STATES OF JERSEY



COMMON STRATEGIC POLICY 2024 – 2026 (P.21/2024) – COMMENTS

Presented to the States on 17th May 2024 by the Common Strategic Policy Review Panel

STATES GREFFE

COMMENTS

Background

The Common Strategic Policy 2024 - 2026 (<u>P.21/2024</u>) (the Policy) was lodged by the Council of Ministers on 9th April 2024 with a debate date scheduled for 21st May 2024.

A new Council of Ministers is required to lodge a Common Strategic Policy (CSP) for debate within four months of their appointment. Ordinarily, the Council of Ministers would bring forward the Common Strategic Policy for its term of office at the same time as lodging the Government Plan. This process ensures an alignment between the Council of Ministers objectives and priorities and the funding available to action them. However, a change in Government midway through the political term led the Council of Ministers to present a new Common Strategic Policy for 2024-2026.

Following discussion by the Scrutiny Liaison Committee (the Committee), it was agreed that overarching Scrutiny should be carried out on the Common Strategic Policy due to its strategic cross cutting departmental nature. It was also agreed that a Review Panel be formed for this Scrutiny and the Common Strategic Policy Review Panel (the Panel) was established on 1st May 2024.

The Panel's membership consists of the five Chairs from the main Scrutiny Panels and the Chair of the Public Accounts Committee. The objective of the Panel is to examine the recently lodged Policy and how it relates to the requirements of the Island, consider how the Policy was formulated and how priorities were identified, consider any gaps within the Policy, and to analyse how Policy will be formed in the future. The Panel agreed that, due to time constraints, it would hold a public hearing with the Chief Minister and present a Comments Paper for consideration by States Members.

The Panel would like to clarify that these comments are representative of all five Scrutiny Panels with all Panel Members given the opportunity to provide input to the questions put to the Chief Minister at the public hearing. Additional comments were drafted by both the Economic and International Development Panel (EIA) and the Environment, Housing and Infrastructure Panel (EHI) following separate public hearings both Panels had held with the Ministers under their remit. It was agreed that both sets of these comments be amalgamated into this Comments Paper which would then be presented by the CSP Review Panel.

The Panel notes that within the introduction of the Policy, reference is made to "curbing growth in the public sector". Concern was raised as to how this could contribute to growing the economy – a key area contained within the Policy. The Panel is aware that the Policy is a 2-year strategy, and the priorities are short-term, based on actions that can be delivered with the emphasis on Future Jersey¹ work. The Panel was informed that the 12 priorities are aligned with the long-term vision set out in 'Future Jersey' and the 10 Island Outcomes arising from it. For instance, the Policy states that "The foundation of the plan is the work that is set out in Future Jersey. The 10 priorities in Future Jersey underpin the whole plan".²

The Panel was keen to understand the longer-term vision with clarity as to how the Policy would seek to tackle the economic and social challenges that exist currently to

¹ Future Jersey is the final phase of the Shaping Our Future public consultation to create a shared, long-term community vision for Jersey.

² Public Hearing with the Chief Minister and CSP Review Panel - 03.05.24

ensure a strong community in the next 30 years due to the ageing demographic. The Panel asked the Chief Minister what he would consider the biggest, most ambitious, promise in this Common Strategic Policy to the public of Jersey, to which he responded, "I think the ambition is to deliver all of these 12 priorities collectively rather than single some out".³

The Panel has asked the Chief Minister to inform it of any realignment of the existing Government Plan spending for 2024. The Chief Minister has assured the Panel that any realignment of the existing Government Plan will be brought to the Assembly for approval, prior to any implementation.

Public Hearing and Evidence Gathering

The Panel discussed various topics with the Chief Minister at its public hearing on 3rd May 2024. A summary of the areas the Panel addressed during its hearing are listed below together with the line of questioning from the public hearing. It has not been possible to cover all areas discussed within the hearing, but further information can be accessed via this link to the public hearing <u>transcript</u>.

The 12 Priorities⁴

The Panel learned that each Minister was charged with working with their Departments to decide what they wanted to bring forward as priorities for the Policy. Ministers then presented the Council of Ministers will a list of priorities which in turn formed the 12 overall priorities. The Panel questioned the Chief Minister on how this process was followed at its public hearing.

Curb Growth in the Public Sector

The Chief Minister explained that growth would be curbed in the public sector by restricting/reducing the use of consultants and fixed-term contracts from external service providers. In addition, the Chief Minister informed the Panel that Government would be reviewing internal structures, mainly the Cabinet Office and other areas that have seen a substantial growth in staff numbers, as part of a focus of reprioritisation of the work that the Government does.

The Panel inquired whether such a review might lead to staff redundancies and the Chief Minister confirmed that it was possible.

 Deputy L.M.C. Doublet:

 Will there be job losses in the public sector?

 The Chief Minister:

 Possibly. I think there could be a resizing.

 Deputy L.M.C. Doublet:

 Which areas will those be focused on?

 The Chief Minister:

 I could not tell you at this time because that is ongoing work.

 Deputy L.M.C. Doublet:

 Which areas will those be focused on?

 The Chief Minister:

 I could not tell you at this time because that is ongoing work.

 Deputy L.M.C. Doublet:

 When will public sector workers find out which areas will be affected?

³ Public Hearing with the Chief Minister and CSP Review Panel - 03.05.24

⁴ The Panel notes that the Council of Minister has accepted an amendment submitted by the EHI Panel regarding Climate Change and the Carbon Neutral Roadmap and has made this the '13th Priority'

The Chief Minister:

During the course of this plan, I would think over the next few months will be a period where they will be ... we would be looking at that closely because we will need to include in the Government Plan changes to the budget. But over the course of the next 2 years ... I mean, it is not something we plan to do in one great swathe. I think it will be an ongoing piece of work of reprioritisation. I do not want to be too specific now because I do not want to set, as I said before, hares running and get people second-guessing of what we are we are looking at.⁵

In addition, the Chief Minister went on to inform the Panel that Government would be assessing senior and middle management structures right across the public sector.

Recruitment and Retention

The Panel is aware that the Chief Minister was a member of the previous Corporate Services Scrutiny Panel and noted that, during his time on that Panel, there was concern regarding recruitment and retention in the public sector. During the hearing, the Panel queried how these previous concerns would balance with the Chief Minister's views on aiming to curb public growth. The Panel was advised that:

The Chief Minister

'the idea is not to reduce structures to the point where they cannot deliver the essential services. It is about making sure we do the basics well.⁷

The Chief Minister went on to inform the Panel that Government may have lost sight of the key things that it should be delivering.⁸

Public Health

The Panel noted that public health formed part of the Cabinet Office, yet there is no specific mention of public health within the Policy. In addition, the Panel also notes that public health underpins the concept of sustainable well-being and is heavily featured within Future Jersey, which looks forward to 2037. Following the Chief Minister's indication that jobs could be lost within the Cabinet Office, the Panel asked for assurance that public health and its policy staff would not be impacted. The Chief Minister informed the Panel that, whilst he believed public health to be an essential area, he could not give assurance that Government would be able to protect all essential areas. The Panel also covered areas such as the £18 million overspend of the health budget and was informed that this is an area that is currently being worked upon by the Minister for Health and Social Services.

Deputy H. Miles:

Can you give us the assurance that by putting it (public health) in the Cabinet Office, it is going to be protected?

The Chief Minister:

Yes, I can give you the assurance that we are going to protect the areas that are essential to us. I cannot give you assurance that we will not.

Deputy H. Miles:

Do you think Public Health is an essential area?

The Chief Minister:

I do think it is an essential area, but I cannot be sure that the number of staff and the work we are doing in there is right-sized. We could actually need more. We might need

⁵ <u>Public Hearing with Chief Minister and CSP Review Panel - 03.05.24</u>

*a bit less. That could be one of the areas of front line services that we decide we need more resources in. We could look at it and think maybe we need to right-size that a bit better.*⁶

Economic Growth

The Panel asked the Chief Minister if he believed that curbing growth in the public sector could have a negative impact on the economy. Whilst the Chief Minister confirmed that public sector employees make a huge contribution to the economy, he also acknowledged that the public sector was growing at a rate and that it requires resource from the private sector. The Chief Minister went on to say that:

The Chief Minister:

'this is not helpful to the economy because we are not allowing the resources for the private sector to grow to its full potential, if we take up a lot of the resource in the public sector'.⁷

The Chief Minister further identified that the CSP established that the Government of Jersey will work with businesses to tackle private sector labour shortages where they are made worse by government policies or processes and this aimed to make it easier for Islanders and businesses to go about their business on a daily basis. However, acknowledged that some of the costly, cumbersome areas such as: work permits, post-Brexit I.D. (identification) cards, and visas, could prove challenging as, although some were within the gift of the Government, there was not always the ability to control them.⁸

During a quarterly hearing with the Economic and International Affairs Scrutiny Panel (EIA Panel) on 11th April 2024, the Minister for Sustainable Economic Development outlined that there were a number of priorities under the CSP that would correlate to work under his Ministry. The first of these was tied to the priority of "Transition to a living wage." The Minister for Sustainable Economic Development indicated: ⁹

"We have a few areas of priority that we are working on. One is, obviously it has been clear one of the elements of the Common Strategic Policy is to increase the minimum wage towards the living wage. I am working closely with the Minister for Social Security. My element of the work is very much on mitigations, because we appreciate the pressure that this is going to put on businesses in particular business sectors. I am working with Minister for Social Security to deliver some mitigations that will help that transition period."

The CSP identifies that achieving this policy will support employees in critical industries like retail, hospitality and agriculture. The Minister for Sustainable Economic Development has indicated that, following policy development by the Council of Ministers, he will have ongoing conversations with various sector stakeholders around the area of living wage and highlighted that many of these were aware of the likely direction of travel in that area.

The Minister for Sustainable Economic Development also highlighted areas of the CSP relating to the priority to "Reduce red tape, enhance opportunities for business and strengthen Jersey's international reputation." The Minister for Sustainable Economic

⁶ Public Hearing with Chief Minister and CSP Review Panel - 03.05.24

⁷ Public Hearing with Chief Minister and CSP Review Panel - 03.05.24

⁸ Public Hearing with Chief Minister and CSP Review Panel - 03.05.24

⁹ Quarterly Public Hearing with the Minister for Sustainable Economic Development – 11.04.24

Development identified that this tied closely to the existing work "Barriers to Business", for which a <u>report</u> was produced by Jersey Business and published on 4th December 2023. He has indicated that his response to this report and its recommendations will be provided "very shortly."

It is understood that this is hoped to benefit much of the businesses operating in the Island's economy through reduction in bureaucracy and increased ease in dealing with the Government of Jersey, with the Minister for Sustainable Economic Development suggesting: ¹⁰

"...breaking those barriers to business and making it easier to do business in the Island. That will take various forms, but some of which, picking up hospitality for instance, will be including looking at the events licensing regime, the liquor licensing regime and others. That is just one example."

The Minister for Sustainable Development briefly discussed the ongoing work concerning the Cyber Security Law, with the CSP indicating "We will ensure a secure digital ecosystem with a new Cyber Security Law and strategy to attract investment and facilitate innovation." The EIA Panel has been undertaking preliminary Scrutiny of this matter, having received briefings on the draft Cyber Security Law, and is considering further work to be carried out once this is publicly lodged along with concurrent scrutiny of the confidential drafts.

Another priority, "Deliver a plan to revitalise Town" will also be influenced through the Sustainable Economic Development Ministry, with an Assistant Minister being appointed with responsibility for policy in relation to the Central Markets. It is understood the EIA Panel will be considering questioning of the topic in future noting this will likely be linked to the updated Retail Strategy, anticipated to be published by the end of this year.¹¹

External Relations

During a Quarterly Hearing with the EIA Panel on 26th April 2024, the Minister for External Relations highlights that area of his ministerial remit will focus on the priority to "Reduce red tape, enhance opportunities for business and strengthen Jersey's international reputation." He has indicated that much of this is continuation and prioritisation of work already underway:¹²

"Well, really there are 2. If we take financial services, that is one bit, but if you take just External Relations, there are 2 bits about External Relations. One is the generic building good relations with partners. The other is really supporting other Ministers and departments with their priorities where they might butt up against either the U.K. or Europe or some other place to help facilitate them with educational exchanges, cultural exchanges, M.O.U.s (memorandum of understanding) around those particular areas. So it is very much you take the C.S.P.; what it is seeking to do is prioritise throughout the next 2 years, because there is not that much left of this term of government. So it is seeking to prioritise what can be done over the next 2 years but there is still that whole host of

¹⁰ Quarterly Public Hearing with the Minister for Sustainable Economic Development – 11.04.24

¹¹ Letter - Minister for Sustainable Economic Development to EIA Panel re Quarterly Hearing Follow up Questions -

^{25,04,24} ¹² Quarterly Hearing with EIA and the Minister for External Relations – 26.04.24

everyday activity which will be taken on and serviced as normal. So we will carry on doing that. There is, as I said, that priority in the C.S.P. about red tape and international competitiveness we are working on that will fit into both External Relations and the financial services bit of my portfolio."

The CSP also identifies that "We will also strengthen Jersey's reputation as an attractive and competitive place to work and do business by providing incentives for businesses to be based here, following changes to the international tax regime." ¹³ It is understood that the EIA Panel and Corporate Services Scrutiny Panel are currently considering Scrutiny on this topic, particularly noting the statement of May 2023 that the Crown Dependencies intend to implement an Income Inclusion Rule (IIR) and domestic minimum tax from 2025, as part of the Organisation for Economic Co-operation and Development (OECD) Pillar Two global minimum tax framework for large multinational groups¹⁴.

Population Policy

The Panel has made reference to the <u>Population and migration statistics update 2022</u> published by Statistics Jersey and media articles¹⁵ that suggest a decline in Jersey's population in general and asked how the Government was planning to mitigate this, particularly in light of, the '<u>Barriers to Business</u>', the housing rule, ¹⁶ and the 5-year rule (both of which restrict who can access jobs)'which says that one cannot work in the open market, (before being resident for a certain length of time). The Chief Minister stated that work was currently being undertaken on the Population Policy by an extended Housing and Work Advisory Group.

The Chief Minister:

That is a piece of work that is being ... the population policy is being considered by an extended Housing and Work Advisory Group. You are right, the substance of that has completely changed post-Brexit and post-pandemic but we are seeing a decline in population; a predicted decline. We are seeing a decline in the birth rate now. The biggest challenge we have long term is working age population. I think by 2046, we are going to have twice as many Islanders in their 80s.

Deputy M. Tadier:

I will pass over to my colleagues. I know Deputy Doublet wants to come in. This will be my last question, is that it seems that the barriers that we have put up in the past have been deliberately put up to keep people out, which then have an influence on business having difficulties to recruit. Are we talking about taking the barriers down now so that people can come in?

The Chief Minister:

Specifically in terms of that, I think that is connected to the first point I was making around visas and work permits. I think one of the things we need to be looking at in this plan is ensuring that certain sectors of our economy can get labour more easily. Having said that, we cannot do it in an unfettered way.

Ageing Demographic

The ageing demographic was also raised as an area that had not been specifically mentioned within the Policy. The Panel asked the Chief Minister if this area had been discussed as a potential priority and, if not why. The Chief Minister explained that it was not specifically mentioned as the Policy was a short-term plan with the focus on

¹³ <u>P.21/2024, page 11</u>

¹⁴ OECD Pillar 2 – Crown Dependencies Joint Statement – 19.05.23

¹⁵ FOCUS: Could a 'Bean' drain be Jersey's next big challenge? | Bailiwick Express Jersey

things that can be delivered during this term of office. However, the Chief Minister sought to assure the panel that work was being undertaken in two particular areas:

- the working age population where Government is projected to struggle to find the workers needed to provide the economic growth necessary to sustain our Island financially.
- by 2046 Jersey is likely to have twice as many Islanders aged 80 and above. That alone could require up to 4,000 more care workers and associated facilities.

Deputy L.M.C. Doublet:

In terms of population, and you mentioned the ageing demographics, none of those things were mentioned in this C.S.P.; why is this?

The Chief Minister:

Because this is a short-term plan. The ageing demographics are something that is covered. I keep referring to the Future Jersey vision work, which encompasses all of this, which is the foundation of this plan. But this is a short-term plan. We cannot deal with that in the remaining 2 years of office. We have tried to make this plan - as it should be - focused on things we can deliver during this term of office.

Deputy L.M.C. Doublet:

Does Government not have a responsibility to deliver within its term but also to plan for the future?

The Chief Minister:

Yes, I am not sure how I can keep saying this. The Future Jersey vision is the foundation of this work, so the work we do aligns with, hopefully complements and supports, the Future Jersey work.

Affordable Housing

Noting that affordable housing was one of the 12 key priorities, the Panel asked how Government was proposing to implement the Bridging Liquid Waste Strategy or safe waste disposal. The Chief Minister informed that the Policy, being a 2-year plan did not include detail in this area, however, it remains an important area of focus for the Minister for Infrastructure and the Minister for Housing. He went on to say that Government is aware there are approved housing sites ready to go but which cannot be built because there is not enough drainage or infrastructure in the area however, this is a separate piece of work that the Minister for Infrastructure and relevant Ministers are focusing on.

Deputy H.L. Jeune:

Chief Minister, you mentioned at the beginning that the C.S.P. has 4 overarching priorities; one being affordable housing. You have also mentioned there is a lack of overall infrastructure. You already mentioned roads and liquid waste, for example. Yet we see that in the C.S.P. there is no mention of infrastructure. There is no mention of the liquid waste strategy or safe waste disposal. I would like to ask you: how do you plan to deliver affordable homes and maintain this priority when the particular issues of getting to the point where you can actually deliver homes on these major infrastructure is not mentioned in the C.S.P. or as a priority?

The Chief Minister:

Delivering more affordable homes means more affordable homes to rent and to buy. In relation to the short-term aspect of this, what we can do in the next 2 years, which is limited, but already had a successful pilot scheme launched, which was the ... I forget what it was called. The affordable home scheme run in conjunction with Andium, the shared equity deposit scheme, which was a £10 million fund, that is one example of how we can have a quick impact on that. That scheme was oversubscribed significantly.

Deputy H.L. Jeune:

I was talking mainly of course, quite a few years ago now, the bridging Island Plan identified some rezone sites to be able to develop affordable homes, which by now we would hope that at some point soon there will be at least plans to put the spades in the ground and actually starting building them. But we have identified that there are some significant infrastructure restraints to even get to that point. I would have hoped that this priority in C.S.P. would identify being able to - sorry to say it - unblock the abling to build and deliver. I understand that in the next 2 years you may not be able to see any rezoned affordable homes. But what we would like to have seen is to have sourced out where we can go with safe waste disposal, and also the liquid waste strategy to be able to fund and figure out how to deliver infrastructure to these areas.

The Chief Minister:

That did not make the 12 priorities, but it remains an important area of focus for the Minister for Infrastructure and the Minister for Housing, because we are aware there are approved housing sites ready to go, but cannot be built because there is not enough drainage or infrastructure in the area. That is a separate piece of work the Minister for Infrastructure and relevant Ministers are focusing on. That may well feature in the Government Plan, depending on what sort of funding is needed. It is just that there are probably dozens and dozens of examples like that, that we could not all put as priorities in the Government Plan.¹⁷

During its quarterly hearing with the Minister for Infrastructure, the EHI Panel asked whether the Minister felt that the CSP would provide the backing that was needed when it came to prioritising funding for infrastructure projects in order to seek reassurance around the funding of essential works, such as the Bridging Liquid Waste Strategy, which would enable the delivery of affordable homes. The Minister stated that there was acceptance by the Council of Ministers that investment was needed:

The Minister for Infrastructure:

I think there is wide understanding among the Council of Ministers that infrastructure needs investment, whether that is drains, whether that is shoreline management, whether that is the roads that we drive along, whether it is the new hospital which is not currently sitting under infrastructure, but the properties generally do. So I think there is an understanding from the Council of Ministers that we have to do those things. ¹⁸

The opinion of the Environment, Housing and Infrastructure Panel (EHI Panel) was that there was no clear message in the Common Strategic Policy on how affordable housing would be delivered. As it is worded in the Common Strategic Policy, the priority in relation to affordable homes is focused on the rental sector. The Panel felt that the focus on the broader delivery of homes was not backed up by additional focus on the required infrastructure or by the priority – as originally worded – in relation to the reform of the Planning service.

To widen this focus and to address the CSP's short term view of the priority for planning reform, the Panel focused one part of its accepted amendment on ensuring that this was aligned to the Future Jersey outcomes to ensure sustainability and long-term need rather than simply speeding up the process for building and development.

¹⁷ Public Hearing with Chief Minister and CSP Review Panel - 03.05.24

¹⁸ Environment, Housing and Infrastructure Quarterly Hearing with the Minister for Infrastructure 08.05.24

Natural Environment

The priorities provided by the Government are silent on the natural environment and sustainable resources. These are recognised in the document in as much as it is two of the ten island outcomes of Future Jersey, and two out of the three related to environmental wellbeing. These are, however, not outcomes which will be supported by a specific priority or action during the coming term of office.

The Government has outlined its commitment to the ten Island Outcomes as follows:

The 12 priorities are aligned with the long-term vision set out in the Future Jersey report and the ten Island Outcomes arising from it. We are committed to working towards this vision as an Island that values environmental, economic, and community wellbeing. All the work we do will be measurable against these outcomes through the Island Outcome Indicators, maintained by Statistics Jersey.

While this indication is acknowledged, it was concerned that no priorities which seek to address climate change, enhance and protect the natural environment or ensure the sustainable use of our natural resources have been identified by this Government for delivery within the next two years.

In this context, the Environment, Housing and Infrastructure Panel focused the second part of its amendment on ensuring that the climate emergency remains a primary concern for this Council of Ministers by reintroducing the implementation of the Carbon Neutral Roadmap as a priority.

Front Line Emergency Services

The Panel asked how the Policy covered front-line services, in particular the States of Jersey Police, as currently there is insufficient budget for the police to maintain the recommended 215 officers. It was informed that the budget had not yet been agreed and this would form part of the upcoming Government Plan.

Education

The Panel did not believe that education was addressed within any priority or that there was any detail within the Policy that discussed actions within this area. When the Panel queried this during the hearing, it was informed that education is a lifelong learning and it will always be, a key priority for Jersey, as is Health. Just because we have not referred to it directly in the 12 priorities, it does not mean it is not going to be ongoing.¹⁹

This was followed up with the following line of questioning regarding supporting children to enjoy the best start in life:

Deputy C.D. Curtis:

Chief Minister, I refer to the Island outcome, which was to support children to enjoy the best start in life. Can you explain how this relates to any work Government is going to do on the town school estate and improving school infrastructure when there is no specific priority referencing school infrastructure?

The Chief Minister:

Because as part of the Government Plan it does include future vision for Jersey work. Education is a lifelong learning. It will always be, I think, a key priority for Jersey, as

¹⁹ Public Hearing with Chief Minister and CSP Review Panel - 03.05.24

is Health. Just because we have not referred to it directly in the 12 priorities, it does not mean it is not going to be ongoing. In relation to your question about the town school, and I could probably say in terms of best starts for children, extra provision for early nursery care and investment in education could partially address that, depending on your own views about that. We are desperately in need of new primary school estate in St. Helier, but we have capacity in the other primary schools around the Island. Falling birth rates and reduction in population predictions means we are going to have capacity there. So we need to replace 2 or 3 or possibly 4 failing primary schools with 2 new ones. I think that work is essential. There is a strong focus on that with the current Education team. Of course, there is a disagreement about where they are located. That is something we are going to try and thrash out as soon as we can.

Deputy C.D. Curtis:

Because I think certainly for people who live in that area of town would be very concerned of any question that those schools might not be going ahead. Certainly for the headteachers at Springfield and Rouge Bouillon. So it may have been helpful if there had been some certainty described in the C.S.P. about what was already decided about the schools. Also, if I could just ask, there seems to also be changes and uncertainty around children in care now with no therapeutic home going ahead. What will happen to those children that would have used that home? This does seem at odds with the Island outcome about supporting children.

The Chief Minister:

Again, it is a 2-year plan. We have got 2 years left. We cannot deliver 2 new schools in 2 years. That is a longer-term aspiration that we will make sure the foundations are in place for that. That is why we asked for this to go to the Council of Ministers in relation to the town school, especially the issue around the extension of the town park, new primary school, what we are doing with Springfield, what we are doing with St. Luke's, what we are doing with Rouge Bouillon; and I visited the schools with the Minister for Education and Lifelong Learning. I am aware of the concerns of the teachers and the dilapidation in some areas of the schools. We have undertaken to get a policy in place by the Council of Ministers, so we know exactly what we are going to do. Whether we are going to build a new primary school at Gas Place or whether it will go somewhere else, we will make that decision very quickly. Officials have been asked to produce all the relevant detail, so we can hopefully pick up where you left off.²⁰ The Panel has expressed concern that potential cross Ministerial issues were not included within the policy such as substance abuse and online safety. The Chief Minister responded that this was an area that was being discussed currently with the Minister for Justice and Home Affairs and whilst it was not contained within the Policy, it continued to be an area of importance and clarity would be provided in due course.

Government Plan 2025 - 2028

The Chief Minister informed the Panel that work was progressing on the upcoming Government Plan with a proposed lodging date of 9th July 2024. The Panel reminded the Chief Minister that the Government Plan for 2024 had been approved by the Assembly under the last Government and that it may need to be reprioritised according to the new Government's priorities. The Chief Minister informed the Panel that Government is very mindful that, where any new decisions on spending conflict with previous States decisions, approval will have to be sought from the States Assembly which was confirmed at the public hearing.

²⁰ Public Hearing with Chief Minister and CSP Review Panel - 03.05.24

Deputy I. Gardiner:

Let us go back to the Government Plan for 2024 that has been approved according to the priorities that Assembly agreed to. When will we see updated spending, that the Assembly will understand how the money will be spent?

Deputy H. Miles:

And potentially approve how that money is being spent, because it has already been approved last year.

The Chief Minister:

Yes, we understand that for 2024. Anything we are not going to spend this year ...

Deputy I. Gardiner:

Or spend differently.

The Chief Minister:

... that has been approved, we will have to come back and get Assembly permission. Yes., understood.

Conclusion

The Panel understands that the Common Strategic Policy is a 2-year plan. It is a vision and not intended to contain a high level of detail about every Government workstream.

The Panel welcomes the priorities that are due to be delivered during the remaining term of office. These include, but are not exhaustive to, the extension of nursery and childcare provision, reduction of GP fees, and the implementation of the recommendations of the Violence Against Women and Girls Taskforce Report.

Panel Concerns

Following discussion of the Policy, the Panel was concerned that it did not go far enough in recognising key priority areas and, overall, seemed to lack ambition for long term. The Panel, noting that the Policy contained 12 key priorities, was also concerned how these 12 priorities were agreed upon and how decisions had been made by the Council of Ministers in identifying priority areas versus 'nonpriority' areas.

The Panel was keen to understand exactly how Government would be delivering the Policy. It should also be noted that, in addition to the 12 priority areas, there is a 'business as usual' list within the Policy with no clear direction of what these items are, other than addressing climate change through the Carbon Neutral Roadmap (further information on this can be found in the section, Acceptance of Amendments further in this document).

Following its hearing with the Chief Minister, the Panel would like to make particular reference to the lack of consideration of the ageing demographic and the potential job redundancies in the public sector. It does not believe there is a clear plan in place as to where these redundancies will be made and the impact these could have on the key frontline services. In addition, the Panel believes that questions must also be asked around how curbing the public sector could impact on our Island's long-term economy.

The Panel noted that Ministerial/Delivery Plans are not due to be presented until July and is disappointed that these have not been presented at the same time as the Policy to provide, in the Panel's view, much needed further details. In addition, concern was raised regarding the updated Policy and how this would feed into the already approved Government Plan. However, the Panel looks forward to cross referencing these with the existing Policy. The Panel would like to seek clarity in the following areas and has agreed that each Scrutiny Panel will ensure that its own areas of responsibility are followed up with the relevant Minister. The Panel also plans to write to the Chief Minister asking for clarification on these matters.

The 12 Key Priorities

The Panel is concerned as to how these were prioritised and would like to know what defines priority versus nonpriority. In addition, the Panel would like to know how many meetings the Council of Ministers had prior to agreement of these priorities.

Curb Growth in the Public Sector

The Panel is concerned that this will result in job losses. It would be keen to understand the extent of these job losses, the volume of redundancies and the impact this may have on front line services.

Recruitment and Retention

The Panel would like further information as to how the Chief Minister plans to tackle the ongoing issue of recruitment and retention. Particularly in front line services.

Public Health

The Panel is concerned that there is no specific mention of public health within the Policy as the underpinning factor of the sustainable and wellbeing concept. In addition, public health forms part of the cabinet office (an areas where the Chief Minister indicated there could be redundancies). The Panel would have liked to see further information on public health within the Policy, however, will request further information in this area from the Chief Minister.

Economic Growth

The Panel understands that public sector employees make a huge contribution to the economy. It is therefore concerned that this area, should it suffer job losses, may impact on the growth of the economy. The Panel would like to understand what work has been undertaken to mitigate this.

Population Policy

The Panel has concerns around the declining numbers in Jersey population, particularly around the barriers to business, the housing restrictions and the 5 year rule allowing the ability to work in the open market. Further clarity is sought from the Chief Minister as to how this could be eased to allow a more open market, a result of which could help the decline in population.

Ageing Demographic

The Chief Minister has assured the Panel that work is being undertaken to alleviate this in the following ways:

- the working age population where Government is projected to struggle to find the workers needed to provide the economic growth necessary to sustain our Island financially.
- by 2046 Jersey is likely to have twice as many Islanders aged 80 and above. That alone could require up to 4,000 more care workers and associated facilities.

The Panel would like further information on this work that is being undertaken and gain an understanding of how the Council of Ministers plan to alleviate this.

Affordable Housing

The Panel would like to understand further how the Council of Ministers plan to meet its target on affordable homes both in supporting those in the rental market and the sustainable delivery of homes.

Front Line Emergency Services

As mentioned previously, there is concern as to how redundancies may impact on front line services. The Panel would like to see a clear plan of any redundancies and how, if at all, these would impact of front line services.

Education

The Panel would like further information on school infrastructure and how the Government plans to support children to enjoy the best start in life.

Government Plan 2025 – 2028

The Panel, concerned that the spending agreed in the previous Government Plan may now have changed, would like to see all new decisions on spending being brought back to the Assembly for approval.

The Panel is also aware that there are a number of cross cutting themes in the areas of concern highlighted above and will continue to work together to achieve the best outcome for the Island.

Approval of Panel Amendments

A number of amendments have been lodged by various Scrutiny Panels which the Panel believes may go some way in addressing a number of its concerns. These are listed below.

Environment, Housing and Infrastructure

• <u>https://statesassembly.gov.je/assemblypropositions/2024/p.21-2024%20amd.pdf</u>

The Panel is pleased to note that through negotiation with the Council of Ministers wording has been agreed which has resulted in the acceptance of its amendments to the CSP. The Council of Ministers has agreed to reassert its commitment to addressing the climate emergency through the implementation of the Carbon Neutral Roadmap as a 13th priority and to rewording its 12th priority in relation to planning reform to make sure that sustainability and the long-term commitment to Jersey's environment remain in focus. A copy of that revised amendment was due to be lodged however, was not available as a link during drafting of this paper.

Children Education and Home Affairs Panel

https://statesassembly.gov.je/assemblypropositions/2024/p.21-2024%20amd.(4).pdf

• The Panel is pleased to note that the Council of Ministers has accepted the amendment from the CEHA Panel with one minor change of changing the

words 'St Helier to Town' A copy of that revised amendment can be found <u>here</u>.

Lastly, the Panel wishes it to be known that these comments are a snapshot of what was discussed with the Chief Minister and, due to the time frame, cannot cover every aspect of the hearing. A letter with further questions is due to be sent to the Chief Minister and will be uploaded to the States Assembly website.