

Chief Minister



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Senator Kristina Moore
Chair, Corporate Services Scrutiny Panel and President of Chairman's Committee
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20 Sep 2019

Dear Senator Moore

Government Plan Scrutiny

Thank you for your letter of 10th September. Given that you have chosen to communicate by open letter I feel I must do the same. I also feel compelled to make some general introductory comments given the seeds of uncertainty that have been sown by your letter, your public comments and other comments made yesterday during States proceedings.

This is Jersey's first Government Plan and I am proud of it. I am proud of how a new Council of Ministers has worked together, and with officers, to produce a cohesive and forward looking plan, following on from its work on the Common Strategic Policy. I am proud of how the Plan pulls together income and expenditure, and achieves a balance between short term detail and longer term demonstration of financial sustainability. I am particularly proud of how the Plan moves forward many issues that have appeared "stuck" for some time – issues as diverse as Mental Health funding, Fort Regent and increased Police numbers.

Having said that, there are always opportunities for improvement and I recognise and sympathise with some of the points made in your letter. I will address these below.

Lack of detail in the published Government Plan

In my opinion the Government Plan as lodged, together with R.91/2019, provide sufficient information to enable both proper scrutiny of the Plan and fully informed debate. In saying this there are two exceptions which I would like to have included at the point of publication:

- a detailed breakdown of expenditure by Department; and
- a full detail of the Government efficiencies programme.

I have already written to you explaining when you will receive this information, together with giving my commitment to release any material earlier if I am able to do so. I have also asked officers to ensure that this information is included in the Government Plan for 2021 at the point of lodging.

Those two points aside there is a wealth of information in the Plan and supporting published information to enable proper scrutiny by States members and the public alike.

This Council of Ministers has put forward a platform of programmes and actions against which it is prepared to be held accountable. It has done this within a financial context that has sought to minimise any negative impact, as far as possible, on Islanders. Whilst I appreciate that States Members are interested in the fine detail, sight of this does not affect the commitments made.

Provision of further information to Scrutiny

I was puzzled and a little dismayed by Deputy Morel's criticism of this during States proceedings last week. As a reminder, meeting the requests of the various Panels was not as simple and straightforward as just emailing pre-existing documents. Officers have worked hard to tight deadlines, not only to provide what was asked for in a structured way but also to make the task of Panels and your officers easier. The additional material provided includes:

- a covering sheet for most business cases supporting published expressions of interest. These covering sheets explain any changes (as a result of the political process of agreeing an affordable package) between the supporting business case and the funding included in the Plan as lodged;
- a table cross-referencing actions and capital projects to programmes and Ministers;
- allocating a unique identifier to the definitions of capital projects.

I am informed by officers that the vast majority of the material promised was available to your members and officers by close of business on Friday 6th September. All but two documents were provided by noon on Monday 9th, and these are now available. The amount of information now available to Scrutiny is enormous and is probably unprecedented for a plan of this type. Whilst it has been provided on an "in confidence" basis (so as not to delay the provision whilst business cases are examined for specific sensitive items) this should not preclude the Panels being able to explore detailed matters with Ministers, provided that they do not impinge on those sensitive areas, particularly where they may have an impact on staff, other individuals and other organisations. I would expect Scrutiny and Ministers to exercise appropriate discretion in public hearings.

Personal Tax Review/ married women's taxation; and

Administrative tax changes

I understand that the Corporate Services Panel has received a briefing from the Minister for Treasury and Resources and Comptroller of Taxes on 17th September. I will ensure an update is provided to you on these matters, which you will then be able to explore further at your public hearing with that Minister on 30th September.

2019 comparative figures

As far as expenditure is concerned the most recent published information is contained in the Transition Report 2019 (R.155/2018). However, I will ask officers whether, in preparing the detailed departmental breakdowns referred to above, it is practical to provide comparators at that level. I will also ask Revenue Jersey staff whether a similar exercise is possible for taxation and duties.

Income Forecasts update and potential for amendments

I understand that explanations have already been provided for the difference between the forecasts published by the Income Forecasting Group ("IFG") on 15th August this year and the forecasts used in the Government Plan, mainly because the IFG forecasts were initiated before the work on the Government Plan was concluded, and therefore do not include tax and duty measures proposed in the Plan. We are therefore intending to update the IFG forecasts, based on the assumptions of the

Fiscal Policy Panel, who are publishing their work shortly, and then will make a decision as to whether to amend any figures in the Government Plan by the end of October, as early as possible. It is, however, reasonable for us to wish to review our forecasts based on the latest assumptions, and good practise.

Breakdown of 'Reserve' Heads of Expenditure

I will ask officers to provide you with a further breakdown of the figures included in the Plan.

New Investment in Common Strategic Priorities

Your comments on level of detail, accessibility, consistency and comparability are acknowledged and I agree with them in some instances. As you would anticipate, we are conducting a "lessons learned" exercise from the preparation of our first Government Plan, and I would expect these matters to be addressed in future planning. I stand by my comment above that I consider the Plan as lodged, and R.91/2019, to provide sufficient information to enable both proper scrutiny of the Plan and fully informed debate. Formal publication of all the information now provided to Scrutiny would, in my view, be excessive and counter-productive to a good process.

Conclusion

I hope the above explains my position and the fact that we have learned lessons from this process that we will apply for the next, and subsequent, Government Plans. I think these lessons also apply to the relationship with Scrutiny and would suggest that earlier engagement for the 2021 process would benefit us both, now that we are dealing with a less unknown quantity in terms of how the Plan will look. Effective scrutiny is vital to improve the quality of policies, plans and legislation put forward. In my view this does not mean that Scrutiny always has to act as an opposition to those policies, plans and legislation. I look forward to successfully concluding the process for the 2020 Plan, and to jointly making improvements to how we work together on subsequent Plans.

Yours sincerely

A handwritten signature in blue ink, consisting of a large, stylized 'J' followed by a long horizontal stroke.

Senator John Le Fondré

Chief Minister

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Cc Deputy Morel, Deputy Ward, Connétable Jackson, Deputy Le Hegarat