

2025.01.21

**Deputy I. Gardiner of St. Helier North of the Chief Minister regarding a reorganisation of the Civil Service (OQ.8/2025):**

Will the Chief Minister advise what work is currently taking place or planned to reorganise the Civil Service, what departments will be affected, the expected outcomes and the timeline for this work?

**Deputy L.J. Farnham of St. Mary, St. Ouen and St. Peter: (The Chief Minister):**

As we stressed in both the C.S.P. (Common Strategic Policy) and the Budget debate, this Government is committed to curbing the growth in public spending and one of the ways we are doing that is by some right-sizing, some reorganisation of the public sector without affecting essential front line services. The reorganisation is aimed at grade 11 and above and mainly at reviewing the senior management levels right across the public sector. This is essential because the number of jobs at a headcount in the public sector has risen by, in the region of, 2,500 in the last 5 years. The 2025 Budget includes £50 million of non-front line payroll savings. That is how it will be reflected, savings across the workforce and departments. And departments, I should say, all of the departments are developing their own measures to achieve what is needed. Basically, we said to every single department: "Have a good look at your structures to make sure you are not overstaffed and make sure you are appropriately staffed." This is not going to be a one-off. This is the sort of housekeeping that any Government needs to maintain. We always need to be monitoring our headcount to make sure our public sector is appropriately sized and effective.

**3.9.1 Deputy I. Gardiner:**

Thank you, Chief Minister, for the answer. I do believe that we always need to look at what is happening. It feels that the civil servants have gone through the restructure from 2017 without stopping and evaluating what has happened. We had one Communication Department; now we have all communication officers gone back to the departments. I looked at the current chart that is published on the government website and I was surprised to see that the chart has not been updated since September, and at least 4 out of 9 chief officers do not work anymore for the Government or their positions. For the transparency and the understanding of the States Assembly and the public, would the Chief Minister present a clear vision for the restructure of the Civil Service?

**Deputy L.J. Farnham:**

I am not sure how much clearer we can be. I will make sure the organisation chart, which I have not seen myself, is updated on the website but we have asked each and every department to look at their staffing structures and headcount to make sure they are appropriately sized. I think that is a clear instruction from us that is being led by the chief executive officer and the Executive Leadership Team. We are not planning a root-and-branch restructure of the public sector. We are simply doing what any good organisation should do and monitoring it on a regular basis to make sure it is appropriately sized.

**3.9.2 Deputy J. Renouf of St. Brelade:**

The Chief Minister has just said that the Government is not planning a root-and-branch reorganisation of the Civil Service, but we have just heard published in the last few days the Deputy Chief Minister for Health and Social Services' plans to substantially reorganise the Health Department, including transferring functions out of government to a new board and so on. At least in one department there is a significant restructuring, it seems to me. Is he prepared to rule out any further restructurings of this kind and of this nature within the organisation of the Civil Service, not relating to redundancies?

**Deputy L.J. Farnham:**

I am not prepared to rule anything in or out because I believe an organisation of this size needs always to be flexible and needs to be able to respond to circumstances as and when they appear. In relation to the health service, it has always been the Deputy Chief Minister for Health and Social Services' intention to put quite a disparate portfolio together in one place and perhaps give it more autonomy in focusing on the delivery of all health and health-aligned services. The Health Department, I think, has been possibly misrepresented in the media because greater autonomy and to focus on health is not the same as being removed from government. It cannot be removed from government. It is funded by the taxpayer. It is managed by a team of Ministers and Assistant Ministers who report to the Council of Ministers and ultimately to this Assembly. The health function will always be part of the government, but I support Deputy Binet and the Minister and the Assistant Minister's move to bring it more together to create a more collaborative and effective health service.

[11.45]

**3.9.3 Deputy J. Renouf:**

Let me come at it from the other angle. Can the Chief Minister assure us then that there are currently no discussions about reorganisation of the major departments in government that currently exist, despite the fact that many chief officers have left?

**Deputy L.J. Farnham:**

There are ongoing discussions and there will be, I hope, through the course of this Government and future Governments continuous ongoing discussions and monitoring of staff levels and staff numbers throughout the public sector in every area of the public sector. There are ongoing discussions at senior management level always about how we might make sure we continue to deliver in the most productive way. As I said at the start, the public sector in the last 5 years has grown by over 2,500 headcount. That is unsustainable, unaffordable and this Government will stem that growth and put it back to a size that we need.

**The Bailiff:**

I have Deputy Southern, then Deputy Ozouf and Deputy Jeune, then final supplementary. No further questions.

**3.9.4 Deputy G.P. Southern of St. Helier Central:**

What specific measures does the Chief Minister have in place to ensure that front line services are not damaged by these changes in staffing?

**Deputy L.J. Farnham:**

First of all, in relation to this, front line services are exempt. We have not applied recruitment freeze to all the front line services. The States Employment Board are going to be reviewing that. What we have put in place is a process where each and every new position has to be approved by the chief executive officer. We can monitor what is going on on a regular basis. The original plan is not so such ... while we are looking to save some money on payroll costs with senior management levels, we want to go further than that; we want to reprioritise. Once we reach those savings, where we are making savings, we want to put that money into front line services. We know that health, police and other areas are going to potentially need increases in budgets, but we do not want that to be extra expenditure. We want to deliver that support to those front line services by making savings in other areas.

**Deputy G.P. Southern:**

The question was: what specific measures does the Minister have in place? Could the Minister give an example of how, despite staffing changes, services will maintain delivery?

**Deputy L.J. Farnham:**

I thought I did give a specific answer insofar as the front line services are excluded from the recruitment freeze so if they need more staff they can employ following a process. I am not sure what ... unless there is something I am missing from the Deputy's question, I thought that was quite specific. Front line services are excluded from the recruitment freeze.

**3.9.5 Deputy G.P. Southern:**

Could I just emphasise then all front line services will remain unaffected? Is that a statement he would be prepared to back up?

**The Bailiff:**

I will allow that, but I think the Minister has answered the question because your first question was: what is being done to preserve front line services? The front line services are not subject to the freeze, so the Chief Minister has said, but if he wishes to answer the supplemental question you have asked, Deputy, it is up to him to do so.

**Deputy L.J. Farnham:**

It is a good question because we need reassurance on front line services. I am not sure I can add any more than that other than the whole object behind reorganisation to make sure our public sector is right-sized is not just about making payroll savings. It is about redirecting money that is not well spent on payroll into areas that need it, such as front line services.

**3.9.6 Deputy P.F.C. Ozouf of St. Saviour:**

My question is in relation to 2 issues which came to my attention over Christmas and New Year. We are aware of - the Chief Minister has explained and we have heard other questions about - the recruitment problems within, for example, front line services, education and health. The Chief Minister has also explained that he is wanting to do a ban on consultants. I wonder if the Chief Minister could assuage the concerns of the 2 constituents I have spoken to over Christmas and New Year that are both engaged in providing consultancy services; local consultancies. They provide consultancy services because the staff at the hospital and teaching cannot get the staff so they provide local consultancy but, as a result of a ban on consultants, they cannot do their consultancy to help the schools, et cetera. I wonder whether the Chief Minister is aware of such unintended consequences. If so, would he do something about it? If not, now he has heard about it, will he do something?

**Deputy L.J. Farnham:**

We are aware of the consequences of ... it is referred to as a consultancy ban but it is not a total ban. Departments when wanting to bring in consultants now have to make a strong case and, again, can apply to the chief executive for that. Some consultants are allowed to come in. Some are essential, especially where ... managed services, for example, in digital areas and where it is needed, they are allowed. We are aware that it is impacting upon some local consultant businesses. Figures will be out a little bit in the next month or 2 but the figures at the end of the third quarter last year showed a significant drop in consultancy spend from somewhere in the region of £90 million to £60 million, which is a good start, and we want to continue along those lines. I would like to get into a place where when we do need consultants, we source as much of that expertise from the local market where we can in relation to the Deputy's responsible, of course recognising that some expertise we need is just not available on Island, but I hear what he is saying. I know it has had an impact on some small consultancy firms here but once we get things straightened out, once we get that reliance, that

dependence - that over-dependence - on bringing consultants under control, I hope we can start to go back into the local markets and grant business to our local firms.

### **3.9.7 Deputy P.F.C. Ozouf:**

I am grateful for the assuagement of concern but does the Chief Minister agree that in saying ... and I understand that budgets need to be cut and we need to get value for money but he says that reducing consultancy down from £90 million to £60 million is a good thing but is it a good thing, I ask the Chief Minister, when you have got schools and health services that are affected by a ban that has now got red tape that has to go right up to the chief executive to get permission to approve a local contractor that is providing local services to schools and other front line services but cannot because of this ban? It is a mixed message. I understand the difficulty, but it is a mixed message. Will he be careful how he explains it?

### **Deputy L.J. Farnham:**

It is a fair question. I am not aware whether reduction in use of consultants or managed services or temporary staff - under the bracket - is having a detrimental impact, is causing any major problems. Like I said, some departments have become over-reliant, over-dependent. I mean the Deputy and I go back a long time, and we have always had a battle against consultancy in recent times, and we have seen the use of consultants from when I started in the States in 1999 where consultants were used very rarely to it being almost a *fait accompli*. When you ask for something to be done, we bring consultants in. That is a culture that has to stop. In relation to local firms who have provided excellent service to us when we need it but there are also circumstances where firms had consultants in place for a number of years, and that is the culture we are trying to change. The message to local firms is we will try and work with them with their expertise as much as we can, but our duty is to the taxpayer and making sure that our expenditure is appropriate in alignment with what we need.

### **The Bailiff:**

Deputy Jeune, I have already called last question.

### **3.9.8 Deputy H.L. Jeune of St. John, St. Lawrence and Trinity:**

Sorry, I was thrown by the Chief Minister saying when he started in the States when I was still at school, so I have got a lot to learn from him. **[Laughter]** Could the Chief Minister explain what he means by making the Government an appropriate size when he answered in his first answer, when the first question was asked, and appropriate in comparison to what?

### **Deputy L.J. Farnham:**

It struck myself and fellow Ministers that an increase in 2,500 employees over a 5-year period seemed to be excessive and so we decided we needed to have a look at that and what we have discovered is that we were overstaffed in senior management levels right across the public sector. What we are trying to do is reorganise that and reduce senior management levels to an appropriate size, to a size that will deliver the best value for money, is productive, without compromising the service delivery and without compromising front line services.

### **3.9.9 Deputy H.L. Jeune:**

I think those are the 2 words that the Chief Minister answered about still having that productivity and service delivery in all departments, not necessarily just front line but those important services behind the scenes to deliver. Does the Minister feel that the public understand that there is this balance to be had to ensure that they see that there will not be any delays to essential productivity or services? Because unfortunately, still to the public, the Government are seen as very slow in their delivery of many services or promises and commitments that they have made. How will the Minister ensure that

these will continue, that there is a timeline that is seen appropriate to the public even though there has been this cutback to - his words - appropriate size?

**Deputy L.J. Farnham:**

I think the public quite rightly expect the very best service we can offer. We have not always delivered that in the past. The public certainly expect from those who have shared their views with me that they feel our public sector ... and we do have an excellent public sector. I will not criticise the public sector or the people that work in it, but it has got too big, slightly unwieldy and the public expect we spend their money appropriately, we deliver a public sector that is appropriate, that is nimble and able to deliver more quickly and that is what we are working to do. We are not there yet. There is a long way to go but this Government will do its very best to point the ship in the right direction and I hope future Governments will keep moving. It is important future Governments do not ever let happen again what has happened before where we took our eye off the ball, and we allowed exponential growth in the headcount of the public sector that we are now having to resolve. Once we get it back to a level which is commensurate with the needs of the Island, we hope we can keep it that way.

**3.9.10 Deputy I. Gardiner:**

I would like to ask the Chief Minister if he remembers the Public Accounts Committee, Comptroller and Auditor General back in 2022 when the Chief Minister was Deputy Chief Minister and accepted recommendations that any further restructure or reorganisations or organisational change - regardless of the name - should be presented business case evaluation of the situation, what expected outcome and how much it will cost? It was a clear recommendation, and it was accepted by the Government that Chief Minister was Deputy Chief Minister. Now, has the Chief Minister been presented with the changes for the Health and Community Services Department, which is now called Health and Care Jersey, and with C.Y.P.E.S. (Children, Young People, Education and Skills) because at least these 2 departments who have more than half the budget are not recruiting permanent top staff, they have interims, because they are going through a restructure. The simple question is if the Chief Minister has been presented with the business case which clearly states the expected outcomes of this restructure?

**Deputy L.J. Farnham:**

I do not specifically remember the recommendation of the C. and A.G. (Comptroller and Auditor General) back in 2022, but I cannot remember what I had for breakfast, so that is not surprising. I do not recall seeing a specific business plan from the Children's Ministry; it is not there at the moment or Health on this because these are areas of work in progress. I said before the reorganisation of the public sector, we are not working to a specific business plan, we are working to the principle, making sure it is right-sized, making sure it is more affordable and making sure it is delivering the services we need with the right number of headcount. We do not need to get every single department producing business plans specifically around the headcount.

[12:00]

We will be publishing the business plan for the departments, as promised later this month; it is a general one. But in relation to the headcount, the size of the payroll, we will continue to monitor that, as any good organisation should do.