

Chief Minister

19-21 Broad Street | St Helier
Jersey | JE2 4WE



Chair
Government Plan Review Panel
Scrutiny Office
States Greffe
Morier House
St Helier
Jersey
JE1 1DD

26 November 2020

Dear Chair,

I write in response to your email of the 23 November, asking urgent questions in relation to the Government Plan. Please find my responses to your questions below.

Departmental Spends/underspends

1. In which areas is outsourcing saving money and in which areas do you find that it fails to achieve this?

Over the years there have been various services outsourced in order to make efficiencies, examples would include a number of parks and gardens services, architectural services and IT support. Often a far smaller team remains to manage to services contracted out to ensure standards remain and outcomes are achieved. If we look at the parks and gardens services as an example, outsourcing allows Government to negotiate a fit for purpose commercial contract, making best use of opportunities those arrangements will deliver.

2. How do you intend to handle monies that are, in the end, not allocated to projects within the proposed Government Plan, either due to disruption or underspends?

An approved Government Plan allocates monies to projects and heads of expenditure as set out in the proposition, other than centrally held items such as Reserves. Any budgets allocated to departments that will not be spent due to disruption or underspends will be routinely be returned to the Consolidated Fund at the end of the year, reducing the borrowing need in the next year. Any departure from that routine would require a Ministerial Decision of the Minister for Treasury and Resources.

3. The Climate Emergency Fund, how and when it is going to be spent?

The States Assembly agrees how much is spent from the Climate Emergency Fund and what it is spent on, as set out in section "i" of the proposition:

"to approve the estimated income and expenditure proposals for the Climate Emergency Fund for 2021 as set out in Appendix 2 – Summary Table 9 to the Report; and"

More detail on the expenditure lines can be found on page 173 of the Government Plan document.

4. How will unspent monies allocated to specific departments affect their budgets for 2022?

Unspent monies allocated to specific departments should not affect their 2022 budgets unless it is appropriate for those budgets to change. For example, if there has been a delay in recruiting new but permanent staff in 2021 and they are only in place for the last quarter of the year, this will result in an underspend in 2021. The 2022 budget will assume those staff are in place and paid all year.

If however the underspend relates to a discreet piece of work that has been delayed in 2021 but will now be completed in 2022, the Minister for Treasury and Resources may be asked to consider reallocating that 2021 underspend into a department's budget in 2022.

5. In general terms shouldn't you be reducing your 'modernising government' drive including this push for new offices, which would decrease your need for borrowing?

Government believes that it is still important to continue the work in relation to modernising Government, the improvement to services, efficiencies and cost savings that those investments can achieve remain worthwhile and beneficial to the Island. For example, the replacement of antiquated systems is key to our ability to be more agile and better informed, reducing the risk of error and misinformation and helping to ensure better treasury management and income collection arrangements.

The Government Plan includes an efficiencies programme, removing £120 million from expenditure on top of the 2020 target. This programme of efficiencies and rebalancing is aimed at enabling investment in our strategic priorities whilst also reducing the level of borrowing. Without these efficiencies, a further £120m would have to be found.

With reference to the new offices, of course we could choose not to progress that project however the interim move to Broad Street has proved worthwhile and enabled a more joined up Government which we are keen to expand. This has paid huge dividends in dealing with the Pandemic. However, the current situation in Broad Street does not enable the Government to release more buildings or releasing ourselves from rental agreements or enabling the sale of property no longer required for other projects most notably housing.

The current strategy is to rent the new premises which will allow Government the flexibility to decide whether it wishes to own that asset at a later date, once the overall borrowing position is clearer in 2026. This flexibility will also provide time to allow the island's economic and financial landscape to be clearer. Nonetheless, whether the new facility is rented or owned, significant revenue savings of circa £7m pa and a large capital receipt can be achieved which will further reduce our cost base and possible borrowings.

Public Communication

6. How do you rate the quality of your reporting?

I am not quite sure what this question relates to. If it is regarding internal reporting, in our monthly reviews, officials consider the communications outputs (press notices, statements, interviews, editor briefings, tweets, graphics etc.) their outcomes (press coverage, social sentiment, interaction, shares etc.) and the policy impacts (appointments, calls, referrals etc.) These are compared to previous months, to our departmental business plan, to the overarching comms strategy and to current Ministerial priorities. Each Head of Communications attends their respective weekly ministerial meeting and the Director of

Comms attends his own with Connétable Richard Buchanan, as the Assistant Minister responsible for Communication. Feedback is then discussed on an ongoing basis.

Externally we also benchmark our media metrics for example, in 2020 Social media followers grew from 41,860 in February 2020 to 64,872 in October 2020, 23,012 new followers. Impressions from March to October 2020 grew by 55.2 million compared to the same period last year and engagement grew by 3.2 million. We received 103,205 messages compared to 10,271 the previous period. We produced 338 new videos from March through to October 2020 and 45 live press conferences.

7. What work is planned to continuously improve such areas as Six-Monthly Reports?

Reporting products, like the six-month reports, are documents devised and compiled by policy officials. The Communications Directorate supports the Government in making sure the language is clear and that the document is well designed and presented. But it is important, for good public policy development, implementation, and reporting, that a communications and marketing function does not get overly involved in the detail of operational or financial reporting.

8. Can you evidence how you have prioritised departmental spends in line with listening to Islanders and CSPs? (p.28 GP)

Consultations and public engagements are conducted throughout the year on the Government's priorities. The responses from these are fed directly to Ministers from the respective policy unit (and not through the Communications Directorate) for them to discuss at Council of Ministers and to prioritise departmental spending.

9. P.85 of the annex, we see an additional spend of £623, 000 for 2020, then you plan to spend the same for the next three years. What is your base budget in communications?

The base budget is £1.6M. There is currently a £700k variance in the base budget and the annual cost of the Directorate. This arises from two areas:

In 2018, a review of Government-wide spending on marketing and creative agencies identified that more cost-effective outcomes could be achieved by recruiting an internal design team. Accordingly, as part of a wide programme of reform, a Marketing, Digital and Design Team was established within the Communications Directorate. Initially, the design team was funded primarily from recharges to projects that required marketing and creative support and would otherwise have commissioned agency work. This mode of funding is administratively burdensome and can generate practical difficulties. Now that the benefits of internally resourcing a Marketing, Digital and Design team have been proven to provide better value for money, and enable more consistent and coherent output, it is proposed that additional base budget funding is provided to replace the recharge model. To ensure that this does not lead to cost inflation, new projects will not be allocated budget for communications support unless the Director of Communications has confirmed that the need cannot be met internally. For example, where there is insufficient capacity or specialist expertise is required.

Similarly, as part of recent work to modernise Government communications, previously distributed roles in internal communications were centralised within a specialist Internal and Change Communications Team. Staff and associated costs were consolidated within the Communications Directorate and, to ensure an equitable distribution of support across Government, some additional resources were allocated to departments that did not previously have budget for internal communications. These costs have initially been met from temporary funding sources and a permanent funding settlement is now required to ensure that a suitable

level of resource is available to support all departments and enable the modernisation of government. The impacts of Covid-19 across the Government, with more than 100 staff members redeployed, has proven this hub and spoke model of communications, with coherent packages (including recognition, wellbeing and support, and health guidance) being distributed across the Government in a manner that was timely, relevant and engaging to the reader, and allowing for feedback to managers and leaders.

10. What was your budget for 2018 and 2019?

The budget for 2018 and 2019 was £1,067,885 and £1,746,498 respectively.

At the end of 2018, the total spend for the Communications team was £916,875, i.e. an underspend of £151,010. At this point, Departments were transferring their communications staff into the core Directorate and this process and further recruitment was not complete until November of that year.

In 2019, the first year of the Directorate, the total spend was £1,852,682 resulting in an overspend of £106,184 at the end of the year. This was when marketing and comms budgets were still being held, and spent, by the Departments with digital and design projects being outsourced by these departments (and so not appearing in these figures) and unregulated by the Communications Directorate.

The 2019 overspend on the Communications Directorate was funded by previous years underspends and from other areas within the overall Office for Chief Executive budget.

11. Why do you need that amount of money or human resource for communicating Government activity?

Based on the recommendations of the communications audit, a new, unified 'one government' Communications function, under a new post of Director of Communications, was approved in 2018. This new function now consolidates all Government marketing and communication spending, approving all digital, design, and media buying to make sure that the spending across Government is driven down.

The Communications Directorate is split into 4 units:

Every year, the Press Office deals with over 6,000 reactive enquiries from the media and hundreds of proactive press releases, press conferences and interviews. This year, it has organised over 50 live-streamed press conferences to update Islanders on the Government's response to the pandemic. With two members of staff on maternity leave, and one shielding, the core team have had to increase their hours, work on shift patterns that include the weekends, and respond to both domestic media and international press in promoting our Covid response and defending our reputation during Brexit negotiations.

The internal communications team manages the communications to all colleagues across the Government (e.g workplace safety advice for Covid) and manages both the ambitious transformation agenda and the culture improvement work. The head of the team has had to be redeployed to cover Covid communications and two team members are also in dual roles as Heads of Comms for Treasury and SPPP, due to those department's having their Head of Comms on maternity leave. The team are working to implement a new intranet, support States and private schools on their covid-comms, the Ports of Jersey on updated regional classifications, and drive behaviour change that will lessen the risks of cyber attack against the Government.

The marketing team devise and implement the Island-wide campaigns such as Covid-19, Spend Local, Vaccinations and Brexit Ready. By doing more work in-house and preventing departments competing for the same media space, they have saved the Government £374,444 in the last two years. They have provided support to arm's length organisations, private retail, the parishes, sports clubs, and other organisations in their Covid response.

The Heads of Communications support their Minister and departmental colleagues with strategic comms support in formulating, implementing and evaluating policy and operations. They have been at the front of a campaign to increase openness and quickly disseminate information to Islanders during the pandemic, our Brexit response, and concerning large programmes like Our Hospital.

12. How do you monitor the public's response to the Government Plan?

A detailed Communications Plan to ensure that the public were engaged with the Government Plan 2021-24 was agreed by Council of Ministers in September 2020. The objective is to provide a compelling narrative for the Government Plan around four key themes of:

- *Responding to the health and wellbeing challenges of COVID-19 and protecting our health services*
- *Managing our economic recovery and renewal*
- *Rebalancing public finances*
- *Investing in our future healthcare and education to protect the future of Islanders.*

We had early engagement with the media in respect of the Plan, including two background briefings, followed by public press conference on 12 October. This was followed by interviews with the Chief Minister and other key Ministers and focused media pieces following the launch.

For our internal audience of Government employees, we disseminated messages through MyStates, Changing States and Departmental cascades/newsletters.

An ongoing social media campaign is underway, with videos featuring Ministers speaking to the key themes

A series of Virtual Public Events with Ministerial Panels are being held from 23 to 27 November. Questions from the public can be asked live, and in advance, via Slido.com, email and telephone. There is also a live audience at each session. The 'Introducing the Government Plan' event on Monday 23 October had a reach of 20,507 with 10,182 unique video viewers via Facebook. The 'Investing in our future' event on Tuesday 24 October had a reach of 20,378 with 9,804 unique video viewers via Facebook.

Strategic Policy, Planning and Performance

13. Could you describe the influence that SPPP's policy development team have on the approval and design of projects? What work do they conduct with Ministers to identify priorities?

Officers from SPPP supported the Council of Ministers in identifying its priorities for this term of office during the development and agreement by the States Assembly of the Common Strategic Policy 2018-22. The Council of Minister's delivery response to these priorities is expressed in subsequent Government Plans.

Officers from SPPP have supported Ministers, Policy Development Boards and Departments with many of the policy issues that are referred to within the Government Plan 21-24.

Policy development includes carrying out research, engaging with stakeholders, identifying possible policy responses, providing impartial and objective advice to Ministers and working with others to implement the agreed policy responses, for example, through Government Plan initiatives.

By way of example, officers from SPPP have supported the Minister for the Environment to develop policy on the Carbon Neutral Strategy, the Minister for Infrastructure to develop the Sustainable Transport Policy and the Migration Policy Development Board to develop the policy recommendations for future migration controls.

It should be noted that certain elements of policy development are the responsibility of other Departments, for example: External Relations (OCE), Economy (OCE) and Tax (T&E).

14. Do you use consultants, if so who and how – can we see your background evidence underpinning your decisions?

SPPP sometimes uses consultants to assist with policy development, for example, where there is a need to do so either because additional, time-limited, resource is required or because a policy issue requires specialist or expert advice.

Some current examples include work with landscape architects and urban design consultants to support the Island Plan Review, and work with environmental data analysts to calculate and define greenhouse gas emissions to inform the Carbon Neutral Strategy.

The assessment that additional skills or capacity are required is taken as part of routine resource management within the Department. Where additional costs are incurred this is often met by the allocation of mainstream research purchase budgets in line with the Department's scheme of delegation. Where sufficient funds are not available to support a priority, these may be sought through Government Plan business cases.

The scope of work for consultants is established through the procurement process in line with Government of Jersey corporate policy.

Administration

15. How is communication with Scrutiny monitored, and how do you ensure you keep to the terms as set out in the MoU?

The appointment of a Government Plan Scrutiny Liaison Officer has assisted in ensuring we adhere to the terms set out in the MOU. When delays are likely the Officer has been liaising directly with the Scrutiny Officers and also requesting the Ministers' Private Secretaries write directly to the panel.

Weekly meetings are held with Private Secretaries to ensure they are updated and reminded of the imminent deadlines. The Government Plan Scrutiny Liaison Officer maintains a central log detailing meetings held with Scrutiny Officers and also any documents which have been shared in advance of the Plan being sent to the panel.

16. Government Officers often appear to be expressing surprise that we are asking for basic financial information, including the 2020 funding approved for last year, and what has been spent to date and on what. Why was this not provided in advance?

Information on progress and spending to date on 2020 initiatives was published in the Government Plan 6-month report, in advance of the Government Plan being lodged. Government Plan Scrutiny liaison officers worked closely with Scrutiny Officers to prepare in

advance of the final version of the report being distributed to Scrutiny. During this time, it was confirmed to officers that they would be required to cross reference against last year's Government Plan. Expenditure forecasts are reviewed at least monthly and reported to COM quarterly. Forecasts have been particularly difficult to quantify in 2020 as resources are re-directed to deal with the pandemic and as Government support initiatives are flexed in response to Islanders needs.

17. How have you been tracking the expected items of information for Scrutiny?

The Government Plan Scrutiny Liaison Officer maintains a central log of written requests from panels and also verbal requests from meetings with Scrutiny Officers.

Jobs

18. What plans if any to retrain and reskill the over-18 workforce as we have substantial increase the total number of people registered as ASW was 1,470; 540 higher than a year earlier?

The Co-Funded Payroll Scheme has supported over 16,000 Islanders in keeping employment at the peak and also supported 3000+ businesses with a flexible approach to re-opening (as opposed to UK Furlough). Due to the proactive action of Government, unemployment has been much less than feared at the start of lockdown.

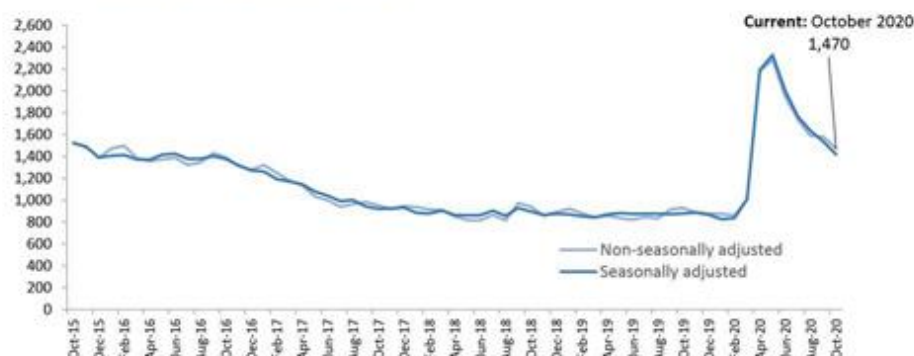
The steady fall since May continues following the end of lockdown; economic recovery & improved trading conditions; implementation of Fiscal Stimulus measures; and activity from the Back to Work team to place unemployed Islanders in jobs.

	30 Apr 2020	31 May 2020	30 Jun 2020	31 Jul 2020	31 Aug 2020	30 Sep 2020	31 Oct 2020
Registered ASW excluding CRESS claimants	2,180	2,290	1,950	1,740	1,590	1,580	1,470
Seasonally adjusted total excluding CRESS claimants	2,190	2,330	2,000	1,760	1,640	1,540	1,420

Note: the CRESS scheme ended on 31/8/20

On a seasonally adjusted basis the number of registered ASW was 120 lower than a month earlier. Figure 1 shows a historical series of the number of people registered as ASW (excluding CRESS claimants) and the seasonally adjusted total from October 2015 to date.

Figure 1 – Number of registered ASW excluding CRESS claimants, seasonally adjusted total; 31 October 2015 – 31 October 2020



Back to Work is targeted at supporting those Islanders on Income Support find work as quickly as possible to limit the multiple impacts on the individual of being out of work (self-esteem, mental & physical health, financial difficulties & impact on family). BTW follows a Work First approach – which is any work is better than none. Most employers would prefer to recruit someone who is already in work, or who has recent work experience.

Back to Work also operates the Foundations scheme which provides paid employment for up to 6 months to those jobseekers with significant barriers to work. This enables the development of basic work skills. All projects are undertaken to support the third sector or organisations that provide a public benefit for example, decorating and refurbishment of premise, land management projects, and scanning of public records.

The increase in income support claims due to covid contains a growth bid to cover the additional costs of benefit payments. It also includes further investment in BTW Employment Advisers to provide support to the increased cohort of those ASW.

Back to Work has a number of financial incentives available for employers and these will be expanded in 2021 through Fiscal Stimulus Bids. This includes funding for employers whilst they train unemployed candidates “on the job”.

The Care Leavers Offer includes the guarantee of employment (or training or education).

BTW works with Skills Jersey and other training providers to provide rapid upskilling opportunities to those ASW (e.g. Care Assistant training).

We will help both young people entering training and employment, and adults who need to re-skill, by providing opportunities across a range of work-based learning programmes, traineeships, apprenticeships and a broadening of Further and Higher Education offers. Skills Jersey also operate the Trackers Apprentice Scheme and Highlands College has a full prospectus of skills & adult educational qualifications. Skills Jersey are preparing a Fiscal Stimulus bid to enhance their offer in 2021.

Income Support provides financial support for Islanders who qualify for critical skills courses (e.g. training as a Nurse on island). This will allow someone to claim income support for the duration of the course so that they may focus on their studies without any requirement to work. The range of courses available through the Critical Skills programme will be reviewed and proposals brought forward to make sure there is alignment with our future labour market.

Through the Team Jersey programme, Government is engaged with key employers on the island to inform our intelligence on future skills demands. This will feed into the Future Economy programme. The Minister and Assistant Minister for Education will oversee the production of a re-training strategy that examines the range of existing training and employment support programmes offered through the private sector, Highlands College, Skills Jersey, Customer and Local Services and other stakeholders. This will ensure we have the most effective provision, management and funding of these services for the future, and identify future strategies and schemes that support social mobility through career changes or up-skilling. Investment will be prioritised from the Economic Recovery Fund.

The Economic Council Report presented to Ministers in November had a strong focus on long term skills development; Ministers are considering the report.

19. How do people access this training?

Islanders can access skills development support through Skills Jersey, their Back to Work Employment Adviser or through Highlands College. New programmes will be promoted and targeted at appropriate groups – including employers. The ambition is to take immediate actions to support those out of work to find employment and also develop and invest in longer term skills development programmes – this may be targeted at both those out of work but also upskilling those with existing employment.

Covid-19

20. How many staff (and at what cost) are in the test and trace centres?

Total cost of staff is £1.88m. The actual numbers fluctuate dependant on demand and could be anywhere between 150 to over 300. For example, in the summer we employed more staff to conduct swabbing at our ports, whereas this demand has now fallen significantly. The workforce profile reflects the changing nature of demand e.g. fixed term contracts, zero hours, secondment from government departments.

21. How much does equate per person/per test, if you include the building costs where necessary?

The cost over the last 6 months has been £58.75. This will reduce over the coming months, as the full impact of our on-Island testing facility is felt. We also have fewer staff involved in testing at our borders and the infrastructure costs have now finished.

Yours Sincerely,



Senator John Le Fondré

Chief Minister

D +44(0)1534 440636

E j.lef@gov.je