

2018.10.09

13 Deputy R.J. Ward of the Minister for Treasury and Resources regarding funding for restructuring of the public sector: [OQ.144/2018]

Will the Minister confirm the amount of money available from the current M.T.F.P. (Medium Term Financial Plan) for restructuring of the public sector, and will she advise how much of this has been spent and how much money is left of the contingency funding for 2019?

Deputy S. J. Pinel of St. Clement (The Minister for Treasury and Resources):

Summary Table C on page 141 of the Medium Term Financial Plan 2016 to 2019 document illustrates the amount of central contingency money allocated to restructuring and redundancy in 2016: £7 million and £16 million respectively. In 2017 the restructuring and redundancy provisions were brought together. Summary Table C on page 150 of the M.T.F.P. Addition document illustrates the amount of money allocated to restructuring and redundancy provision, a total of £12.2 million over the 3 years 2017 to 2019. At present it is forecast that £850,000 of these allocations are not earmarked by the end of 2019. Since the announcement of the target operating model work has been going on to deliver the new structure. Costs are likely to be incurred during that process which may be funded by other means but within existing resources.

3.13.1 Deputy R.J. Ward:

Would the Minister accept that the merging of restructuring costs and public sector pay rise has confused negotiation, indeed allowed a level of confusion to reign that has masked real and consistent cuts to pay for public sector workers?

Deputy S.J. Pinel:

No, any confusion arising is almost certainly down to the change from the workforce modernisation programme to the new restructuring programme. In the M.T.F.P. 2017-2019 a reduced savings target was proposed and approved by this Assembly of £77 million reflecting improved forecasts, delivering pay restraint formed an important part of that target.

3.13.2 Deputy R.J. Ward:

Given the 4 years of growth in the economy quoted by Senator Farnham earlier, can I voice a concern linked to this, a percentage of States workers have faced pay protection measures following restructuring meaning that significant pay cuts will be faced at the end of the next 3 years, which can only be detrimental to our service provision.

Deputy S.J. Pinel:

The restructuring, as the Deputy will be well aware, is underway at the moment and it is very difficult to ascertain quite what redundancies will be made and what pay restructuring and pay protection will be allocated.

The Bailiff:

The Minister seems to have disappeared, I just noticed that. Is there an Assistant Minister for Health here? **[Laughter]** Well, Deputy Pamplin, I think you win. Perhaps in the circumstances we might come back to this question in just a moment. Deputy Higgins, perhaps we will go on to question 15.