



Corporate Services Scrutiny Panel

Quarterly Hearing

Witness: The Chief Minister

Friday, 20th September 2024

Panel:

Deputy H.M. Miles of St. Brelade (Chair)

Deputy J. Renouf of St. Brelade

Deputy A.F. Curtis of St. Clement

Connétable D. Johnson of St. Mary

Witnesses:

Deputy L.J. Farnham of St. Mary, St. Ouen and St. Peter, The Chief Minister

Deputy M.R. Ferey of St. Saviour, Assistant Chief Minister

Mr. A. McLaughlin, Chief Executive Officer

Mr. P. Wylie, Group Director of Policy

Ms. L. Darwin, Chief People Officer

[13:30]

Deputy H.M. Miles of St. Brelade (Chair):

Welcome to the public hearing of the Corporate Services Scrutiny Panel. Today is 20th September 2024 and this is our quarterly hearing with the Chief Minister. Just some formalities, I would like to draw everyone's attention to the following. This hearing is being filmed and streamed live and the recording and the transcript will be published afterwards on the States Assembly website. All electronic devices, including mobile phones, should be switched to silent. If any members of the public have joined us today, please do not interfere with the proceedings. As soon as the hearing is closed, please leave quietly. For the purpose of the recording and the transcript, I would be grateful if everybody who speaks could ensure that you state your name and your role. Just to start

with some introductions, I am Deputy Helen Miles, I am chair of the Corporate Services Scrutiny Panel.

Deputy J. Renouf of St. Brelade:

Deputy Jonathan Renouf, a member of the Scrutiny Panel.

Deputy A.F. Curtis of St. Clement:

Deputy Alex Curtis, panel member.

Connétable D. Johnson of St. Mary:

David Johnson, Constable of St. Mary, panel member.

The Chief Minister:

Deputy Lyndon Farnham, Chief Minister.

Assistant Chief Minister:

Deputy Malcolm Ferey, Assistant Chief Minister.

Chief Executive Officer:

Andrew McLaughlin, Chief Executive Officer.

Chief People Officer:

Lesley Darwin, Chief People Officer.

Group Director of Policy:

Paul Wylie, Director of Policy in the Government Office.

Deputy H.M. Miles:

Lovely, thank you very much. I would just like to draw your attention that we have got 2 hours scheduled for this meeting, so we are due to finish at about 3.30. We have got quite a heavy question plan, so if you could be succinct. Chief Minister, on 7th October we have got our hearing with you, which will focus solely on the proposed Budget to inform our review. So we are not going to delve too deeply into Budget items today. There will be a few areas that we want to understand how you have considered when developing the Budget, because those align with the key objectives of the Scrutiny Panel. You have only got 4 of us today ...

Deputy J. Renouf:

Under powered.

The Chief Minister:

It looks pretty tough to me.

Deputy H.M. Miles:

Deputy Stephenson and Deputy Andrew send their apologies today, so you may hear more from some of us than others. I am going to kick off with Deputy Renouf, please, who has got some questions.

Deputy J. Renouf:

Starting with reprioritisation, which is something you talked about quite a bit. Chief Minister, one of the roles of the Cabinet Office is to prioritise projects and programmes for delivery. What steps were taken to decide which projects should be delayed or cancelled as part of the reprioritisation process?

The Chief Minister:

So that is a work in progress and it is something the chief executive and senior management team will be working on. They will be bringing back their proposals on an ongoing basis through the Ministerial team. So that is the process of how it works. We have not drawn up a list and saying that is it. It will very much evolve as we move through the term of office.

Deputy J. Renouf:

But some projects have already been cut or reduced, so I just wondered whether there was any risk analysis around that.

The Chief Minister:

The officers will be carrying out an element of that, but what essentially we are doing is prioritising essential services and seeking to deliver, in some instances, more practical solutions to deal with the immediate challenges facing Islanders as set out in the Corporate Strategic Plan. So that is the direction of travel we are aiming at, not just Cabinet Office but right across the public sector.

Deputy J. Renouf:

I just wanted to nail this question of risk analysis, because obviously when you cut things there is a risk associated with it. Has that risk analysis been undertaken for projects that have already been cut and will it be undertaken for projects which may be cut?

The Chief Minister:

We are not going to get tied up in producing lots of additional paperwork and doing risk analysis on every single decision we make, if that is what you are alluding to. We have to demonstrate an

element of political responsibility and understanding. Perhaps from an officer point of view, Andrew, would you like to deal with how you calculate and manage risk when you are advising us?

Chief Executive Officer:

Indeed. That is a really good question. As you would expect in a process like that, we held a series of workshops to go through, which was a very long list. If you are talking about capital projects at this instant, we went through quite a number of workshops. We ensured that any capital spend that was related to a tier one risk on our risk register was included. We were not intending to take out any projects related to tier one risks. The other criteria were around budgets. Some projects were not fully funded and some were not funded at all, they were aspirational, so we worked through those. Of course, a big part of it was trying to align it with what Ministers and new Ministers wanted to do in terms of their Common Strategic Plan. We had a number of criteria to work through in arriving at that list. A final thing, and I think this is very important, and you will recall it from your time in Government, is that we also recognise that our ability - if we are still talking about capital projects - to spend well and efficiently, public money is capped somewhere between £75 million and £90 million. When we go above that, what we end up with are delays, cash carry-overs, lots of consultants on retainers project managing stuff that we are not able to progress. Cash is not usually our biggest constraint. It is usually people, I.T. (information technology) resources and lots of other things. All of the prior work of the previous Government informed us, then going into these workshops, and that is how we worked through it. It is an iterative process, of course, because things change, but I think with regards to the risk register, particularly the tier one risk, informed the prioritisation.

Deputy J. Renouf:

Thank you. I am interested, Chief Minister, in the calculations that have to be made around projects that have already begun. In some sense, there has been preparatory work, maybe the feasibility studies, preparations for planning and so on. When those get postponed or cancelled that is effectively a sunk cost that is lost. How do you calculate that?

The Chief Minister:

I am not sure I can answer that. Have you got any particular projects in mind, for example, that we could refer to?

Deputy J. Renouf:

Well, if we look at Le Squez, for example, the youth centre there, that was scheduled to begin work this coming year, and has now been delayed for at least 2 years, by which time we might have a new plan, there might be a different set of circumstances in play. To some extent, they will be going

back to start again and the work that has been done to date, which is, I think, quite considerable, will be lost.

Assistant Chief Minister:

So any of that background work has not necessarily been lost because the project has not been stopped. It has just been delayed and delayed for good reason, partly because there is a youth facility in that Parish. While it does need to be brought up to date, the work is not pressing. This is kind of ongoing maintenance. Whereas our focus now is on the youth centre in St. Helier, which is really, really short of good facilities in the town area. So that was reprioritisation. Nothing has been lost on that project because that background work is still there, but when we swing it into action in 2 years' time.

Deputy J. Renouf:

I guess it assumes that the project team will still be in place and all the work can just be picked up as if it had only stopped yesterday, and that would not be necessarily my experience in Government.

Assistant Chief Minister:

Yes, but my point is that nothing is lost because the proprietary work that has been done will still be relevant when we pick the project up again. So it is not as if that is dead money. The money which has been used in the project has just been put on ice for a couple of years until we pick it up again.

Deputy J. Renouf:

So, Chief Minister, you are confident that these costs do not exist? There is no position in which you are going to effectively write off money.

The Chief Minister:

I am confident that reprioritisation will deliver better value across the public sector. Not least because, as I said, we are only doing what is ... aiming to do what is absolutely necessary. I have not got a whole list. It is, like I said, a work in progress but I am confident that we will be delivering better value. I am confident that very little, if any, will be lost. Because, as Deputy Ferey said, it is deferment rather than cancellation and writing off of costs. Andrew might be able to give a little bit more detail on that, but I am not aware of any losses we are having to sustain through deferring things. Of course, anything that we are deciding to defer or reprioritise, or if there is anything we decide to cancel, if new evidence appears or comes to light that we need to have another look at it, then we certainly will.

Chief Executive Officer:

No, I would not add anything to that. I think that is the case.

Deputy J. Renouf:

The other one would be the ambulance, fire and rescue, which was going to start next year again, and it has been postponed until ... just preparatory work starting in 2028.

Deputy H.M. Miles:

Not only has it been postponed, we also understand that those 2 functions have been split. The previous work to provide a combined station will be lost because now those 2 services are going to be separate.

The Chief Minister:

That is possibly a question for the Minister for Justice and Home Affairs. I am not up to speed on the latest thinking on that.

Deputy J. Renouf:

Just to close off this then, and the chief executive has referred to this a little bit, can you explain how capital expenditure budgets are going to be managed in the future that is different to how they have been managed up until now, given this oft-repeated refrain that we over-promise on that?

Chief Executive Officer:

I am not aware of any changes in how we are going to manage the budget. The key thing is not to be unrealistic in what you put into the hopper in the first place. I think what we were doing is we were seeing cash as our only constraint, which I think we had about £130 million at one point of CapEx (capital expenditure) in the Budget, but when we actually look back - and we have done this for other reviews, not just capital - it was clear that our ability with the rest of the resources of the organisation, frankly the resources of the Island, our ability to fulfilling that level of spend was highly questionable. That is why we were ending up with projects taking much longer to complete than anyone was happy with. That is where our long-retinue project managers and consultants were hanging off of the capital programme. So it is much more a case of right-sizing your priorities to what you think is a realistic view of your ability to perform, and we think that realistic view is closer, as I said, somewhere around £80 million of capital is a more realistic programme. The actual management of that going forward will be pretty much as it has been in the past. I think it is much more a case of prioritisation rather than the way in which we were managing things in the hopper. We have many projects in there which were only partly funded as well and this is one of the things that we have to be careful of going forward, is having the money to do feasibility work but not being fully budgeted to go from feasibility from thought to finish, if you like. We had lot of areas where it was feasibility work that was budgeted for rather than for the full programme.

Deputy A.F. Curtis:

I think, following Deputy Renouf's questions on reprioritisation, to perhaps digital and work going on within that section. First reflecting that obviously substantial resource, time and money has been spent in many years over multiple Assemblies on information technology digital programmes within the Cabinet Office business plan for 2024, and I will take a little snip if that is okay: "By the end of 2024 digital projects and programmes will be prioritised for delivery through a ranking process to assure alignment with Government objectives." Just off the back of that, it would be good if we could have a brief explanation as to what this process has been, how risks are being managed specifically within this area, and which projects will be delayed or cancelled.

The Chief Minister:

I think, as I explained in a recent answer in the States Assembly, the Cabinet Office business plan sets out ... the current business plan sets out 3 key objectives in relation to digital, and they are improving the reliability of front line digital services, prioritising projects and programmes, and simplifying digital services. The Government's plan is to build more accessible digital services and more resilience in the infrastructure, dealing with the most ... prioritising what needs to be upgraded.

Deputy A.F. Curtis:

I think we are looking, Chief Minister, to understand how that prioritisation has gone and what impacts are being felt because obviously I know you highlighted in a question within the States about lessons learnt in the beginning of the year but, with a bit more detail, which projects have been affected, what is changing?

[13:45]

The Chief Minister:

You would need to speak to the head of digital about that. I think you have probably already had Scrutiny with him, I believe, where I thought a lot of this ground ...

Deputy A.F. Curtis:

The panel had him on a few months earlier, obviously we are now nearing the end of the year. Just to pick up on one of those areas, just for the panel obviously, the digital services platform was a new head of expenditure, a new project which had over £2 million to be spent within 2024. That was described in the Government Plan of last year as to deliver more accessible services. Can you provide any update within this year as to any reprioritisations that have happened in the risk of not delivering more accessible services to Islanders?

The Chief Minister:

It became apparent fairly quickly that we inherited a department that had quite a lot of unfunded aspirations in relation to I.T. The original ask for the investment was considerable, it was unaffordable, unsustainable within the boundaries of the Budget we have put together. The team went off and thought about that and reworked it and reprioritised and they come back with the 3 key objectives that now sit in the business plan. Everything is aimed ... well, not everything, but the objectives there are designed to addressing the older I.T. platforms, the things that need immediate attention rather than starting on new projects. I think that is the direction they are travelling in but for more detail we would need to have the head of department here.

Deputy A.F. Curtis:

Appreciating that limitation, obviously, given this is a technical area, I think the panel has questions about this. We have had several briefings from different areas of the Minister's remit, and we have heard from departments who are aspirational in their goal to improve customer service and the delivery of their services to Islanders. But their feedback has been that the reprofiling and prioritisation of projects has meant that the services they want to deliver to customers can no longer proceed at what was a timeframe, and they felt that there had been several years of development of platforms that had funding in place, but obviously for good or otherwise reasons that is for everyone to make their mind up. That interaction, that improvement, that third pillar that you mentioned, Minister, is not there. That is what we are trying to reflect on and understand what has been assessed in making that decision from your side as Chief Minister?

The Chief Minister:

First of all, notwithstanding those comments, the aim is still for Islanders to have better access to digital information and access to better platforms. But we can do that without being as aspirational as some of the plans that are already in place. There was a huge amount, we have invested tens if not £100 million-plus in Modernisation and Digital and it is unsustainable. I think it has become an unsustainable, unrealistic aspiration. I have visited the team a number of times and spent quite a bit of time getting to know how they work. I believe they deliver an excellent customer service. Their response times and everything to the way they, as you will know from the work you did with them ... and on the back of that, I see we are seeing some of the advantages now. I do not believe the reprioritisation in their programme, in the key objectives and the reduction ... not in their spend, but in the reduction in what they were asking for is not going to compromise the Modernisation and Digital offering.

Deputy A.F. Curtis:

I will move to another part of the Cabinet Office and that is the profiled value-for-money saving for 2024. Again, the business plan identifies a key objective being to deliver a value-for-money target

of £2.9 million in savings by the end of this year. Obviously, we have got about 3 months left. The question would be: is this on target to be achieved? If so, how is this being achieved?

The Chief Minister:

I will let Andrew come in in a minute, if I may. We are aiming to achieve this through vacancy management and by preventing unnecessary expenditure. For example, consultancy spend that we do not need. The key word there is “unnecessary”. We are looking at spending and projects that are unnecessary. Andrew, did you want to add anything?

Chief Executive Officer:

No. As with all savings that are baked in, if you return to the ones for 2024 and recall that there was an amendment that added £4 million to the Cabinet Office’s savings in addition to what we already had planned, departments are just working through those in the normal way. For a couple of departments it is proving harder work than for others, but I do not think there is anything to report at this stage other than the work of Government to try and meet its savings targets just continues as you would expect.

Deputy J. Renouf:

Can I just to come in on that? There is a lot of heavy lifting being done by the word “unnecessary”. I thought in your answer, Chief Minister. You said that you would be cutting unnecessary consultancy spend. How are you defining what is an unnecessary consultancy spend?

The Chief Minister:

I think the executive lead ... I do not know how to explain it. Without wishing to be flippant or anything, it is things that we no longer need to do now. I am not close enough to the day-to-day working, we are not executive members. Do you want to give some examples of things that are unnecessary?

Chief Executive Officer:

Let us go back to Deputy Curtis’s example. In M. and D. (Modernisation and Digital), following a process of identification workshops we had 331 live projects for digital. I think we will have to say it out loud to realise that there is an issue there; 331 live projects. The Government had concerns about resiliency in that area because there was a very significant I.T. outage in February time, not long after the Government was formed. Of those 331, prioritisation exercises have taken that down to 102. I still think 102 projects is quite a big amount of work for a team of that size. But to answer your question, any consultants associated with the 220 that we have put in the cutting room floor are unnecessary.

Deputy A.F. Curtis:

Would you have an example? That exercise sounds quite extensive.

Chief Executive Officer:

Please feel free to come down and speak to the team in M. and D. and follow up because it is a long list. I have not got a good recall of 220.

Deputy J. Renouf:

To come back to the points about risk, policy teams do a lot of work around future proofing, around risk, seeing the horizons and so on about what might be coming down the line, and there are quite a lot of streams around that. Is there a risk analysis applied to make sure that we are not losing capacity of people doing work?

Chief Executive Officer:

It is a great question. The reason it has gone from 333 down to 102 is because following the I.T. outage, we were fairly convinced that one of the risks was significant over-trading within that area. We had to really focus more of our available resources on resiliency and the existing services being on and making sure that we did not stretch that team too far. I would say that the exercise of prioritisation actually is a risk exercise. It increases your ability to deliver the things that you think are priorities and it certainly reduces the risk that your team are too stretched because they have got far too many projects on the go at one point in time. Digital is probably the best example of that.

Deputy J. Renouf:

I was thinking slightly wider than digital, just in other areas; energy, security, supply chains. There is a lot of work that goes on to make sure that we have resilience, and consultants often end up doing that because it is one-off project work.

Chief Executive Officer:

I agree, and obviously we have got a major resilience issue running with one part of the energy network. At the moment, we should be seen as a tier one risk so we would not be affected by all of the things we have just been talking about. But you are right, it is not just the Digital team that have been involved in that. There are many teams across government. One thing that we are very alive to is a lot of policy work happening, which maybe assumes that there is resource in those other departments which is not actually available, so a lot of this is about trying to right-size the resource we have got to a smaller number of priorities, and all of the teams have been involved in those workshops.

Deputy J. Renouf:

To be clear that when you talk about the area of energy you are talking about gas?

Chief Executive Officer:

As an example.

Deputy J. Renouf:

Thank you.

The Connétable of St. Mary:

Changing subjects. I have a few questions regarding the Public Service Ombudsman and its interaction or necessity with the Complaints Panel. Dealing first with the ombudsman in isolation, it had of course previously been agreed by the States Assembly to establish such a body but the proposed Budget does not include any funding proposals or narrative in respect of this workstream. Back to our hearing last July, you indicated that you were establishing a review as to whether to progress that particular workstream, so could you please update us?

The Chief Minister:

I can. Deputy Moz Scott has been commissioned to undertake a project to develop proposals for a final stage complaints handling mechanism or combination of mechanisms with what we have now and what a hybrid of that might look like. This work has been commissioned of course in light of the recent Law Commission's report which suggested it may be appropriate to retain the Complaints Panel or to create a separate ombudsman scheme. Deputy Scott is working with ...

Group Director of Policy:

My team, yes.

The Chief Minister:

... your team and they are proposing to come back with some proposals by the autumn of next year. In the meantime, States Greffe are working to enhance ... working with the panel to improve the ... to enhance, to improve, to develop the Complaints Panel as it stands at the moment. Did you want to add anything?

Group Director of Policy:

Just 2 brief things. First on the review that Deputy Scott is undertaking, I am happy to share the terms of reference with the panel.

The Chief Minister:

We have a full terms of reference for that.

Group Director of Policy:

I can do that straight after this. I am sure that she would want to come and brief you privately on her thoughts but also the progress throughout that review. Then secondly, in terms of supporting the Complaints Panel in this interim period, we have allocated money as part of the Budget, the Government Plan, so that there is some additional support for casework and secretariat to make sure that the Complaints Panel is bolstered in the short term.

The Connétable of St. Mary:

Going back to the review being undertaken by Deputy Scott, all the particular terms of reference, can we see them please?

Group Director of Policy:

Yes, absolutely.

The Connétable of St. Mary:

We have not yet seen them at this point.

Group Director of Policy:

No, to be fair it was this week.

The Chief Minister:

It was signed off this week.

The Connétable of St. Mary:

Okay, thank you for that. There is out there of course the Jersey Law Commission's subsequent report entitled *Keeping the Complaints Panel or Creating Ombudsperson*; that consultation period is still in being and does not expire at the end of September. Is Government, through Deputy Scott or otherwise, proposing to reply to that, to respond to that in any way?

Group Director of Policy:

Not to the Law Commission, the consultation itself. But of course we will receive the report of the Law Commission when it produces one and it will feed into Deputy Scott's review.

The Chief Minister:

I think it is fair to say that the Law Commission report will be most useful and helpful in the work that Deputy Scott is carrying out.

The Connétable of St. Mary:

I am sure they will be pleased to hear that, thank you. Actually you have already alluded to the fact that the Complaints Panel have announced that they established a working party to review the panel's existing structure and processes. Again, is it possible for us to see a copy of their terms of reference?

Group Director of Policy:

Happy to speak to the Greffier and make that happen, yes.

The Connétable of St. Mary:

Thank you. Do you have any idea of the timeline when they are due to report?

Group Director of Policy:

I have not seen that but I am happy to pass on to the Greffier, yes.

The Connétable of St. Mary:

Thank you. I throw in for good measure of course, only yesterday did the P.A.C. (Public Accounts Committee) announce they are doing some sort of review into the complaints process, which is actively with us, so I presume you will be getting questions from them as well.

Group Director of Policy:

Absolutely, yes.

Deputy H.M. Miles:

Can I just ask, you did say that she is not going to report until next autumn.

The Chief Minister:

Yes.

Deputy H.M. Miles:

That is a full 12 months away, which does sound like a very long time for this piece of work, given the immense work that has gone into the rationale that L.A.P. (Legislation Advisory Panel) have been doing. Why is that going to take so long?

Group Director of Policy:

Coming back to the prioritisation discussion that we talked about earlier, the amount of money that was earmarked for a Public Service Ombudsperson was never sufficient to do it properly, and that was before it took on ...

Deputy H.M. Miles:

There was £400,000 in the Budget last year. Are you suggesting that is not sufficient to do the work?

[14:00]

Group Director of Policy:

It is not sufficient for an operating ombudsperson. It would cost more to establish in the first place and it would inevitably require more going forward and that is before you add in Health, which I think a lot of people expect.

Deputy H.M. Miles:

Health was not included.

Group Director of Policy:

But if you ever did take on Health that would be considerably more. That is part of the consideration that Deputy Scott will be looking at: what can we do with the Complaints Panel to introduce elements of an ombudsperson where it makes most sense but also to do it in a financially prudent way.

The Connétable of St. Mary:

Just a couple of points, you mentioned the cost. Certainly I think most of us agree that the Complaints Panel could do with improving, and if an ombudsman was to be introduced then it is not going to be overnight in any case, so we are supportive of that. But on the general question of cost, I have figures here which shows that Gibraltar with a population of 33,000 has a staff of 5 with a budget of £469,000 dealing with 200 cases. Isle of Man, £36,000, which I think they want to increase. Our own Financial Ombudsman has £1.3 million covering a staff of 9 plus 6 contractors and receiving 560 cases. I just simply question whether they were not being pessimistic in the cost factor.

The Chief Minister:

I think we tend to be optimistic when we try and estimate costs because we know when we set up bodies and statutory bodies they tend to grow arms and legs and before we know it a £400,000 estimate has become £1 million or £1.5 million and we want to make sure, in light of the reprioritisation of spending we are just being prudent with that. I think, just by way of a reference, not directly comparable, but as an example in, I think it was 2005 when the F.O.I. (Freedom of Information) Law ... when we started introducing F.O.I.s, it was estimated we would get about 60 a year. So far, we are averaging about 1,000 F.O.I.s a year. We just want to make sure that what we

do is properly thought through, properly planned, and we can budget accurately for that. As you will see from the terms of reference, it is quite an involved piece of work that Deputy Scott will be doing. I suspect we will come back to you ...

The Connétable of St. Mary:

We have not seen that of course yet, so perhaps we will come back on it when we do.

The Chief Minister:

We will come back and we can take more questions on it. I would be pleased if Deputy Scott could finish that work sooner. I suspect we will be in a position to be moving one way or the other, hopefully by next summer recess.

Deputy J. Renouf:

Can I confirm that a possible outcome of that, at least in theory, is that there may be a recommendation to proceed with a Public Service Ombudsman as previously recommended by the States?

The Chief Minister:

Yes, that is a possibility.

Deputy H.M. Miles:

I have got quite a number of questions about restructuring, recruitment, retention. During the previous quarterly hearings, we heard that a goal of the Council of Ministers was to curb growth in the public sector, reduce the size of the public sector. So the underlying assumption is that the public sector is too big. I think the panel are keen to understand what evidence there is to suggest that the public sector in Jersey is too big.

The Chief Minister:

Can I start with that now, if you do not mind, just to set the scene? When you look at the cost of the public sector and you see how it has grown almost exponentially, not helped of course by high inflation, meaning higher pay awards. Something that the chief executive and the new Government found out prior to announcing the recruitment freeze and the consultancy, the bearing down on consultancy cost, was the fact that the system was carrying over 1,000 job vacancies, which has now been removed from the system. That is what we inherited. That was unrealistic. They were unfunded. Again, I use the word "unfunded" aspirational positions. Some of them had been on the system for many years, and as long as they were on the system as a vacancy, then the management team could automatically recruit. That is just an example of what set alarm bells ringing. Andrew, did you want to add to that, given that was part of the catalyst for the direction of travel.

Chief Executive Officer:

I think in terms of the question of how did we decide that it was too big, I think we published for the first time fairly detailed stats saying it was not so much the size of the public sector per se. You can always argue with that, of course, but we published stats to show that it was in the ballpark of other comparable public sectors. I think the concern was not so much with the size as such. It was probably more about the impact and effectiveness of the public service, so we had very strong advice - probably the strongest advice we had ever had from the Fiscal Policy Panel - last year that there was a real risk that public service activity might crowd out private sector service activity and be harmful for either growth or inflation of both. As I say, that is the starkest I think they have ever been with us. We also had internal concerns which underpinned the prioritisation exercise that we had so much activity happening within Government that we were frankly losing the run of ourselves and that is why we were so dependent on consultants. That is why we were raising expectations and not meeting them. That is why we were carrying lots of cash over every year because we could not actually spend the money that we had gone and asked for. It was much more about the effectiveness as about the size per se, I would say, that is driving the activity.

Deputy H.M. Miles:

My next question, you raised the issue about the pay freeze, so the Government announced a pay freeze.

Assistant Chief Minister:

Recruitment freeze.

Deputy H.M. Miles:

Sorry, recruitment freeze.

The Chief Minister:

To staff listening that was ...

Deputy H.M. Miles:

On recruiting officials over grade 11, so that is £66,000 as part of a restructuring effort. Again, going back to Deputy Renouf's question about risk, how do you anticipate that the recruitment freeze will impact the delivery of key government services, especially in the areas where expertise is crucial?

Assistant Chief Minister:

The first focus of course is that front line and essential services will not be affected by this freeze and also the Government priorities will not be affected by this freeze. There are measures in place

to make sure that the person on the street will not see any change to the service that they get from government services on a day-to-day basis.

Deputy J. Renouf:

I think that is interesting. Yesterday, we were in the Health hearing and we questioned the Minister and his officials about the work on women's health and, in particular, on termination of pregnancy and why had that work not gone ahead. It was very clearly stated that the reason it had not gone ahead was because of capacity issues within the policy team. Those policy issues were explained very, very clearly; that they had lost a member of staff. There were 2 possible routes to deal with that. One would have been to recruit somebody else into that role, but there was a recruitment freeze.

The Chief Minister:

No, it does not apply to Health.

Deputy H.M. Miles:

It is not, this is policy.

Deputy J. Renouf:

This is policy. The policy office had to develop the work and they could not employ a consultant because of the consultant freeze. That is a piece of work that is not happening because of conscious decisions by the Government.

The Chief Minister:

May we go to Paul?

Group Director of Policy:

So, as the Minister for Health and Social Services would have described, he has within his purview a capacity of policy officers and it is a prioritisation effort to understand which ones you focus on first.

Deputy J. Renouf:

Not quite, if I may, because what was said very clearly was that the team used to be 6 and it is now 4, and that they will not be allowed to put people into those positions. So that is a reduction of capacity within the organisation to deliver an objective.

Group Director of Policy:

So without getting into a personal ... because I know exactly the case we are talking about. There was a plan to move an officer over to supplement that Health team because Health does remain a priority, but is within a wider capacity reduction.

Deputy H.M. Miles:

Is there any sort of exemption policy?

The Chief Minister:

I think it is fair to say that any post that might fall under the freeze can be appealed to the chief executive, who will look at each case individually. If they were to ... and we have been approached on that particular issue.

Chief Executive Officer:

That is right. I would say in this instance there is a very extensive agenda in Health and Health policy - a very extensive agenda - and it is not just about having people. But yes, I have not heard from that one particularly.

Deputy H.M. Miles:

I think the chief people officer wanted to ...

Chief People Officer:

In terms of the exemptions, any front line service post is exempt. There is an approval process in terms of the chief officer, there are no restrictions in terms of those posts and when we are recruiting.

Deputy H.M. Miles:

I understand that but the front line only operates if the back office is effective and the policy areas are effective, and particularly around the Termination of Pregnancy Law yesterday it is something that affects potentially over 50 per cent of our population, it is tied into the women's health agenda. We were really quite concerned yesterday to understand that had the person not left potentially the work would have gone forward but due to the recruitment freeze ... it is not the case, is it, that the front line is protected because you can only protect the front line so far if you do not have people underneath doing the work that is required?

Chief People Officer:

There is still a process in place for people to apply for managers to apply for positions, so that has not stopped. They just need to justify the reasons and then they are considered in terms of the approval process.

Deputy H.M. Miles:

Who is it that considers the approvals? Does that go to Ministerial level or does that stop at the States Employment Board?

Assistant Chief Minister:

It would ultimately go to the chief executive who would be able to sanction those.

Deputy J. Renouf:

Have any cases reached the chief executive yet?

Chief Executive Officer:

The appeals, well, we only got going 5th August, so no. But I do want to caution not to assume in that case or any other that the only reason that work is not progressing the way that others would like is the reason given.

Deputy H.M. Miles:

That was the reason that was stated in the public hearing yesterday.

Deputy J. Renouf:

The point, all right, then let us generalise a little bit. The recruitment freeze must mean, must it not, that capacity is being reduced because places are ... because that is the whole point? So capacity is being reduced. Decisions are being made either by default because somebody is leaving a role or, more consciously, because a contract is not being renewed for a consultant or whatever. Capacity is deliberately being reduced. The Government is hobbling itself, to some extent.

The Chief Minister:

No, I do not think ... I think you are taking it too far, if I may say that. I think what we are saying is that if the Health Department needs a key prioritised piece of work to go forward, they need to make a case to the chief executive if they need some extra resources.

Chief Executive Officer:

Prioritisation means prioritisation. In the first instance, the Health team have to prioritise it and then they have to reprioritise it within the policy team. The answer is not to keep adding stuff on.

Deputy J. Renouf:

I understand that, but the point is that there is a reduction in capacity within that team, from 6 to 4. That is a reduction in capacity regardless of ...

Chief Executive Officer:

In the Cabinet Office?

Deputy J. Renouf:

Within the Health policy team within the Cabinet Office.

Chief Executive Officer:

As you know, we are dealing with an amendment to take £4 million out of the budget to the Cabinet Office from the Assembly, in addition to the savings that we brought over from the last Government; so we are still working through those. The Cabinet Office is in the eye of the storm when it comes to these savings in the public service, and it has a specific amendment over its head.

Deputy J. Renouf:

But, Chief Minister, would that not have suggested that the Cabinet Office should have been spared some of the other savings, given that you already have a £4 million saving requirement?

The Chief Minister:

What we will not do is compromise essential and prioritised work. As Paul has already alluded to, we are transferring some resource to help with that piece of work. If that piece of work is prioritised urgently, we will find the other resource to do it, but we will have to reprioritise from somewhere else to do it.

Deputy A.F. Curtis:

Can I quickly check on this essential, because obviously there are essential front liners ... there is front liners essential work. You have highlighted, Chief Minister, the challenges you have observed within Modernisation and Digital, which is both a lot of delivery, but part of the Cabinet Office structure. Are all roles in M. and D. essential or who decides? What has the impact been there, given the capacity challenge you have shared?

The Chief Minister:

We rely very much on the leadership team. At M. and D. I have got great faith and confidence in. They are aware of the political agenda and what we are trying to achieve. They understand about prioritisation and they understand they really need to focus on what is necessary for them to maintain the standards.

Deputy A.F. Curtis:

Do they get the delegated power to decide what is an essential function, whether a networking engineer or a cyber-security engineer is different?

The Chief Minister:

No, and the reason we have poured all of that back to the chief executive at the moment is because it was not working. Hence, we ended up with 1,000 vacancies on our system. We are trying to control it and manage it, but at any time any head of department can come and request an additional post.

Deputy H.M. Miles:

Thank you. We heard in last week's States Assembly in response to a question that 8 senior civil servants have taken voluntary redundancy.

[14:15]

Can you tell us how much those redundancies cost?

Assistant Chief Minister:

Yes, so those redundancies cost £330,000, the saving was £552,000, but of course we always have to remember that those costs are one-off costs where the savings are recurring savings.

Deputy H.M. Miles:

Can I just check with the chief people officer that it is the case that when voluntary redundancy occurs the post is lost to the service?

Chief People Officer:

That is correct.

Deputy H.M. Miles:

Are you expecting any other departures from the executive leadership team during the remaining period of the recruitment freeze?

Assistant Chief Minister:

The focus is on all positions which are grade 11 and above, so that is roughly £67,000. It is likely that there will be more departures from those grades and upwards.

Deputy H.M. Miles:

I asked specifically about the executive leadership team.

Assistant Chief Minister:

I think that all of those things are possible.

Deputy H.M. Miles:

Have offers of severance or voluntary redundancy been made to all of the executive leadership team?

Chief People Officer:

Sorry, can you repeat that?

Deputy H.M. Miles:

Have offers of voluntary redundancy or severance been made to all the members of the executive leadership team?

Chief People Officer:

No, not offered, but they are able to apply.

Deputy H.M. Miles:

So there is a process in place?

Chief People Officer:

Yes.

The Chief Minister:

But that is always in place, that process; anybody can apply.

Deputy H.M. Miles:

I am specifically talking about the executive leadership team now.

Chief People Officer:

Again, anybody can apply.

The Chief Minister:

Anyone can apply.

Deputy H.M. Miles:

What work, then, has been done to ensure that the departments and services are resilient, that have the capacity to be suitably resilient, so that they can continue to function either as effectively or more effectively without their chief officers?

Chief People Officer:

We do the consideration and speak to individual Ministers in terms of what their priorities are as well and Andrew, as the chief executive officer, would need to approve those as well.

Deputy H.M. Miles:

How are you going to address the lack of corporate knowledge that comes with losing such experienced staff?

Chief Executive Officer:

Every situation needs to be taken on its merits and every business case needs to be taken on its merits to understand the succession plan, if it is an internal succession plan in that area, and the structure of the department. I think we have got one example which is in the public domain already. In that case, I think I, as the chief executive, the chief people officer, and we consulted the Ministerial team as well, I think we all recognise there was very strong succession in that area, which was a credit to the leader who departed because they built that succession. So that is part of the assessment.

Deputy H.M. Miles:

But I think the answer that the people officer gave was if somebody is offered voluntary redundancy then that post is no longer available to the department so the succession ostensibly cannot step into the chief officer post that has become vacant.

Chief People Officer:

Sorry, can I just clarify? So it is either lost or the saving is made within the department.

Deputy H.M. Miles:

It is sustainable?

Chief Executive Officer:

If there is an internal promotion, you will not backfill all the way down, so you will have a saving.

Deputy J. Renouf:

Can I just clarify, so if a chief officer leaves that does not mean that that chief officer's position is lost?

Chief People Officer:

Not necessarily, but the saving has to be made.

Chief Executive Officer:

But the business case has to work, so if there is an internal promotion, to take that as an example, somewhere in that leadership team a post will be lost but it will not be the chief officer post that is lost.

Deputy H.M. Miles:

Either somewhere in the leadership team or further down the organisation with the lower grades who may ostensibly be working on the front line?

Chief Executive Officer:

That is a highly unlikely scenario. Realistically it is going to have to be a senior role that is lost.

Deputy H.M. Miles:

Just hearing what I am hearing here, this is shaping up to be a restructure that is almost as big as the OneGov restructure that we had, but without the transparency around it.

The Chief Minister:

I disagree. I think it is completely different. It is completely different.

Deputy H.M. Miles:

Why is it different?

Deputy J. Renouf:

Because we are refining, fine-tuning if you like, the tiers of senior management which it is the consideration of this Government, and I believe the chief executive officer, that we have over the years become too top-heavy. Rather than just leave it we have decided to have a close look at that under the new leadership of Andrew. So that is what we are doing. The OneGov project was completely different in many aspects and covered many more levels and many more areas and was a complete failure. We are almost undoing a lot of that work because the OneGov work ended up in us losing a lot of expertise and then replacing it with increased numbers of inexperienced people.

Deputy H.M. Miles:

So this focus at executive leadership team level then, as part of the efforts to reduce that size, are you going to focus first and foremost on individuals whether they are on contract or consultants or agency workers who do not ordinarily reside in Jersey to ensure that we are prioritising local people and actually retaining staff who actually live here?

Chief Executive Officer:

There is a lot in that question. I think in pursuing ... I think we have been transparent. We were trying to, as part of the Budget that is going through the process at the moment, we are trying to find £15 million of payroll savings. We have already made that clear. We are trying to do that. Related to that, there is not a big reorganisation. OneGov was not just a reorganisation, it was a philosophical change in the way it did Government. This is much more trying to economise and turn around Government where we can and try to free up cash so that it can be reinvested in the service. That is a slightly different situation. There is not a specific focus on the executive leadership team. There is a focus across the piece in those senior roles, which is reflected in the recruitment freeze, is one of the ways we do it. On the question of consultants on-Island and off-Island, one of the reasons that there is a recruitment freeze is so that we can prioritise a talent that is already in the service. One of the reasons that we are trying to frankly peel back aggressively on the use of consultants is so that we can give more opportunity to the people within the service. That is the philosophy behind it. I think that is necessary if we are going to retain talented people.

Deputy J. Renouf:

I have experience in my working career around redundancy programmes, and trying to save money in the public sector there are different ways of approaching it. You are approaching it with an invitation for people to come forward. Another way is to take a strategic overview and say we no longer require this role and we want to close this role, and that is because there is an overarching idea behind what you are trying to achieve. This feels much more random. It is whoever comes forward.

The Chief Minister:

No, that is not ... can somebody clarify we are not offering a voluntary early redundancy programme?

Chief People Officer:

Can I clarify? In terms of what we are doing is trying to reduce the number within the public service in terms of recruitment freeze, so we are managing our vacancies more effectively. What that then does is if there are any departments that potentially are at risk of restructure, if we are going through a consultation process, those individuals are put on a redeployment register and our priority is not posting jobs when we have people on redeployment register that we can move to different areas and different roles, so we are not paying redundancy payments and then bringing somebody else in, in a job that somebody on the redeployment register can do. That is the focus of making sure that we are able to keep the skills within the organisation by the recruitment freeze effectively.

The Chief Minister:

We are not inviting people to volunteer for redundancy. I want to make it clear any time in the past and in the future any member of staff can apply for redundancy. That has always been the case.

Deputy J. Renouf:

And get a payout?

Chief People Officer:

It depends on whether the department would ...

Chief Executive Officer:

It has always been the case.

Chief People Officer:

... facilitate that or not.

The Chief Minister:

I would think in most cases their request would be refused.

Chief People Officer:

They can apply but it is not an automatic acceptance.

The Chief Minister:

If somebody were to apply for redundancy now the first option is to look for a deployment opportunity.

Deputy H.M. Miles:

Given the uncertainty then around potential redundancies, the restructuring process, what measures is the Government taking to maintain morale and also job security among civil servants? Especially those who are going to be affected by the changes.

Assistant Chief Minister:

Broadly, of course, we have got welfare support for anyone who is affected by these changes. So there is a proper programme to make sure that staff are supported. I think that is the most important thing. People still need to feel valued in their roles. But the Communications Department has just gone through those changes and they have moved 11 posts out of the Communications Unit now. We have shown how staff can be redeployed, can still enjoy their work and find a new meaning within the organisation. The staff that are left have been best suited to those roles. They have all been interviewed, everyone has had a fair crack at getting the posts that were available and now

the most suitable people for those posts have remained in post. Some have left, some have taken redundancy and some have been redeployed.

Deputy J. Renouf:

I am obviously very dense in understanding this. There is no redundancy programme, so people are not being offered redundancy, yet people ... we have spent £330,000 making people redundant. How did that happen if there is no programme to let people go or to invite people to be let go?

The Chief Minister:

We have not said there is no programme on redundancy. I think you have just made that up. Or can you explain why you are thinking that?

Deputy J. Renouf:

It was said very clearly that we are not inviting people to ...

The Chief Minister:

No, we are not inviting people for voluntary ... we are not saying: "If you want to be made redundant, come on, let us have you here." What we are doing is, we are dealing with it, we are sort of ... Andrew referred to it as pruning. We are trying to right-size the senior management structures of the public sector. Redeployment is the first option, and Malcolm mentioned then that on the communications staff some have been redeployed. Why we have a recruitment freeze at certain levels is above. Because if we did not, and we were not redeploying people, we would see on one hand people leaving with redundancy, and on the other hand new people being brought into the service. That is exactly why we have structured it like this. We said there will be redundancies. There could be compulsory redundancies. It could be that somebody comes forward of their own volition and says: "Do you think my position could be considered for redundancy because in the reshaping or the fine-tuning of these departments I have identified this, that and the other" in which case it will be considered. In some cases it will be refused. But in the first instance they would be offered a redeployment and if no suitable redeployment was found then the redundancy would go ahead. Does that help you, Deputy?

Deputy A.F. Curtis:

I am just trying to follow on from Deputy Renouf, because we know that there are 8 senior redundancies, but I am trying to ascertain who instigated this and under which approach were those chosen and what conversations happened to instigate and decide that?

Chief People Officer:

In terms of the redundancies that have occurred, not all of them are senior appointments. Some of those will be within the Communications team that have gone through a restructure and a consultation process. But in terms of some others, some others have applied for voluntary redundancy. Those have been considered if we can make those savings.

Deputy A.F. Curtis:

Did those who applied and those who might apply know that there was an active ... as you mentioned anyone can apply, but in previous years the answer most likely was no, is I think what you said, Chief Minister.

Chief Executive Officer:

If we bring it up a little ... well, not necessarily, because prior to this Government coming in I inherited a number of situations where people were in receipt of voluntary redundancy at the back end of last year, so I think there have always been small numbers. But let us try and clarify this. There is a clear position that we are trying to curb the growth in the public sector ... not curb, not reduce the size of the public sector, that would be a different level of exercise altogether, but to try and reduce the rate of growth in the public sector, especially at a time when we are absorbing high inflation. Among the many ways we are trying to curb that growth are recruitment freezes, for example, cleaning out, if we can, vacancies that have been there for over 6 months. All the things you would expect us to do. If people leave and have left during that period we may not replace them. It is a lot of this about not replacing people who leave. In that environment, in that backdrop, you will get people in every organisation coming forward saying if there is a wider objective to try and prune and watch the pennies is this an opportunity for me to say that actually I might be prepared to move on if it suits the organisation.

[14:30]

You will always get a small number of those at any time and it probably peaks a bit when people know you are trying to save money. That is normal business activity and that is what we are talking about here. We are talking about the sort of thing that every organisation does every day. Whether it is remarkable here, I do not know, but it seems to be.

Deputy J. Renouf:

I guess the point I made earlier was that you could approach this by saying, from a management or a political perspective or a combination, that you have identified that this role is now one which you feel is no longer appropriate and we want to close that role, but you are not. You are waiting for people to come forward. That is the approach you are taking.

The Chief Minister:

No, I think we are identifying.

Assistant Chief Minister:

I think we are doing both.

Chief Executive Officer:

We are doing both.

Deputy J. Renouf:

So you are closing some positions?

Assistant Chief Minister:

Yes. But just to finalise before we move on, obviously all of those people are entitled to their payout in relation to the Employment Law and their terms and conditions. So there will always be a cost.

The Chief Minister:

Whatever the circumstance, for a compulsory or a voluntary or something else, the correct process and procedures will be followed and the correct remuneration applied.

Deputy J. Renouf:

We have just touched on communications and marketing and the Government has decided to cut 5 of the 9 roles within the Studio, the in-house marketing agency. Can you explain the reasoning behind those cuts, particularly given that in-house marketing was originally established precisely to save money?

Assistant Chief Minister:

Yes, I think at the time it was originally brought in-house to be able to save money. I think the industry has moved on now and we found that actually it saves more money by outsourcing on particular needs and keeping a specialised, tighter team in-house for us to do what we want to do in terms of digital communications and animations and getting a nice clear message out to the public.

Deputy J. Renouf:

So how are those savings being tracked? You have got a saving on the one hand, but a cost on the other. You are going to spend more money outside, but you will save some money inside.

Assistant Chief Minister:

So the vast majority of the work will still be done in-house. There are just some occasions where we may need to outsource for particular projects, but they are few and far between. So there will always be a saving on taking the course of action that we have.

Deputy J. Renouf:

But that is being tracked, so you will know that?

Assistant Chief Minister:

Yes, absolutely.

Deputy J. Renouf:

What led you to that conclusion, that there was so much redundant capacity?

Assistant Chief Minister:

I think the marketplace has changed since we brought it in-house. It is more competitive out there; if we do need to go outsourcing for particular projects it is far more competitive. There are a lot of people doing that work now. It has got cheaper to get that work done.

The Chief Minister:

I am not sure - if I can add - we needed all of that capacity. We were not utilising what we had developed in-house and we thought, in a challenging economy, it is better that actually we would be giving some of this work to local business.

Deputy J. Renouf:

Has the Government learned any wider lessons from that? There was clearly a decision to bring quite a broad range of services - photography, graphic design and so on - in-house to save money. Now it is decided it is not, is there a more general conclusion that could be drawn from that?

The Chief Minister:

I think what might have been right 4 or 5 years ago ... we have always got to be alive to the fact that things change and what was perhaps right then, as we went through COVID and everything - when there was a great demand for in-house communications because we were doing so much communicating during that period - I think during that time it probably did save us. It probably did deliver value for money.

Chief Executive Officer:

Yes, I think it is both ... I do not know if there is a right answer. It will change over the cycle.

The Chief Minister:

It keeps changing. It does change.

Chief Executive Officer:

I think one thing that did feature this time for sure is that when you build it up as a big, fixed cost and it is there and always on, you are going to use it. You are going to use that as much as you can, whereas if some of it is a variable cost in departmental budgets, they might think a bit more carefully about what they procure, when they procure it and how they commission it. But that will ebb and flow. Obviously, in the previous 5 years, particularly with COVID, there was a huge increase across all governments everywhere to increase the amount of communications and also to increase the communication service. So, I think this is one that will ebb and flow.

Deputy A.F. Curtis:

I will just follow on if that is okay, because the example that Deputy Renouf has given is an example. You have described why you have made the decision to reduce, cut in-house expertise and suggest going to the market for those services better. But how does that model align with the wider strategy to reducing reliance on consultants and contractors? Are you happy that that is the right alignment?

The Chief Minister:

Yes, in this instance. Refer to the previous answer.

Deputy A.F. Curtis:

Okay. Now when the Communications team and the Studio require those services, are they covered to go to market to contract for that or to bring in consultants under the model you described?

The Chief Minister:

I think, going back to a point Andrew made, when you have got all of that resource available internally and it is not being fully utilised, then it is easy for departments to say: "Well, let us have a video, let us do this, let us do that." Now, because that is not going to be there, they have to think: "Right, do we need this? It is an impact on our budget." We are trying to get the departments to only use this sort of thing if they really, really need it, rather than it being readily available and it is not a cost because it ...

Deputy A.F. Curtis:

So they do not ...

Chief Executive Officer:

They will have to prioritise it. We have not given them money to go to the market to spend on videos, to use an example. They will have to prioritise it ...

The Chief Minister:

From their own marketing budget.

Deputy A.F. Curtis:

So it still will be the role of the communications, and particularly the Studio, will still only for now be delivered by in-house resource. It is just you have got, in your view, a right-sized capacity.

The Chief Minister:

Can you clarify that?

Deputy A.F. Curtis:

I just want to understand whether ... you mentioned, obviously, the market has changed, and a better model would be to blend, but it sounds like the view is to prioritise and use the reduced capacity and be more sparing. I just want to understand.

Chief Executive Officer:

Are we talking specifically about the Studio, or other aspects?

Deputy A.F. Curtis:

For now, about the Studio and to an extent perhaps - if changes have happened - in Communications.

Chief Executive Officer:

In the case of the Studio, we will do less. I think there are good reasons post-COVID why we might be doing less anyway, but we will do less. It is still, ultimately, within the gift of a department; if they think that they want to do something and commission it, and they have the money to do it, and they think it is the right thing to do by their departmental business plan and objectives, then they still have the opportunity to do that. What we have not done is taken the budget that was being used internally and reallocated it to departments to say: "You can now do it externally." So they would have to make a big choice there.

Deputy A.F. Curtis:

Okay, so a department that has money can go and procure externally if they make that decision?

Chief Executive Officer:

That was the case even when you had a Studio; there was a feeling that ...

Deputy A.F. Curtis:

Okay, but from a Ministerial direction, that use of consultants would be if the department has the money and they so wish.

The Chief Minister:

The Ministerial direction is we are spending too much money on communications and then the chief executive can ...

Deputy A.F. Curtis:

So maybe looking wider than Communications to consultants and external suppliers in general. More widely, many departments have found and will probably find it challenging to reduce the reliance on external support, whether it be suppliers, contractors or consultants, which could take a number of years. In these cases, how are you managing, in the short term, this challenge of education or skill while also trying to provide flexibility to future-proof the organisation?

The Chief Minister:

I am not sure I fully understand the question; could you simplify it for me?

Deputy A.F. Curtis:

Well, there are many roles and many departments have relied on external skills; there are highly specialised areas, it could be policy or ...

The Chief Minister:

We are talking outside of Communications, are we?

Deputy A.F. Curtis:

As I said, outside of Communications and broadly to all departments. Many departments have relied on specialised skills and this move to promote interior talent will take time. How are you managing this in the short term and how are you providing flexibility?

The Chief Minister:

We say it will take time, but we tend to underestimate the skills and the ability of the people we have in-house. We have grown a culture of almost becoming consultancy brokers, where instead of the department saying: "Right, we can do some of this work in-house because we have got some skilled people that can do it", the first call has always been to go out and get someone in to do it. We are

changing the culture now. So they will try and have to push that to people that are ready now and can do the work. So I am not sure ... maybe Andrew or Paul can ...

Group Director of Policy:

To give you an example in Policy, I am the head of profession for the government in terms of policy. I take the view that if a policy officer is trained in the process, you should be able to convert that process to whatever subject matter there is. The only reason you might think about using a consultant is either because you want to move things more quickly to add capacity, or to do more as a general piece. But as the Chief Minister said, we are right-sizing both the Cabinet Office and the policy function so that we are actually making sure that we can use our existing staff to do our highest priority areas and so we do not need consultants for that.

The Chief Minister:

We retain the option, of course, to bring in consultancy when it is absolutely needed.

Group Director of Policy:

Absolutely, when it makes sense.

Deputy H.M. Miles:

Did you have another question?

Deputy J. Renouf:

No.

Deputy H.M. Miles:

Okay. You talked about right-sizing the Cabinet Office and certainly, Chief Minister, when you came to talk to us at a previous hearing, I think with the chief executive, you talked about a review of the Cabinet Office. Can you give us an idea of how that is progressing and what criteria you are using to assess where things need to be reduced or reallocated?

The Chief Minister:

That is a work in progress and we are working closely with the chief exec and the management teams.

Deputy H.M. Miles:

What is the timeline really for the production of the review and the implementation of the changes? When can we, as a panel, expect to hear more about that?

Chief Executive Officer:

I am not sure which hearing you are referring to; is it me or am I having a ...

Deputy H.M. Miles:

I think you were both there.

Chief Executive Officer:

In terms of formal review, I think our approach, as you have heard already, is much more to prune and shape. We are not doing large-scale restructuring and that is a deliberate decision, because we felt that the organisation probably had its fill of large-scale, all-encompassing restructurings and it created quite a lot of uncertainty and disruption across the organisation. So, things are much more targeted where they need to be and we are trying to be thoughtful about what we do. In terms of the Cabinet Office, you have got a whole range of activities in there that have been brought together, so it is really being a bit thoughtful about whether everything is in its right place. I think we have got to be realistic. Many of the activities in the Cabinet Office were just put there because they were part of something else; there was no period of invention in the Cabinet Office. So, I would not set expectations for some major review or restructure.

The Chief Minister:

We are not doing a wholesale change, but we have asked the various ... the bigger departments - People Services, Digital Services - to look at the work that they are doing and make sure that they are the right size to do it.

Group Director of Policy:

You would have seen the outputs of much of this already in terms of the proposed Budget, because the heads of expenditure are split out. So you have got Digital Services, People Services and the Cabinet Office, so it is much clearer. As well as projected expectations for savings over the coming 3 years, so again you can see that right-sizing, but also more transparency about where it will actually happen.

Deputy H.M. Miles:

In terms of right-sizing, I think there was an announcement yesterday that the budget for Statistics Jersey has been reduced so that they will no longer be producing the Business Tendency Survey, so that they will no longer be producing the J.O.L.S. - the Jersey Opinions and Lifestyle Survey - on an annual basis. What sort of discussions went on that led to a reduction in budget so that they would lose those 2 particular pieces of research?

Group Director of Policy:

The chief statistician has to take a view based on savings that are needed, but also risk and prioritisation of what departments and the wider Island needs, and that was his professional recommendation to Ministers, that on that basis we can trim some of these - we will not do them all together - or in some cases we reduce the frequency in order to make sure that we can still live within that right-sized budget, but also provide the most essential data services.

Deputy H.M. Miles:

I think it is really interesting about what is essential, because Statistics Jersey do not just produce statistics for the direction of Government, it is also community services, business and the like. Is there an argument that you are embarking on a journey, but you are taking away your map and your compass by making cuts like that to the Statistics Department?

Chief Executive Officer:

It is a good point. I think, as we discussed before, the Cabinet Office had a £2.9 million saving from the previous Government to find this year, and then £4 million from the amendment to find. So every part of the Cabinet Office has been obviously looking at its budget and trying to think thoughtfully about, if they had to make changes, where would they make them? In this instance, the chief statistician to get in the process would have played their part in that with the chief officer and came forward with a number of different options of things that they could stop or they could do on a biennial basis and so forth, adjust frequencies. Out of that process, the final recommendation were the ones that you have quoted to us. The issue with this is, this has been an area of very significant growth as well in recent years, as you all know. Even after these changes, the Budget is still higher than it was in 2021. We have got a number of areas of government that have grown significantly, in some cases almost exponentially in recent years. This is about choices; you cannot have everything.

[14:45]

Deputy H.M. Miles:

You can argue that Statistics were starting from an extremely low base in terms of what was being provided. Again, if you are looking at policy development, that has to be developed on good data and evidence. So I think the question was largely around the discussions he had about the risk, because everybody in the Cabinet Office has to take off whatever percentage it is, which is that salami slice can become problematic if actually your service is not focused, I think.

Chief Executive Officer:

I agree. That is why we find it really difficult when we get specific targeted amendments at individual departments. It is very difficult for us to deal with them.

Deputy H.M. Miles:

Thank you for those answers.

The Connétable of St. Mary:

Moving on to the next topic: oversight and governance of arm's length bodies. The C. and A.G.'s (Comptroller and Auditor General) report entitled *Oversight of Arm's Length Bodies* highlights the need for a review of the terms of reference, work plan and membership of the A.L.B.O.B. (Arm's Length Bodies Oversight Board). Appreciating that the report was only issued in July, what, if any, specific changes are being considered to enhance the effectiveness of A.L.B.O.B. and what timeline is expected for these revisions?

The Chief Minister:

We have an officer oversight group which meets quarterly. We would like to see greater collaboration between A.L.O.s (arm's length organisations) around back-office processing function facilities. We want to manage what has become a bit of a proliferation of A.L.O.s. I am not sure how many we have - Andrew might know that figure - but it is an example of where they have grown, not unchecked, but I think it is now just time to have a reset and look at how we can provide better value from greater collaboration. We would like to see a programme of governance, maybe enhanced performance monitoring. That is in response to recent C. and A.G. considerations and recommendations. For example, more consistent reporting arrangements to Ministers because it tends to be different between Ministerial departments, how they interact with the A.L.O.s, and of course, the M.O.U.s (memorandum of understanding) governing the relationship with the States-owned entities - the incorporated bodies and companies - continues to work reasonably well. One of the keys to alignment of our objectives for States-owned entities is a continued process whereby the relevant Ministers or Ministerial groups sign off their support for the business plans before formal approval, as it were. So that is the broader policy and approach we are taking. Andrew, did you want to add anything on where we might be going with that in relation to the A.L.O.s?

The Connétable of St. Mary:

I appreciate the report has only just been issued. Has the board as a whole yet had the opportunity to go through this in any depth?

The Chief Minister:

Sorry, has the what?

The Connétable of St. Mary:

Has the board itself had any opportunity yet to ...

The Chief Minister:

Whose board?

Deputy H.M. Miles:

The A.L.B.O.B. board, the Arm's Length Bodies Oversight Board.

The Connétable of St. Mary:

The Arm's Length Bodies Board, which we were talking about, to review the report, come to decisions?

The Chief Minister:

Can you help me with that?

Group Director of Policy:

I do not think it has met since ...

The Chief Minister:

I do not think it has met since that has come out.

The Connétable of St. Mary:

Sorry?

The Chief Minister:

The A.L.O.s board I do not think has met since it ...

The Connétable of St. Mary:

Okay, that is getting that ready, yes.

The Chief Minister:

That is a piece of work that is live and that is something we will be addressing in the course of this Government, although it is still early stages, but ideas are being developed.

The Connétable of St. Mary:

I think the C. and A.G. is rather hoping earlier than that, if I may say so.

The Chief Minister:

Well, I cannot recall the timescales we have accepted in the recommendations, but we always try and work to those where possible.

The Connétable of St. Mary:

Yes, well just referring to one particular aspect, the report identifies potential opportunities for improving value for money through better co-ordination between government departments and States-owned entities. I think it is recommendation 10 refers in particular to the likes of Andium, S.o.J.D.C. (States of Jersey Development Company) and Ports of Jersey for the provision of social housing. Again, that comes up several times. Are any steps being taken in particular to implement those changes, or were they in fact in hand before the report was issued?

The Chief Minister:

I do not know, sorry. I do not know if they were in hand; what we have identified is that there is room for improvement, there is room for better collaboration. In relation to the States-owned entities, our objective on the back of the recommendations is a process whereby relevant policy Ministers, i.e. the Minister for Housing for Andium; Sustainable Economic Development for J.T. (Jersey Telecom) and Jersey Post, for example; or the Ministerial groups - the Regeneration Steering Group for S.o.J.D.C. - sign off their support for the S.O.E.'s (state-owned entities) strategic business plans. That work is coming together, but I am not quite sure from an official's point of view how that is being managed internally.

The Connétable of St. Mary:

We have recently been informed that the development of Fort Regent, as and when, will be led by the States of Jersey Development Company which, to my mind, was not the immediate candidate. Given that that, I would have thought, has not got the expertise within its own ranks, that appears to me to be a situation where the board will need to bring together various bodies and consultants. How will that actually be administered?

The Chief Minister:

I think when we present to States Members later this year the proposal for Fort Regent, I think it will become apparent why we have asked to work with S.o.J.D.C., because I think they do have the expertise in a broader property portfolio and the resources to work with us on that.

The Connétable of St. Mary:

Sorry, I was not challenging the appointment of S.o.J.D.C.; the fact that they are ... it appears to me that in-house staff will not be ... given the areas which the Fort covers - culture, sport, et cetera - they will have to draw strength from lots of other departments and that is something which the board will have oversight of. How is that going to be brought together and how are we going to know who is doing what?

The Chief Minister:

I am sorry, I am not really following you. I am appearing a bit dense, I think, on that one.

Group Director of Policy:

Whatever happens in that regard, you have got the Regeneration Steering Group to pull those sorts of considerations together.

The Connétable of St. Mary:

So there will be a steering group per project, effectively? I mean, this will be a ...

Group Director of Policy:

The steering group is a standing board, and then you bring individual programmes and projects, whatever they may be - you mentioned Fort Regent, but that is just one of them - where of course you are balancing the need to invest with other considerations, including sport and culture.

The Chief Minister:

The make-up of the R.S.G. (Regeneration Steering Group), which oversees ...

The Connétable of St. Mary:

Yes, that is a function of the ... sorry, go on.

Deputy A.F. Curtis:

Could I just, while we are asking about the oversight you are looking for following reviews, thinking about who is the correct delivery partner. If we take Fort Regent, other panels the Connétable and I sit on spoke to the Minister for Infrastructure about Fort Regent. Now, the Government has its own aims with regards to delivery using in-house talent and reducing expenditure on consultants, but in this instance it has chosen - and obviously States Members will find out later in the year those plans for Fort Regent - to go and partner with S.o.J.D.C. So, is the Government ... are you, Chief Minister, looking to instil that same message of reducing the use of consultants on to arm's length organisations as part of where public money gets spent?

The Chief Minister:

Well, the short answer to that is yes, we are expecting our A.L.O.s and the state-owned entities ... with the incorporated boards and everything like that, we do not have executive control over those. But in relation to S.o.J.D.C., I think we have a very good and productive relationship and I have no doubt that they understand clearly that the use of consultants must be appropriate and required. S.o.J.D.C. - unlike some of the other bigger S.O.E.s - have got a very small staff. That small staff is expert at what it does, understands the property market and construction, and it can lend itself to

applying those skills and that knowledge to redevelopment of our key assets such as Fort Regent, bearing in mind that the R.S.G. is supported by the relevant officials and the Ministers from sport, art, culture, heritage, economy to make sure that they are being guided. I am not sure I can add too much more than that, because we are still putting the model together and how it might work in practice. We are not going to give it to S.o.J.D.C. and say: "Well, go and do something and come back in 3 years ..."

Deputy A.F. Curtis:

No. So, you would like to use A.L.O.s still where they have resources and talent and expertise. You would not necessarily, Chief Minister - I think as the Connétable was saying - seek to use partners like S.o.J.D.C. for areas that they do not have the skills and they would have to themselves go and rely heavily - let us use the word "heavily". That would not be the intended aim on consultants?

The Chief Minister:

We are working with people like S.o.J.D.C. because they do have the skills.

Deputy A.F. Curtis:

Yes. That is what I wanted to understand.

Chief Executive Officer:

They are a development company. Their job is to develop, so you would expect us to use them where we are looking at things that have to be developed, just as you would expect us to use Andium if homes have to be built.

Deputy A.F. Curtis:

Okay.

The Connétable of St. Mary:

I will leave it at that for now, thank you.

Deputy H.M. Miles:

Okay, thank you. The gender pay gap that we have talked about ... given the Government's commitment to addressing the gender pay gap, when can we expect to see some concrete steps being taken to implement a reporting mechanism or other measures that are going to help reduce the gap?

The Chief Minister:

Deputy Alves was given responsibility for that for diversity, equality and inclusion in April of this year, and she has been tasked with that work and raising the profile. She was unable to be with us today, so I would like to ask if you could perhaps have a separate hearing from her? Or we will ask her to provide the update for that under a separate cover. But in relation to gender pay gap reporting, we are completely committed - we remain committed - to producing our gender pay gap report on an annual basis. The report for 2023 was published in August, I think. Let me just check. Yes; 5 August for 2023, so we have published 2023's. Gender equity through the I-W.i.L. (Women in Leadership) network, an event on gender was hosted earlier this year. Okay, so there is a lot of work ongoing there.

Group Director of Policy:

If I may?

The Chief Minister:

Please do, yes.

Group Director of Policy:

The position still remains that it is not sensible, in either operations or financial prudence terms, to legislate for gender pay compliance for privatised companies, and it was discussed with companies; 50-plus or more. In my experience, in Whitehall you use legislation because the Whitehall Government is so far removed from the real world. That is one of the only levers they have. But in Jersey, the real benefit is that you can sit around a table with companies and persuade them. What is crucial about gender pay in particular - and I know we all know about this - is that the data only reflects what everyone knows in that company already. It is a symptom; it is not the issue itself. The most important thing is that companies are choosing to conduct their own strategies to develop staff and, where there is a gender pay gap, to have a plan to change that. I attended the Diversity Network event just 2 months ago, and we continue to work with Diversity Network to see what non-legislative, non-statutory provisions the Government can support, and Deputy Alves is leading that work.

Deputy J. Renouf:

It just struck me from following conversations on social media and so on, that there is actually a considerable lobby within business, particularly from women in business, to legislate in this area. That pressure does not go away just because the Government says that they do not think it is the right thing to do; that argument is still very live. So, you are reiterating that the Government does not believe that legislation is the way forward, and that you are hoping that people will simply comply off their own back.

Group Director of Policy:

Yes, the Government is not intending to legislate in this space.

Deputy H.M. Miles:

Can you provide us some more detail about the specific consultations that you have had with industries and business and the like?

[15:00]

Group Director of Policy:

I am happy to write to you with the meetings that we have had. Yes, absolutely.

Deputy H.M. Miles:

Just to be clear, Chief Minister, you have offered the Scrutiny Panel a public hearing about the Government's approach to the gender pay gap from Assistant Chief Minister Carina Alves?

The Chief Minister:

If you want a public hearing, I am sure that would be fine, but I would have perhaps suggested a private hearing update. But if you want a public hearing, I am sure that will not be a problem.

Deputy H.M. Miles:

I think there is sufficient interest, particularly from women in industry, given this emerging campaign that is coming up for a public hearing. So, thank you for that.

The Chief Minister:

We have 2 hours allocated for the Budget; I am not sure if it could be incorporated into that.

Deputy H.M. Miles:

That is very unlikely; I think the Budget hearing will be ...

The Chief Minister:

Just wishful thinking.

Deputy H.M. Miles:

Yes, nice try. Okay, well in that case I will not ask you any more about gender pay. I did have quite a lot, but I am going to hand you over to Deputy Renouf, please.

Deputy J. Renouf:

Yes, I want to return to this question of strategic policy development. One significant policy development is to publish the annual report on the Common Population Policy - that is a commitment - including a roadmap for how Government will co-ordinate activity to prepare for an ageing population. Can you update us on this workstream and when that report will be published?

The Chief Minister:

It is on track to be published by the end of Q4 this year.

Deputy J. Renouf:

That report will be published by the end of this year?

The Chief Minister:

Yes.

Deputy J. Renouf:

And will there be a debate or is that just a report or ...

The Chief Minister:

It is just our annual population report.

Group Director of Policy:

No debates.

The Chief Minister:

No, we are not planning on having a debate. We will publish the report for discussion.

Group Director of Policy:

The Chief Minister has been chairing the Housing and Work Advisory Group meetings on a regular basis, the decisions of which will build into what our population policy report will say.

Deputy J. Renouf:

So there will be no changes proposed to the Common Population Policy, you will simply be reporting to the current policy?

Group Director of Policy:

No, this is this Council of Ministers' first population policy.

Deputy J. Renouf:

So there will be a policy, but it will be presented as a report, not a proposition. There will be no opportunity to debate what that policy is.

Group Director of Policy:

No, and that was the original requirement of the States Assembly, that we publish a report but not necessarily to debate it.

Deputy A.F. Curtis:

In the absence of that, what are different Ministers following as their guidance for population policy? Are they following the previous Government's work in 2023, or are they taking an interim approach that has been discussed for modelling?

The Chief Minister:

I think this is probably being directed by a number of changing factors. We are in a completely different position in relation to policy, population numbers, immigration, work permit, post-Brexit, state of the economy, post-COVID. We have almost gone 360. One of our biggest challenges is medium to long-term population growth, fall in working-age population, fall in the fertility rate, the link to cost of affordable homes, families not being able to afford housing that allows them to have a family. So there is quite a lot of new thinking about how we might approach that, which we will lay out in the forthcoming report. But it is fair to say that things have changed considerably, and we are likely over the next couple of years to be moving towards a different approach to our population.

Deputy J. Renouf:

"Different approach" as in ...?

The Chief Minister:

We are going to need more young people in the economy; we are going to need to make sure that our working-age population remains able to sustain ...

Deputy A.F. Curtis:

It sounds like the Council of Ministers, the civil service are reacting to new data, to new approaches. Given you are describing, Chief Minister, a new approach, would this be the right time to reflect on whether the Common Population Policy and its model for reporting - which was the last Assembly's decision - is that still relevant? Would you not want to bring something to the Assembly to debate?

The Chief Minister:

Possibly, but I think it is still relevant insofar as we will be producing an important report for consideration at the end of the year, which could lead to further discussions, which could result in a proposition to take a different direction and change the provisions we have at the moment.

Deputy J. Renouf:

I think one of the things underpinning Deputy Curtis's question was we heard from the Minister for Health and Social Services in the Hospital Review Panel that they were basing the hospital on an assumption of plus-700 a year, for example. That was an underpinning assumption for the scale and so on of new hospital facilities. So, understanding what the population policy actually is feels quite important for big decisions like that.

The Chief Minister:

No, you are absolutely right. We need to be in a position where we can accurately estimate our population trends.

Group Director of Policy:

Then it will be of interest, because it has already been announced that Statistics Jersey will be publishing some revised statistics next week, which shows what we currently know about our population, who is already on-Island. We will be using a different set of data to inform that, and also some revised forecasts. Now I have not seen that, which is right and proper, so I will be receiving it the same as everyone else next week, but I think that is key information that then feeds into population.

Deputy A.F. Curtis:

So when Statistics Jersey will publish that data that they now generate, will the Q4 report on annual population policy detail both what we know, but also where this Council of Ministers wants to go? Is it going to be somewhat visionary and strategic in its thinking as to what the population should be for Jersey ...

The Chief Minister:

To a point, I hope so, but I think we are going to need more time and more evidence before we can set a firm direction, so I think this is likely to be ongoing work. I think it is likely to be at least a year, perhaps even 2 years, before the Island can really cement in a new policy. Again, we do not know if there are going to be ebbs and flows, changes in the geopolitical situation, global situation, that might impact upon our thinking on that.

Deputy J. Renouf:

It is a subject which benefits from a broad consensus because that gives you stability over the longer term and means that the planning horizon actually looks like it might stay fixed, which would benefit everyone. Can I suggest that that would work well with a very collaborative attitude with the non-executive and indeed with the Assembly?

The Chief Minister:

Yes. I think we are going to start on the big issues and the big subjects like this. I would like to see a return to a broader working together. I remember back in the day we used to have a lot more workshops - full day workshops - with the whole Assembly on the big issues and I can see us returning to that next year.

Deputy H.M. Miles:

That would be very helpful, thank you.

Deputy J. Renouf:

There are other pieces of work down as being in your work programme. The Independent Care Inquiry: "Continue to progress the published recommendations by the survivors' citizens panel, including a place to remember and a permanent public apology" is in there. What progress can you report on that?

Group Director of Policy:

A care experience fund is being developed. The idea is to support those Islanders 25 years and over with emergency finances, lifelong learning provision, mental health. We are just finalising how it will be funded.

Deputy J. Renouf:

Do you want to pick up any of these other ones?

Deputy H.M. Miles:

I think we have covered population, have we not?

Deputy J. Renouf:

Yes.

Deputy H.M. Miles:

We did talk at the last hearing about missing people, but I think that has had some kind of legal solution, has it not? It has been published, so ...

The Chief Minister:

Yes, I think the judgment on the Frost case has been helpful.

Deputy H.M. Miles:

Yes, it has been very helpful and hopefully we will never need to use it again. The management of death processes - consultation with key stakeholders - how is that going? Because that was due quarter 4, 2024.

The Chief Minister:

That is still on track.

Group Director of Policy:

It is still on track and if it is deemed to be an essential, it will be part of the list of programme for the coming year.

The Chief Minister:

Law-drafting instructions, I believe, have been prepared and are ready and that will go in the law-drafting legislation process, which we are just starting.

Group Director of Policy:

Yes, exactly.

Deputy J. Renouf:

Can I ask a broader question about the policy resource, which we have touched on several times? It is often said that Jersey is a small jurisdiction and therefore should be agile and should be able to respond quickly to events. But the handicap to that, potentially, is not having the resource - because we are a small jurisdiction - to enable those swift movements, those policy development areas and so on. It has become very clear, listening to the chief executive as well, that there is a very significant squeeze in that area. Are we losing the capacity to do the thing that we do best of all, which is to be responsive and agile?

The Chief Minister:

I would disagree. I do not think there is a squeeze in that area. What we are doing is putting in place structures that will be more efficient and actually only allowing into the process, into the timetabling, not unfunded, non-practical, aspirational ideas. But if we are going to have a legislative programme, I would rather put in 100 items that we know we will get legislation done for, than mess around with 300 items. Andrew gave a good example with the projects that were in Modernisation and Digital - 331 - and that has now been reduced to 100-and-something. We have got a far better

chance of achieving that. What we are trying to do is just make this more realistic and not fill up our time and efforts with things that just are not going to be done. We have done it before with capital programmes; having 1,000-plus vacancies in the system, when our headcount across the public sector is in the region of 8,000 at the moment. If suddenly there had been a demand for jobs and several hundred of those vacancies had been filled, we would have seen a significant increase in the public sector and that would have happened before we had a chance to get a handle on it. So I disagree; I think we are producing a public sector that will be more productive, be more realistic in its delivery. I think it is down to the States Members, to the politicians, to make sure that we are putting forward programmes that are achievable and properly prioritised.

Group Director of Policy:

If I may, just to complement what the Chief Minister is saying there, we have been working with the principal drafter in the Legislative Drafting Office and with the Law Officers' Department to analyse our history and find what is the natural capacity ceiling for legislation and then work back from that, as the Chief Minister said, to determine what is essential.

The Chief Minister:

And the response from them is?

Group Director of Policy:

It is approximately 40 pieces of laws or regulations that we are able to pass in any one calendar year. Now, that does not include orders and business as usual, as you would appreciate. But the more that are in the pipeline - particularly at the policy end of that pipeline - the more you are juggling.

Chief Executive Officer:

I think you have burdened yourself with 115 in the pipeline.

Group Director of Policy:

We have counted 115 pieces of legislation which are being developed at the policy end, some of which have already been submitted to the drafting office, but most have not. It is a case of ... this Council of Ministers are going through a process right now to determine which ones should we be focusing our attention on? Our finite policy resource, it is always going to be finite, so which ones do we want those policy officers to be juggling in order to make sure that we are getting them through before the election?

Deputy J. Renouf:

But you do describe it as a natural process, a natural limit. Actually, of course, these are all limits we set ourselves. We defined them ourselves. We could increase capacity in law drafting. This is

my point, really: that we are deliberately, as I said earlier, hobbling to some extent what we choose ... what we are capable of doing in government and that is a conscious decision. We have lost the termination of pregnancy work. I was going to ask, but I think we may run out of time, about climate change and the wind farm and so on. Big, big pieces of work which require resource and there is a danger that we decide, because of right-sizing, that we are not going to do some of these.

The Chief Minister:

No, I think, with the greatest respect, that you are not encapsulating the spirit of what we are trying to achieve here in the best interests of the Island.

Deputy J. Renouf:

But the reality ...

The Chief Minister:

The reality is, we have to cut our cloth accordingly. We have seen our Budget, the cost of running Jersey, go from £800 million to £1.3 billion in probably 6 years. That is exponential growth that has remained largely unchecked, and that is what we are trying to do. Of course we could do more, but if you want to talk about raising taxes or raising G.S.T. (goods and services tax) or dipping into our reserves, we can do a lot more. So we are trying to find the balance that addresses the basics, and we get those right first before we start putting on all the nice-to-have things. Of course, every Minister will want to have more budget to do more things with, but we have just got to try and be realistic now in these challenging financial times and challenging economic circumstances, to be a bit more circumspect about how we spend money.

[15:15]

Deputy J. Renouf:

I understand that there is a debate; I think it is about owning the fact that there are compromises and things that will be lost.

The Chief Minister:

Life is a compromise.

Deputy H.M. Miles:

Thank you. The last few questions from me, just really quick hits about the legislative programme, so probably Paul. It is just about an update on the timeline for the things that were in 2024 and where they are going to be delayed and potentially extended. The first one was the Control of Housing and Work (Jersey) Law review and migration control.

Group Director of Policy:

There are 2 aspects: there is the housing control and migration control. As a result of those good discussions we have had out of the H.A.W.A.G. (Housing and Work Advisory Group), it is more likely that the housing control will be early next year in terms of lodging, because it is a pivot in terms of policy choices. The migration control will still be lodged this coming year.

Deputy H.M. Miles:

Okay, thank you. Comptroller and Auditor General (Jersey) Law?

Group Director of Policy:

That is being discussed by the Council of Ministers at present, so I cannot get into it, but if that proceeds it is most likely to be slipping into early next year.

Deputy H.M. Miles:

Okay, because we did understand that that was going to be quarter 4 this year.

Group Director of Policy:

Yes.

Deputy H.M. Miles:

Okay. Powers of Attorney (Jersey) Law.

Group Director of Policy:

The Legislative Advisory Panel is doing a bit more work on that. We are looking at quarter one, 2025.

Deputy H.M. Miles:

The last one, I think you have covered, the Control of Housing and Work ... the Powers of Attorney Law?

Group Director of Policy:

That is the one you just said.

Deputy H.M. Miles:

I just said that. Sorry, I repeat myself.

Group Director of Policy:

It is all right.

The Chief Minister:

I do it all the time.

Deputy H.M. Miles:

It is Friday. Okay, does any of the panel have any other questions for the Chief Minister that have not been covered or clarified from previous questions at all?

The Connétable of St. Mary:

Sorry, can I just clarify the last point about the Powers of Attorney (Jersey) Law. Did you say it is with L.A.P.?

Group Director of Policy:

Yes. As you will know Constable, what I mean by ... is the Legislative Advisory Panel is contributing to its policy development.

The Connétable of St. Mary:

I think it wants to contribute; it is awaiting, itself, for something to come in. That is what we are getting at.

Group Director of Policy:

Yes, that is right, but it is within the Financial Services policy team at present.

The Connétable of St. Mary:

Right.

Deputy J. Renouf:

I was struck by the chief executive mentioning gas earlier and gas risks, and I just wondered if you had anything else to say in that context?

Chief Executive Officer:

No, I do not think I mentioned it, but I did allude to the fact that where there is a tier one risk in an area like energy, that would not be affected by the policies that we were talking about earlier.

Deputy H.M. Miles:

The recruitment freeze. So any work around that is continuing?

The Chief Minister:

Yes, it is. It is continuing; it is high priority.

Deputy H.M. Miles:

Okay, and the resources for that are secure?

Chief Executive Officer:

Yes, fully resourced.

Deputy H.M. Miles:

Okay, thank you. I just had a final question that came up about revenue growth bids. Chief Minister, we are aware that the Council of Ministers was focusing on any revenue growth on the Common Strategic Policy priorities and it was just to understand where the growth bids were put forward by departments were considered and rejected by the Council of Ministers, whether we could be provided with a list of those? Because I think we have asked in the past and been told that Scrutiny are not able to see those. It would be helpful to understand the growth bids that have been requested and rejected.

Group Director of Policy:

Do you mean for this Budget about to be debated?

Deputy H.M. Miles:

Yes, for this particular Budget that is going to be debated.

The Chief Minister:

Current ...

Deputy H.M. Miles:

Yes.

Chief Executive Officer:

Do you mean the stuff we are not doing?

Deputy H.M. Miles:

Yes.

The Chief Minister:

So basically ...

Chief Executive Officer:

The stuff we are not doing.

Deputy H.M. Miles:

Yes.

The Chief Minister:

Hang on a minute, sorry, just to get this right. The Budget process, this is the net result of what we have got.

Deputy H.M. Miles:

Yes.

The Chief Minister:

So did you want what all the Ministers started with, or the reduction in the 20 per cent?

Deputy H.M. Miles:

It was the growth bids that were put forward to Council of Ministers that were rejected. We asked to see that.

The Chief Minister:

Okay, so not the 20 per cent reduction in the existing growth?

Deputy H.M. Miles:

No.

The Chief Minister:

Okay, fine, sorry.

Deputy H.M. Miles:

The revenue bids. Are you happy to share those with Scrutiny on a confidential basis?

The Chief Minister:

If we have got them ...

Group Director of Policy:

To be clear, there was no process for generating revenue ... growth bids.

Chief Executive Officer:

We asked people not to generate growth bids this year.

Deputy H.M. Miles:

Okay, so they do not exist?

Chief Executive Officer:

Exactly. That was one of our ways of prioritisation.

Deputy A.F. Curtis:

What about the ones that do in the Government Plan? Deferral of waste charges is a revenue growth bid that came from Infrastructure and is a line of revenue growth. Did that form an exemption process or ...

Chief Executive Officer:

I am not quite following you. I thought you were asking me about growth bids in general. You asked me about growth bids that had revenue lines associated.

Deputy H.M. Miles:

Revenue growth bids, yes.

The Chief Minister:

So I think in relation to that, that came in as a - is it right to say a juxtaposition - whether that is a growth bid or it just falls under the policy of keeping government fees, duties and charges as low as possible to help Islanders with the cost of living.

Deputy H.M. Miles:

Yes, I think what we are trying to understand is where departments put forward growth bids that were rejected on a revenue basis, we would like to understand ...

The Chief Minister:

I do not think there were any because we set out the parameters fairly clearly at the start of the process.

Deputy H.M. Miles:

Okay.

The Chief Minister:

I cannot recall. Can you recall?

Chief Executive Officer:

No, I would need to double check, but ...

Deputy H.M. Miles:

So there was no process or risk assessment because they were not submitted in the first place?

Chief Executive Officer:

... what we were trying to do is not to have a process where we spent a long time discussing things that were unlikely to progress or ...

The Chief Minister:

We did not want the work we did on the Budget to be like an auction, really. But certainly if there is anything, we are happy to share it.

Chief Executive Officer:

I will check.

Deputy H.M. Miles:

You are happy to share that. Okay. Thank you very much. We managed to finish 10 minutes early, so I would like to close the meeting please and thank you all very much for attending and for your contributions.

The Chief Minister:

Thank you very much for your questions. Thank you.

[15:21]