

Chief Minister



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Deputy Sam Mezec,
Chair, Corporate Services Scrutiny Panel

BY EMAIL

2 March 2023

Dear Chair,

Corporate Services Scrutiny Panel

Government Plan 2023-26 Scrutiny Review – Corporate Services (S.R.20/2022): Joint Response of the Chief Minister and the Minister for Treasury and Resources

Thank you for your letter dated the 15th of February, here are our responses in relation to your queries on the following recommendations;

As a matter of importance, the Panel wishes to highlight that Recommendation 18 has been accepted with the comment that it is “already in place”. However, the Panel would dispute this, and notes that the comment provided states that only £7m of the £10m Value for Money savings have been identified. Thus, the remaining £3m savings as well as the inclusion of £10m savings for 2024, 2025, and 2026 respectively are speculative and do not fulfil the Fiscal Policy Panel’s (FPP) recommendation. The Panel is disappointed that Ministers have provided a contradictory statement. It is the Panel’s view that if the Ministerial position does not adapt to align with FPP’s recommendation, then in reality Recommendation 18 has actually been rejected and the Ministerial response should be amended to reflect this. Furthermore, if this is not adequately fulfilled the Panel will be inclined to consider bringing forth a proposition to ensure that all future Value for Money savings within future Government Plans align with the FPP’s recommendation.

We do not accept that the statement is contradictory. Government has re-evaluated the previous programme and proposed a more realistic profile of savings, that the FPP advice acknowledged: “The Government Plan includes Value for Money targets for 2023 and 2024 that look are realistic and achievable”. It is completely normal that the exact nature of savings in later years may need to be developed, but also entirely reasonable to rely on a sensible level of savings when planning for several years hence.

Our RECOMMENDATION 6 proposes that - A mid-year review update report must be published in future years prior to the lodging of the Government Plan by the deadline of 31st August each year. The report must include progress updates on all projects and programmes, detail on how the funding has been allocated to date, whether the delivery is on track and to be delivered by the identified timescale and within the budget allocated.

The Ministerial Response comments that a mid-year update report will not be published as has been in previous years. Therefore, by replacing a publicly available mid-year update report with progress papers shared with Scrutiny, the Government will be reducing its transparency and accountability on the delivery of the Government Plan. Given the Chief Minister's commitment to operate in a transparent and open environment and welcome that opportunity to share information, can you clarify how the aspects highlighted within our recommendation will be made transparently available (namely the spend to date and delivery)?

Additionally, the Ministerial Response comments that a mid-year update will focus only on funding. Does this mean that there will be no update provided on the spend of the 2023 Government Plan prior to the lodging of the 2024 Plan, and how will the Government be held to account if it will not publish progress update reports on spend and instead only on funding?

With the introduction of Ministerial Plans, we announced that each Minister will provide an annual progress report to the relevant Scrutiny panel in December each year. This is a new measure.

During the year, all progress and performance papers submitted to the Council of Ministers during the year will continue to be shared with Scrutiny in the usual manner. At this stage this includes: quarterly risk and governance updates; quarterly spend updates; and of course updates on specific initiatives, policy and legislation. In addition, service performance measures are published quarterly on the Government of Jersey website, and updates to different Island outcomes and indicators are published online by Statistics Jersey as per schedule.

In parallel, quarterly hearings with Ministers afford a valuable regular opportunity for panels to scrutinise progress on all aspects of ministerial plans.

As above, spending in 2023 will continue to be reported to COM on a quarterly basis, and made available to Scrutiny in the usual manner.

Our RECOMMENDATION 7 proposes that the Council of Ministers must clearly evidence how the economic, social, environmental, and cultural sustainability and wellbeing requirements of the Public Finances (Jersey) Law 2019 are demonstrably outlined and linked throughout the components of the Government Programme and in future Government Plans.

In the Ministerial Response it is accepted that this area requires improvement, and that further attention will be given to how sustainable wellbeing will be demonstrated in the Government Plan 'as a whole'. Please can you clarify what is meant by that statement – 'as a whole', and provide some examples of how this might be accomplished?

Clarification of what is meant by the statement "further attention will be given to how sustainable wellbeing demonstrated in the Government Plan as a whole".

This phrase should be read in the context of the whole response to the recommendation and specifically the paragraph following it in the response: “*The Recommendation may potentially be interpreted to apply to every single element of the Government Plan separately. For the avoidance of doubt, it is not accepted that that would be proportionate*”.

The use of this phrase was simply meant to manage the expectations of the Scrutiny Panel that improvement would focus on sustainable wellbeing in the Government Plan as a whole, rather than an expectation of a line-by-line analysis of the sustainable wellbeing impact of every single element of the Government Plan separately.

It is not possible to provide examples yet as we are still in the very early stage of preparation of the Government Plan 2024-27.

Our RECOMMENDATION 18 proposes that In line with the recommendations of the Fiscal Policy Panel, the Government Plan should only include Value for Money savings where there is clear evidence of how they will be achieved.

The Ministerial Response notes that of the outlined £10m target spend that £7m has already been identified. This leaves departments to identify a remaining £3m. Can you briefly explain how departments will go about identifying the remaining £3m – are you able to provide any examples of where the savings might be identified?

During the Government Plan process, Council of Ministers agreed the savings targets across Departments. Chief Officers will have assessed the opportunities for savings within their respective departments and portfolios. There is an expectation that department plans will be firmed up in the first quarter of 2023 financial year. In doing so, consideration will be given to whether the savings is one-off or recurring and consideration of the impact of the savings will be made. If savings identified are one-off, the value will be carried forward into the next year until a recurring savings opportunity can be realised. Chief Officers will develop a detailed plan for savings. These plans will be monitored through the year and progress reported within the corporate financial report.

As set out in the Government Plan, three Departments (HCS, IHE and M&D) have been prioritised for 2023 in relation to additional support, in identifying and securing improvements in VFM. For example, a deep dive has been conducted into non-pay expenditure for HCS and IHE which provides a data-led platform to identify short and medium-term procurement and commissioning opportunities for savings and/or improved VFM. In addition, this improved evidence base will also inform the development of a longer-term procurement strategy. Furthermore, where the data lends itself to consider wider opportunities across Government, procurement opportunities will be shared across multiple departments as appropriate.

The VFM programme team will facilitate and coordinate learning and sharing across Departments to ensure that savings and improved VFM opportunities are optimised.

Our RECOMMENDATION 20 proposes that the Council of Ministers must ensure the monitoring process for the Value for Money Programme is included in future Government Plans to provide further transparency and accountability.

This recommendation has been rejected and it has been commented that the details will be shared as part of the ‘corporate reporting framework’ as opposed to within the Government Plan. Can you please briefly explain what the ‘corporate reporting framework’ is?

Reporting on the Value for money programme and agreed targets will be incorporated in the existing suite of performance reports.

Our RECOMMENDATION 22 proposes further clarity be provided with regard to how ITS Release 4 will be funded and the roll-out schedule for Release 3. In your response, it was noted that ITS Release 3 (Connect Assets, Connect Estates and Connect Health & Safety) is due to complete the Build phase of the Project before Christmas 2022 and ITS Release 4 is due to be contracted by the end of 2022.

Given that the Ministerial Response was presented on 30th January 2023, please may you provide confirmation that the relevant phases of ITS Releases 3 & 4 were delivered by the end 2022?

Regarding the funding of Release 4, this was part of the approved Business Case and included within the latest Government Plan. The budget for it will be called down via a separate Head of Expenditure.

Regarding Release 3 (Connect Assets, Estates and Health & Safety) – The first deployment will be the end of April, the second will be the end of July and the final deployment will be the start of September.

Finally, the Panel notes that RECOMMENDATION 4 and RECOMMENDATION 12 have not been accepted nor rejected and RECOMMENDATION 23 appears to contain an unfinished sentence. Please may confirmation be provided on whether Recommendations 4 and 12 have been accepted or rejected and provide the complete sentence for Recommendation 23. Additionally, please provide an explanation of what quality assurances are in place within the Cabinet Office as the lack of oversight raises concerns in the Panel.

Recommendation 4 is accepted; it is important to provide Panels with the information needed to complete their reviews in a timely fashion.

Recommendation 12 is Partly Accepted. It is accepted that the Chief Statistician will review during 2023 options for the further use of administrative data held by government to produce more robust economic, population, and migration statistics in future and will make recommendations in time for considerations in time for the 2024 Government Plan. However, any commitment at this point in time to include the outcomes of that review in Government Plan 2024 is rejected, as that would be premature.

The sentence for Recommendation 23 was complete, but a full stop was omitted: "If the decision were to be taken to establish the Community Fund as a States Fund, then all requirements of the PFL would be observed."

Yours sincerely,



Deputy Kristina Moore
Chief Minister



Deputy Ian Gorst
Minister for Treasury & Resources