

STATES OF JERSEY



DRAFT ANNUAL BUSINESS PLAN 2012 (P.123/2011): FOURTH AMENDMENT

Lodged au Greffe on 26th August 2011
by Senator S.C. Ferguson

STATES GREFFE

PAGE 2, PARAGRAPH (a) –

After the words “withdrawn from the consolidated fund in 2012” insert the words –

“except that the net revenue expenditure of the Chief Minister’s Department shall be increased by £18,400,100, (£10,194,500 in respect of the Information Services Department, £4,395,500 in respect of the Human Resources Department and £3,810,100 in respect of the PECRS pre-1987 debt) by transferring responsibility for the Information Services and Human Resources Departments back to the Chief Minister’s Department on a permanent basis, and the total net revenue of the Treasury and Resources Department shall be reduced by £18,400,100.”.

SENATOR S.C. FERGUSON

REPORT

In 2002 the States were asked to agree the various departmental responsibilities in P.70/2002. This clearly stated that Human Resources (“HR”) and Information Services (“IS”) were part of the responsibility of the Chief Minister’s Department. I attach the relevant extract from P.70/2002 for the Chief Minister’s Department and the Treasury and Resources Department.

The structure of these 2 Ministries was proposed after considerable thought, and the States made the decision that this was the correct structure when the Assembly passed P.70/2002.

There was no formal proposal to the States in September 2010 that a new Resource Department should be formed and that it should be part of Treasury and Resources, nor that these 2 Departments, HR and ISD, should be transferred to the new Resources Department. The funding was transferred in the Annual Business Plan 2011, but with no overt mention of the transfer of the Departments. There was an obscure footnote in the main Business Plan and some references to transfers in the Annex.

Human Resources and Information Services do not sit comfortably within the Treasury Department. These are not tactical functions within the States, subservient to the Treasurer. These are strategic functions, and their Directors should work with the Treasurer as equals.

Human Resources requires a great deal more than just writing pay-cheques and, since the States is the employer of all personnel working for the States, is a better fit with the Chief Minister’s Department and in parallel with the States Employment Board.

Similarly, Information Services is an integral part of all States operations. There is a myth that merely converting manual systems to computer systems will make an organisation operate more efficiently. If the system is inefficient when manual, it will continue to be inefficient if it is just computerised. For the optimal change, systems must be made efficient first, a point which Dr. John Seddon is fond of making. More importantly, these are strategic matters not tactical after thoughts.

The original structure of the Ministries makes it quite clear that the Chief Minister’s Department will deal with strategic and policy matters and the Treasury and Resources Department will deal with financial operations and fiscal policy to support the strategic policies.

It therefore follows that strategic departments, such as IS and HR, should not be minor departments in the Treasury, but should be strategic departments reporting in to the Chief Executive. In other words, the original decision of the States should be maintained. As part of this proposed transfer of responsibility, the funding required for the payment of the PECRS pre-1987 debt also transfers back from Treasury and Resources to the Chief Minister’s Department.

The transfer of responsibility would mean that responsibility for the following capital projects would also transfer to the Chief Minister’s Department, although as paragraphs (c) and (d) of the proposition and the associated Tables C and D do not assign departmental responsibility for capital, there is no requirement for any formal amendment in relation to these projects –

	2012	2013	2014
Upgrade Microsoft Desktop technology	£752,000	£663,000	
Web Development	£100,000	£100,000	£170,000

Financial and manpower implications

There are no additional resource implications arising from this amendment, which merely transfers these sums and all current manpower resources from the Treasury and Resources Department to the Chief Minister's Department.

Extracts from ‘Machinery of Government – proposed departmental structure and transitional arrangements’ – P.70/2002

The States agreed the Departmental responsibilities for the ministerial system as set out in Appendix 2 of the proposition. The relevant parts of that Appendix for the Chief Minister’s Department and Treasury and Resources read as follows –

1.2 Chief Minister’s Department

1.2.1 The Chief Minister’s Department will provide support and advice to the Chief Minister and Council of Ministers, enabling them to fulfil their duties and responsibilities for the executive government of the Island.

1.2.2 The wider responsibilities of the Department will consist of the following -

- corporate strategy and policy co-ordination;
- corporate E-Government and ICT strategy;
- corporate human resources policy and casework, and senior staff management;
- pensions policy, and overall relations with the PECRS Committee of Management;
- responsibility for the Law Draftsman’s Office and the Law Commission;
- Jersey’s Statistics (including responsibility for the Census);
- international relations, as well as relations with Her Majesty’s Government;
- the Emergencies Council and emergency planning;
- liaison and consultation with the Connétables and the Parishes;
- relevant procedural and ceremonial functions, in consultation as appropriate with the Bailiff;
- Overseas Aid (with an Advisory Board to be established under the political responsibility of the Chief Minister and the Council of Ministers).

(...)

1.11 Treasury and Resources

1.11.1 The Treasury and Resources Department will have responsibility for the following areas -

- the present responsibilities of the States Treasury, including resource allocation and fiscal policy, payroll matters, pensions administration, currency management, and management of the capital programme;
- all taxes and receipts (although the office of Comptroller of Income Tax will remain unchanged under the Income Tax laws);
- corporate property (the 'client' role), including policy responsibility for property procurement, design and maintenance;
- allocation and monitoring of States manpower numbers;
- the tax/benefit interface, and overall policy on the Social Security Funds;
- ownership responsibilities for States-owned companies.