



States Greffe

Deputy Ian Gorst
Minister for Treasury and Resources

BY E-MAIL

14th November 2023

Dear Minister,

Corporate Services Scrutiny Panel

Government Plan 2024-27 Review – Value for Money Programme

Thank you for attending the Panel's review hearing on 13th November 2023. Following the hearing, the Panel has agreed to request the below information to understand the governance around the Value for Money Programme within Government departments, highlighted as priorities within both your Ministerial Plans for 2023 and 2024.

During the hearing, the Panel raised questions regarding the practical application and evidence of Value for Money savings. It was observed that while there is an emphasis on departments to deliver efficiency savings, there appears to be a lack of tangible examples to substantiate these claims. This is especially crucial given the further unallocated future savings line of £10 million within the proposed Government Plan 2024-27 for next year as well as for 2025 and 2026. As raised in the hearing, the Panel remains concerned that the allocations for savings in future years appear speculative as no breakdown is identified for how these savings will be made and neither is there a clear governance process to evaluate the impact thereof.

In your 2023 Ministerial Plan, Priority 12 focused on establishing a Value for Money Programme by providing appropriate governance, reporting, and resourcing. It also emphasised financial and commercial advice to departments. In your 2024 Ministerial Plan, Priority 7 shifts towards improving service delivery via this programme, again underscoring the importance of delivering departmental savings targets and demonstrating continuous improvement.

In order to better understand these priorities, the Panel requests detailed information on the following:

- **Governance Structure:** An explicit outline of the governance structure in place for overseeing the Value for Money savings within departments. This should include how reporting mechanisms ensure transparency and accountability.
- **Achievement of the 2023 Priority:** An evaluation of how the 2023 priority of establishing a governance framework has been met. Specifically, we seek examples of how this governance has led to tangible and demonstrable Value for Money savings within the departments for 2023.
- **Influence on the 2024 Priority:** An analysis of how the achievements and lessons from 2023 have shaped the 2024 priority, especially in improving service delivery and setting savings targets for 2024.

- **Strategy for Speculative Savings:** Clarification on the approach towards managing and reporting speculative savings, in light of the advice from the Fiscal Policy Panel. This should address how speculative savings are being integrated without compromising the advised fiscal principles. We note that in the FPP's annual report for 2023, the FPP maintains its previous recommendation that the Government maintain realistic and timebound targets for all savings and to not include unspecified future savings.

We appreciate your cooperation in this matter and look forward to a detailed response. Due to the immediacy of the review, the Panel would be grateful if you could please consider the following request and provide a formal written response as soon as possible, or, by no later than **5pm on Wednesday 22nd November 2023** to inform the Panel's review. Please be aware that it is the Panel's intention to publish the response it receives on the States Assembly Website.

Yours sincerely,



Deputy Sam Mézec
Chair
Corporate Services Scrutiny Panel