reflect that. So people will be able to say they feel that their medical assessment is incorrect.

810 **Q227. The Chairman:** The contract, you think, is three years and I take it that at the end of three years there will be a review or will there be an opportunity half way through that three years for a review ó of how these people are proceeding, how they are operating and whether or not you are happy with their work?

*The Minister:* There will be no formal review but obviously, as Minister, I will be incredibly interested and focused on how things are progressing.

815 **Q228. The Chairman:** I am sure you will, I think many of us will be. I am just concerned that there is provision built within the contractual arrangement for you to be able to do that lawfully ó that if you are not happy you will be able to get rid of them.

820 *Mrs Mellor:* We have been through the central procurement process, so the contract should have built into it a clause that allows us to be able to review anybody who is not performing well within a contract. It is a standard contract that will go out to them.

**Q229. The Chairman:** It should be, but I am just wondering who is overseeing that? As Chief Executive, Mrs Mellor, I would have thought you would have involvement in that.

825 *Mrs Mellor:* I will have involvement in that ó

**Q230. The Chairman:** The wording of that?

830 *Mrs Mellor:* Yes, I will.

**Q231. The Chairman:** Okay. I think we have more or less covered everything I wanted to sweep up on from last year. Can I ask you where we are in terms of the Regulation of Care Bill? We understood it was awaiting Royal Assent.

835 *Mrs Mellor:* It still is.

**Q232. The Chairman:** It is still awaiting Royal Assent, okay.

840 Can I move on to the Landlord and Tenant (Private Housing) Bill consultation and ask you for an update on that?

845 **The Minister:** As you will perhaps recall, we extended the consultation from six to 12 weeks to give people extra time to submit their views, which obviously is now closed. Those submissions have been carefully considered and we are now formulating the Bill itself, in preparation to submit it to Keys, I think it is early next year as I recall, possibly January.

**Q233. The Chairman:** Have any changes been made to the legislation following the consultation?

850 **The Minister:** Nothing huge, no, because the Landlord and Tenant Bill has been, in some respects, misunderstood in some quarters as being an oppressive document, a Bill that is expensive, bureaucratic, intrusive. It is none of these things at all. It is about in terms of this administration's interest in protecting vulnerable tenants and achieving absolute minimum standards, which any reasonable person would expect a decent landlord to provide.

855 It is being misrepresented as being something much more draconian ó it is not. It is not expensive and it certainly is not bureaucratic, so we have listened very carefully to what has been said and we have reviewed everything that has been said to us in light of what we have identified and articulated in the consultation. But in broad terms the Bill will go through. I am sure there will be tweaks here and there, but in broad terms when it gets to the Green Paper stage it will be as per the consultation.

860

**Q234. The Chairman:** Okay, but then it will be up to the House of Keys as to whether or not they are happy with the wording of your Green Bill. So, despite the extended consultation period then and particular concerns raised, you have listened but you have not really heard or taken note of those concerns, by the sounds of it, in terms of changing or tweaking the legislation.

865

**The Minister:** That is a somewhat subjective comment, Madam Chairman. It is important if other jurisdictions have this sort of legislation in now for a number of years. It is working very well. I am personally very passionate about this because, as I am sure you have, as constituency MHK for Douglas East, seen some properties which frankly are unacceptable, and we know that around 3% to 4% of tenanted properties are not fit for human habitation and in our society I do not accept that as something that we should let go by.

870

I fully accept there have been a lot of concerns expressed where, for whatever reason ó and it is up to others to decide why this might have happened ó the Bill has been presented in another character and doing things that it is not doing. I can assure the Committee that for any reasonable landlord, and that is the vast majority of them, it will pass them by on either side of the street. It is simply a question of registering with a limited amount of cost and no automatic inspection.

875

The concern is that it will give Government the opportunity to focus into those areas where attention is necessary, and I think if I may say this, as you know, the support for this Bill has come from DEFA as well, who are anxious to see it come forward. They see it as a necessary implement to achieve a standard above the basic and the minimum. So, effectively, it comes from my Department and the Department you are a Member of. It has been a joint effort.

880

**The Chairman:** If I could just set the record straight there, Minister, I would not say that it is being encouraged or in fact reflect your words from a DEFA point of view, bearing in mind that I am also delegated with Environmental Health, so I oversee this aspect of DEFA. The officers at DEFA ó

885

**The Minister:** Then Chair, may Ií May I suggest ó

890

**The Chairman:** If I could speak and finish, Minister, the officers there at DEFA, the housing officers, are merely co-operating with the desire of your Department in order to bring in the legislation. They are facilitating you because they are good public servants.

895

**The Minister:** Can we agree to disagree, Madam Chairman, because when I was a backbencher, when I first started looking at this, I consulted with the officers you describe, and they were keen to see this come forward and I am absolutely certain that that remains their wish and will.

900 We have worked in close co-operation with them. So I am a little confused as to the circumstances within the Department.

**Q235. The Chairman:** Well, Minister, there is only a small element of this proposed legislation that in fact touches on those housing officers. There is a much broaderí I am not going to argue, because obviously we will leave that until the Bill reaches the House of Keys ó

905 *The Minister:* I look forward to that.

**The Chairman:** ó to argue our pointsí But what I would say is that the Bill is more embracing than the areas that are covered, or would be covered, by environmental health officers. Could I just ask you what you regard the basic levels of decency are, in terms of private accommodation or public accommodation? How would you term the basic levels of decency?

*The Minister:* Standards which any reasonable landlord would want to achieve above and I think very basic areas, as I recall, were described in the consultation.

915 Any reasonable person would accept that you would not want to see those sort of standards appearing in a rented property. There have been suggestions, in all sorts of ways, that those standards apply to a much higher level. They do not. They are a basic minimum, and as I have said, and I am repeating myself and I apologise, the vast majority of landlords are achieving way, way above that standard.

920 **Q236. The Chairman:** Would you say that there are a number of landlords who are receiving below the basic levels of decency and standard?

*The Minister:* Yes, otherwise I would not bring the Bill forward in the first place ó there would be no need to, would there?

925 **Q237. The Chairman:** But it is subjective, isn't it, what the basic level of standard should be or what it is? Currently in the Miscellaneous Provisions Act 1976, basic level of accommodation is termed legallyí they use the word "wholesome" It is defined as "wholesome" ó "provided it is wholesome" This is why I am asking you about what you regard así because I think this is where the difficulty is going to lie.

*The Minister:* Okay, ultimately, it will have to be described clearly in regulations, so there would be no confusion there.

935 **Q238. The Chairman:** But there currently is a little confusion in the 1976 Act. It is defined as "wholesome" so obviously the primary legislation is going to have to replace that definition with something and then the description of that, yes, it does need to appear in regulations. I am just a little bit concerned about the wording in the original draft Bill, which is going to be the primary legislation.

940 Are you content that what you are striving for with this legislation is comparative with what is provided for in the public sector, for example? Will there be a balance there or will public sector still be regarded as slightly below that threshold that you are striving towards for the private sector?

945 *The Minister:* There have been a number of attempts in recent months to draw public consciousness away from what we are trying to achieve and one of them has been the very point you make: that somehow it is not fair that we are addressing the private rental sector when we are not addressing the public rental sector when, in fact the public rental sector is already in a variety of ways well beyond those thresholds, in terms of contractual arrangements between the tenant and the like. So there is no need to draw the public sector in when they are already above the minimum thresholds. There is no need.

950 **Q239. The Chairman:** You are saying they are already belowí (*The Minister:* Above.) above the basic current minimum thresholds. But what you are looking at is providing, in your words, something better for the future by providing it in the legislation, wanting to create better standards than those currently provided in the private sector.

955 I see both sides of the argument, from the public and also from the Department's point of view, but it does seem unfair that there is not a level playing field. Surely all accommodation, whether it

960 is provided for in the public sector or the private sector, there should be a basic level of decency  
that is like for like. There will, obviously, be properties that are better than that like for like  
standard.

*The Minister:* I think you misunderstand me. I do apologise, I am not sure that I said that we  
965 will be trying to achieve *better*. What we are trying to do is ó

**The Chairman:** You said some landlords do provide way above ó

*The Minister:* Yes, but that is a matter for them and we will not be interested in their delivery  
970 because they are being responsible landlords. We are interested in that small minority of private  
sector landlords who are significantly below what any reasonable person would class as an  
acceptable standard. The public sector is significantly above that anyway. It becomes an  
irrelevance as far as the public sector is considered.

975 There are some private sector tenants who have not got tenancy agreements who lose their  
deposits unreasonably, who have desperate standards within the property itself and that does not  
apply to the public sector. That is how minimum, that is how basic a set of minimums we are  
trying to achieve and there is no point drawing an organisation in that is already, and it should  
without doubt, be well above those minimum standards.

980 You say a level playing field. All we are trying to do is draw that limited number of landlords  
who are working below a reasonable standard up to a basic minimum standard, and goodness me if  
the public sector is not above that already that would be astonishing and certainly is not the case.

**Q240. The Chairman:** But as the law stands at the moment, Minister, it is a requirement  
985 already is it not for all accommodation providers, whether it be in public or private sector, to  
provide their tenants with a tenancy agreement? That is provided for in law already.

*The Minister:* And what we are doing in this Bill is articulating what we require of our private  
sector landlords, and it is clear and precise in that regard. It will be when the regulations come in  
on minimum standards.

990 **The Chairman:** You have a question there, Mr Speaker?

**Q241. The Speaker:** Do you have any concerns that people will be deterred from putting their  
995 property that they own on the rental market, not because they cannot meet the standards, it could  
well be at or above the standards, but deterred by the bureaucratic process that they have to engage  
in and will be put off from doing it? They might have a property that they would like to letí or  
would you say that the requirements are really not that onerous and that such fears which have  
been expressed are misplaced?

1000 *The Minister:* I think I have to agree with that latter part of your question. It has been  
misunderstood. There are efforts in a variety of places to wind this up to be more than it is. It is not  
bureaucratic. It is very simple. It is a form once every three years and, in other jurisdictions where  
registration has occurred, there is absolutely no evidence at all that it has impacted on the market,  
even though over here that has been suggested as being the case.

1005 I think Madam Chairman's Department will tell you that, effectively, there are a private sector  
landlords who want to invest in the Isle of Man but are inhibited from doing so because they do  
not consider that we are operating to minimum standards, and they have advised Madam  
Chairman's Department that they will not invest in the Isle of Man until such time as we have  
these basic minimum standards in. So I am very confident that will not happen.

1010 **The Speaker:** Thank you.

**Q242. The Chairman:** Returning, Minister, just to theí you described some of the sites that  
1015 you have seen in Douglas East and I can share that with you, having represented the area for over  
20 years both as Councillor and Member of the Keys, but we are talking, are we not, of justí you  
could count them on one hand, the amount of poor landlords who are providing accommodation,  
which is well below the decency level?

How, and in what way, will this new legislation address those particular landlords? In view of  
the fact that some of those landlords actually accommodate people who private landlords would

1020 not wish to take in otherwise, because of social problems, perhaps alcohol problems, drug problems etc.

1025 What will happen to those people? Is there not a potential for our homelessness to increase to a degree? Bearing in mind that these particular landlords and their poor property that they currently provide will not become registered, therefore will become unlawful and as such will be closed down and there will be nowhere, no roof over the head of those people that currently live in those premises.

1030 *The Minister:* I simply cannot accept that argument, that as a society we are content to allow provision of accommodation to vulnerable people to a totally unacceptable standard. I cannot accept that for one moment. I am offended by even the thought of it ó

1035 **Q243. The Chairman:** But Minister that is the reality of the situation. I am offended by the fact that it occurs and we do have that problem. Every society does. There are a group of people who social services provide benefit for and accommodation for, by persuading particular landlords to take them in to accommodation that is way below the minimum threshold which you are trying to get everything above. As a consequence, is there not every likelihood that those particular landlords will refuse to upgrade their premises for such tenants? And those people (*The Minister:* No.) could in fact end up on the streets. (*The Minister:* No.) That is the inevitable scenario, is it not?

1040 *The Minister:* No, it is not. It is the fear factor being created by those who have an antipathy towards this approach. The funding provided for those you describe from my Department is significant, and it is not acceptable that we are allowing that provision to occur at such a dismal and a disgraceful level.

1045 I am satisfied that the funding provided, once the regulationsí the Bill is in place, will provide opportunity for landlords to provide at an acceptable standard, given that the funding provided is adequate for that need.

I think that has been sent up as an enormous fear that we will end up with people on the streets and the like and again there is no evidence elsewhere, where registrations occur, that that happens.

1050 I am almost offended really that we as a society should be in a position defending even remotely the concept that it is acceptable to provide such a low quality accommodation. It offends me deeply.

1055 **The Chairman:** It might offend you, Minister, but currently you are Minister of a Department that is financing that sector as we speak, in providing the benefits for those individuals to pay their rent for substandard accommodation and that is reality. That is the real issue ó

*The Minister:* And that is why I am acting in the way that I am ó

1060 **Q244. The Chairman:** It appalls you and it appalls everybody that people have to live in those sorts of situations and sometimes in squalor. But it is interesting you talk about funding ó so are you proposing to provide loans for these private landlords then, in order to upgrade the premises, particularly these very low, substandard ones, to upgrade them ó

1065 *The Minister:* Absolutely not, no.

**Q245. The Chairman:** ó to accommodate their tenants? What are you talking about when you say funding?

1070 *The Minister:* The funding that is available at the moment through my Department to landlords is sufficient to support that property in a reasonable way. There is no need for us to provide further funding to these landlords when there are many, many other landlords providing the same facilities with the same funding at a perfectly acceptable standard.

1075 **Q246. The Chairman:** Do you accept, Minister, that we do have people who are homeless in the Isle of Man?

*The Minister:* As an ex-director of Kemmyrk, which is a charity for the homeless, I should hope so, yes.

1080 **The Chairman:** Okay, well, I just hope that Kemmyrk is prepared for potentially, and I hope it does not happen, but potentially an increase in those levels of individuals when the legislation comes in. I hope my prediction is inaccurate and it is wrong, but I just hope that the preparations are being made for the potential of it happening.

1085 Mr Crowe, you had some questions.

**Mr Crowe:** It was just a point that I Thank you, Chairman I Mr Speaker covered the point I was going to raise, so I do not have any questions.

1090 **The Chairman:** Mr Speaker, do you have anything else on that subject matter?

**The Speaker:** No, thank you.

1095 **Q247. The Chairman:** When can the House of Keys expect to receive the Green Bill? Do you have a timeframe for that?

**The Minister:** I think we said January a few minutes ago, didn't we?

**Q248. The Chairman:** January next year?

1100 **The Minister:** Yes.

**Q249. The Chairman:** And regulations? Usually when a Department is putting together primary legislation they will work up regulations as well as.

1105 **Mrs Mellor:** We are drafting the regulations underneath the Bill, so they will be ready to go once it gets Royal Assent.

1110 **Q250. The Chairman:** Right okay, so they will be marshalled in time (**Mrs Mellor:** Yes) to come in at the same time?

**Mrs Mellor:** Yes.

**Q251. The Chairman:** Okay, thank you.

1115 Can I just ask you, and just for members of the public who are here I must explain that the poor Minister is standing, not because we have not got a chair for him ó

**The Minister:** I am in disgrace (*Laughter*)

1120 **The Chairman:** He has a bad back. So that is why he is standing. It is just that we are keeping you standing rather a long time.

**The Minister:** No, it is fine.

1125 **Q252. The Chairman:** But I am hoping we will be getting close to finishing. (**The Minister:** It is fine.) Can I just ask you for an update on where we are in terms of reprisal (**The Speaker:** Reciprocity.) Reciprocity, yes, I should have taken a drink of water with the United Kingdom over the state pensions and other benefits? An update, please?

**The Minister:** Yes, I am delighted to do so.

1130 My Department and Treasury are working in very close co-operation with our consultants RSM Tenon. There is a major, major task here to establish our pensions and benefits policy going forward in relation to the major and very significant changes taking place in the UK.

That work is now coming up to stage three, effectively. I am not in a position to be able to tell you, or arrive at any decisions at this stage because there is an awful of work going on.

1135 So it is ongoing, that is about all I can really say.

**Q253. The Chairman:** Can I ask you, Minister, what is stage three? If you could explain that to us please?

1140 **The Minister:** It is collecting what is being considered so far and taking it to a point where proposals and ideas can start coming forward. Up to now it has been collecting evidence, data and the like, RSM Tenon talking to the UK. Stage three is, not the final stage but the maturing stage, is to get a picture of where it is that we need to go in the future and it is a major, major task.

1145 **Q254. The Chairman:** When will you be close to being able to brief Members of Tynwald, in terms of the Department's thinking in this area?

**The Minister:** My intention is to have a debate with the general public next year about the whole concept of the inter-relationship of the various generations and how pensions and benefits are going to impact on them.

1150 So at an early stage, at the point of launching that discussion because it is terribly important that we have it with the people of the Isle of Man because it will be important to draw Members into the process as well.

1155 **Q255. The Chairman:** So that will be a consultation?

**The Minister:** It is too early to say just exactly how the consultations are working because we have to look, we have to arrive at certain principal points before we can say "well, we are going to consult on that and not on the others". So it is a bit early to arrive at that. All I can say is that next year will be dedicated to engaging everybody in the future of our benefits and pension system.

1160 **Q256. The Chairman:** How will you do that if it not by way of public consultation? Would it just be raising the issue as a talking point?

1165 **The Minister:** It will certainly be a public debate. It could very well be consultation but I do not want to make myself a hostage to fortune at this stage because we are still in the midst of it. All I am saying is it must come out. We must engage in a very significant way next year.

1170 **Q257. The Chairman:** Okay, where are we in terms of sustaining the Manx Pension Supplement? Is that still safe?

**The Minister:** That is part of it and there have been one or two alarmist comments recently in the press about the supplement, which you are probably aware of, and I have refuted those.

1175 As far as I am concerned, the supplement is safe for as we are now. But if you go forward in the long term and we are talking about generationally here not tomorrow or next year or the year after because we have to accept the fact that we have got to be fair to our pensioners and fair to the generations coming up to the pension and the younger people as well.

1180 It is, and I am repeating myself, going to be a large and significant debate that has to capture people's imagination and engagement. It is not just a question of me standing here and saying "yes" or "no" on anything at this particular stage. It is all about fairness going forward.

**Q258. The Chairman:** Fairness going forward but also the reciprocity aspect of it is very important, isn't it, because if you decide that you want to break away from that with the United Kingdom then there are going to be all sorts of ramifications, are there not? At the moment, you are not in control of certain aspects of benefits that come under the reciprocal agreement with the United Kingdom, are you? If they increase a particular benefit or make a change you are hostage to that.

1190 **The Minister:** In certain areas, but you would expect any consultation to look at, and you would be amazed if it was not, looking at if we went our own way, if we stayed where we were or if we found some hybrid in the middle. All those issues are obviously, in the very stages, under consideration.

1195 You are trying to draw me into where we are going to be and it would be inappropriate for me to second guess all this work that is going on, and I will not do it.

**Q259. The Chairman:** No, Minister, we are not trying to draw you anywhere. We just want a clear picture of where you are up to now, bearing in mind that we took evidence quite some time ago, actually, from officers of your Department who have been working on all of this for a considerable period of time, and here we are two years down the road and we still do not seem to be any clearer what kind of direction that you might be going in.

*Mrs Mellor:* I think there is probably a good reason for that, actually to some extent, because I think there has been a lot of change in the UK and we could have jumped on a bandwagon at a number of points in time to change the benefit system in totality.

1205 I think we are now going to have to do it for a variety of reasons. They have just introduced a single tier pension or proposals for a single tier pension going forward. Our pension arrangements are different anyway at the moment. We do not pay the pensions in the same way as the UK, apart from that they are associated with National Insurance contributions ó that is the reciprocal agreement that sits there. There is a wide variety of things that have gone on in the UK, some have been successful, some have not and we have been lucky in some ways that we have not dipped our toe in the water too early.

1210 But I think now this review is looking at the whole issue and I think the Minister is very correct in saying we will have to look at all the options as to whether the reciprocal agreement is the right one for us at the moment ó whether we break away completely, whether we tweak that, whether we do something completely different. But that is a huge amount of work and it covers all of our benefits, those both reciprocal and those that are not.

1215 I think at the moment we are at that first stage of saying: -well, this is what we have looked at and this is where we need to pull that together to be able to go out for consultation on a wide variety of things, one of which will be pensions going forward.

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**The Chairman:** Okay, thank you. Mr Speaker. Sorry, yes, Mr Crowe.

**Q260. Mr Crowe:** Just on reciprocal benefits, it does help the private sector to recruit individuals and the public sector who know they can come here and work on the reciprocal basis for benefits and pensions and go back to the UK. There is this cross pollination, which is helpful and I would hope that you would take this into account in the mix when you are considering the mobility of labour to and from the Isle of Man.

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**The Minister:** I can assure you that that is happening, very much so. It is a big ask to get this right, so we must not rush our fences.

1230

**Q261. Mr Crowe:** Can I just ask: when is the next actuarial review, which would be the bedrock of data?

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**The Minister:** Later this summer.

**Mrs Mellor:** They are working on it at the moment and it will be up to 2012, but projecting forward as well to have a look at where we are up to. They are working on it as we speak. We are hoping to have it by the end of the summer ó the initial report through, and hopefully it will go through to Tynwald before the end of the year.

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**Q262. Mr Crowe:** Because that is one of the key elements of the data, isn't it?

**Mrs Mellor:** Yes, it will update it from the previous 2007 one, where we had a good inclination of how long the fund would last. So this will enhance that further and take into account some of the changes that have happened since then, with regards to retirement age and all the other bits and pieces that are going forward.

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**The Minister:** That one we have had last, which is now, (*Mrs Mellor:* 2007.) as Mrs Mellor says, out of date, showed the fund exhausted in 2045 and going into negative territory. So we would be very interested indeed to see what the latest actuarial report produces for us. That will inform the RSM Tenon consultations and the work going on between the two Departments, and will embrace everything that you have just said before.

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1255 **Mr Crowe:** Thank you.

**The Chairman:** Thank you, Mr Crowe.  
Mr Speaker.

1260

**Q263. The Speaker:** Thank you. What we have been talking about really is the process of review and change, but of course the political conversation that is going on in the United Kingdom between the political parties and the public is focusing on such things as: is the golden age of the

1265 welfare state and the postwar settlement consensus politically now clearly at an end? Young generations no longer being necessarily prepared to finance out of their pockets the benefits of the older generation, which has been the tacit understanding between the generations, and it is being articulated by politicians across in very direct and clear terms what the options are.

1270 I am just wondering, Minister, what your political stance is on where we might be heading? Where we are being forced to head because of the reciprocal nature of what we are talking about, but where politically you stand in terms of universal benefits, welfare provision and so on?

*The Minister:* Gosh.

*The Speaker:* I know, and we are at the end of thei (Laughter)

1275 *The Minister:* A huge amount. Well, I came into politics ó I know you have heard me say this before ó because I have got five grandsons who all now actually live on the Isle of Man, so I care hugely. And I think the older you get, the more it happens, the more you care about the next generations, the less you care about yourself.

1280 If we have any task at all as politicians, it is to deal with all the things that you have accurately listed there and make sure that by the end of this term, we have a real sense of purpose about where it is that we are going and a buy-in. So we have to have the same engagement and debate as is occurring in the UK, once we have resolved how it is that we will find our way forward, in terms of how we are going to react to the single tier pension, how we are going to react to reciprocity and the like. But, and again I have said this before, we have a particular challenge in this House, and that is to deal with the perfect storm, which is a loss of funding, the fact that the growth is less than it used to be, that we have got all the additional issues of reciprocity with the UK and we have a significant growth in the elderly population.

1290 Each one of those in isolation would, in normal circumstances, be sufficient challenge for any administration, but to collect them all in one bag and have them, something that we have to face up to now and in the coming few years, is a real task when set against the fact that, and again to state the obvious, as a jurisdiction we cannot post down debt, we have to balance our books. And we are a low tax jurisdiction, and there is no doubt about that, and yet we have a set of welfare provisions which are, in some respects, in excess of the UK's.

1295 So I think we are getting to the heart of your question in a way ó how do we deal with this? I get up every morning and go to bed every night thinking about that challenge.

If you address the core three targets: balancing the books, growing the economy and protecting the vulnerable ó you arrive at the point where you say: ãwell, what is it that we are really trying to do about protecting the vulnerable and who are they?ø I have personally arrived at a situation where I am uncomfortable with the way, historically, Government functions.

1300 If you accept that government, in its very core sense, is an organisation which takes funding from one place and places it somewhere else ó be it a service, be it cash, whatever ó quite understandably, because we are totally accountable, we have created a range of controls and targets for that money. And in doing so we have, in a sense, created and boxed off people in receipt of public sector housing, or a set of benefits, or a given service. What we have got to do is encourage those people to improve situations and what we are not doing as a Government is honing in on individual need because we are categorising people.

1310 So to come back to the point of vulnerability, if we are really going to deal with vulnerability then, as a Government, we have got to become much more capable of focusing in on individual need ó whatever circumstances it is, whether it is Incapacity Benefit or long-term unemployment or somebody who has learning difficulties or elderly care. We have got to be able to identify those in the greatest need and support them so that they are living a reasonable and decent life.

1315 This will mean, in light of all I have said, that we will move progressively away from the crude application of universal benefits as we have come to know them, in a number of areas. I am sure that certain areas will be absolutely ring fenced, like the quality of health care and the like. But it is a major task, Mr Speaker, to get the balance right.

1320 **Q264. The Speaker:** Just picking up one element, Chair, because I know time is pressing. It has been a source of political pride, I suppose, to be able to claim, as you referred to, that benefits in the Isle of Man are in many respects in excess of those in the UK, and there has been a general political consensus to support that concept. Are you saying that that is now no longer a desirable objective? Is it no longer achievable for financial reasons?

1325 **The Minister:** I think you are hearing the Chief Minister, you are hearing me, you are hearing the Treasury Secretary, more often than not now saying that certain things are unsustainable. So, it is not a question of us choosing that we want our benefit system in excess of that of the UK. What we have to do is find a new settlement ourselves.

I come back to your point about the post-war settlement. We have to find a settlement which is acceptable to the people of the Isle of Man and deemed to be fair and reasonable. That is why there is such a determination on our part, not just to make a decision on something and then say this is what we want to do, but to actually arrive at a set of options, and then take it out and get engagement.

1330 It is not unreasonable for people to feel secure in what we have had for the last 30 years, because we have had this proliferation of funding. It is not there any more and we will not do it in a year, we will not do it in two years. I think the Chief Minister said that this effectively, going to be a two-administration strategy because there is so much work to do

1340 **Q265. The Chairman:** Surely, Minister though, in doing this, and I do not think any member of this Committee would argue with you, that all of this needs to be re-evaluated. But you will, will you not, have to have impact assessments done? If you are going to decide that a particular benefit or a particular service has got to go because it is no longer sustainable in the medium-long term, you will surely, before reaching a decision, have to do an impact assessment on those who benefit or will use that in terms of what the impact is likely to be and then make a judgement call.

1345 **The Minister:** I think you should take that as read, Madam Chairman. One has to because, as I think you suggest, a number of actions in a number of areas could have a particularly difficult impact on a given individual. But I come back to, I think, a comment I tried to indicate earlier: that as a Government we have got to learn to be less siloed and more capable of cross-departmentally surrounding the [Inaudible] and need in a much more clear way, so that we identify where a person needs further support.

1350 Historically, because we have been so siloed, it is possible that action can be taken in one Department with an impact on the individual that is not necessarily understood in another one which then takes action. So, all of this ability to focus successfully on the vulnerable is going to depend on the degree to which we can learn across Departments to work much more closely on outcomes, rather than necessary categorisation of persons' entitlement.

1355 **The Chairman:** It is called joined-up Government and we are supposed to have had joined-up Government for the last decade, or is it 15 years? Anyway, I think Mr Crowe wants to just raise an issue in terms of the Tolson Report.

1360 **Q266. Mr Crowe:** Thank you, Chair.

Can I just conclude that I think the Chief Minister recently said on what you were talking about, protecting the vulnerable, growing the economy and balancing the budget – the Chief Minister announced his 2020 Vision recently, which is to have this all-encompassing, forward-thinking on changing what we are doing at present to improve it, so I think that 2020 Vision is underway at the present time.

1370 **The Minister:** In strands, what has to happen is that the various strands have to progressively come together into a coherent model. Not easy.

**Q267. Mr Crowe:** Which I think is targeted for later this year, isn't it?

1375 **The Minister:** No, the work you are talking about, I think, is more about the Scope of Government and Departments coming back with how they see their Department going forward. That is another element of the whole. This is more about how the citizen of the Isle of Man – what you are talking about – this vision thing – will see the services and provision to them as individuals.

**The Chairman:** Mr Crowe, you had a question on the Tolson Report.

1380 **Q268. Mr Crowe:** Yes, you recently gave Tynwald Members a presentation on the housing review, which was very interesting and I think one of the points you were going to pick up afterwards was the local authorities were going to have a conference. I think you have had that.

(*The Minister*: Friday.) Could you just give us an update as to how that went and how you see this coming through ó

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*Mrs Mellor*: It is this Friday.

*Mr Crowe*: Oh, it is this Friday. Right, so it has not happened yet? (*Mrs Mellor*: No.) But the intention is to inform local authorities as to (*The Minister*: No.) better ways forward, is that the ó

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*The Minister*: No, because there has been engagement now solidly for the last year or more with the local authorities, both at officer level and at political level, and that engagement has been going on throughout. So the authorities have been engaged with the consultants as well directly, so that they can give their views to the consultants separate to the Department.

1395

So there is a significant level of engagement. The point about Friday is to draw all these strands together and look at the Tolson Report and try to achieve a reasonable level of consensus across the housing authorities.

**Q269. Mr Crowe**: But it will come to Tynwald later this year, hopefully, will it ó as a policy report? As a debating issue?

1400

*The Minister*: November. (*Mrs Mellor*: November.) I think it is November, yes.

**Q270. Mr Crowe**: The housing policy will be debated in November too?

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*The Minister*: Yes, it will.

*The Chairman*: Okay.

*Mr Crowe*: Thank you.

1410

*The Chairman*: Thank you, Mr Crowe. Mr Speaker do you have anything further?

**Q271. The Speaker**: No final questions, but just to say the reason for my question about your (*The Minister*: Philosophy.) political philosophies ó the Isle of Man, when we are largely a system of independent Members, it can be very hard for the public to get a handle on where, politically, we might be going in a way that, when you talk Tory and Liberal Democrat coalition policies or Labour policies, one has a greater understanding of where they are coming from so that was the reason.

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1420

*The Minister*: And legitimate because that is why we went out with the social policy debate last year, that is why we have focused on housing this year, that is why, as the Chair says, we are going to focus on the big issues of reciprocity and pensions and the benefits system next year ó full engagement, with the help of the media anyway.

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*The Chairman*: Okay, thank you, Minister. I do not think Mr King has anything to sweep up on. Thank you, Mrs Mellor, for attending.

Just to announce that the Committee will now sit in private. Thank you very much.

1430

*The Committee adjourned at 12.48 p.m.*