

# STATES OF JERSEY



## STATES' EXPENDITURE: REDUCTION IN COST OF PUBLIC SECTOR WORKFORCE

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Lodged au Greffe on 24th June 2003  
by the Connétable of St. Helier

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STATES GREFFE

## **PROPOSITION**

**THE STATES are asked to decide whether they are of opinion –**

- (a) to charge all Committees of the States, including the Trading Committees, to provide for the Policy and Resources Committee before the end of October 2003 full details of their staff costs, including all contract and temporary posts, for the year 2003, together with the projected costs for 2004 and 2005, showing which staff are employed in areas considered by the Committee concerned to be core functions and those who are employed in non-core functions;
- (b) to charge the Policy and Resources Committee to bring forward to the States for approval, before the end of 2003, proposals to reduce the size of the Island's public sector workforce by the end of 2005 by not less than 10% in real terms compared to September 2003 levels; and
- (c) to agree that the Policy and Resources Committee shall forthwith be empowered to direct any Committee of the States to alter its staffing levels, including contract and temporary posts, so as to achieve the corporate objective of lowering the cost of the public sector workforce.

CONNETABLE OF ST. HELIER

## REPORT

The public of Jersey is understandably dismayed at the prospect of increased taxation and new charges in order to fund the government's deficit when it sees no evidence of the States having first cut its expenditure on staffing. This failure to rein in payroll costs is all the more astonishing given the significant cuts in the capital programme and in the revenue budgets of some departments.

Ask any householder the simple question: if your income is cut do you continue with your previous levels of expenditure? The answer must be, 'no'. And what goes first – the children's clothes or the cleaner? The answer is obvious. Ask any company director: if your income is cut do you continue your previous staffing levels? Again, the answer must be, 'no'.

Yet this does not appear to apply to the States of Jersey. When we look across the States departments we see the majority of them employing more people as if there's no greater need for these posts elsewhere. How many administrative or managerial posts, for example, have been saved in those departments of the States that have recently merged under the umbrella of the Economic Development Committee? Given the down-turn in agriculture, why have we not seen a corresponding fall in the number of public sector employees supporting that industry? Rather, we note from the States of Jersey Manpower report for the period 1st July 2002 to 31st December 2002 (R.C.26/2003), the creation of 3 additional one-year contract posts in that department: an Outdoor Cropping Consultant, a Protected Cropping Consultant and a Livestock Consultant. The re-allocation of half of the 71 posts in the Agriculture and Fisheries Department would go a long way to addressing the needs of other departments for whose services there is a growing demand rather than a shrinking one.

The same report shows under 'Reduction in permanent posts', a single FTE saving of a chargehand gardener from the Environment and Public Services Committee. This solitary staff saving can make little impression when there is growth in practically every other department. The Health and Social Services Committee, we are told, have been unauthorised in adding 7.31 permanent posts during the period, while their authorised increases in contract staff include such functions as: Executive Officer (CandDSU), Human Resources Admin (MAPS), Child Protection Training Coordinator, Secretary (CandDSU), and no fewer than 24 Bed Management Initiative 3-year contract posts.

The Employment and Social Security Department has filled 13.5 contract positions including Training Manager, Training Assistant, Employment Assistant, Board Secretary, Business Transformation Director, and a number of part-time Business Transformation Support staff, while the Tourism Department, now rebranded as the Tourism Board appears to have added to its complement of 41 staff, two contract posts entitled CRS/Information Officers expiring in October this year and next year respectively.

The all-important table 'Transfers of permanent posts between Departments' which might be expected to show evidence of corporate thinking and an appropriately thrifty approach in the current economic climate reveals that in the 6-month period concerned 4.22 FTE out of a total headcount of 6,226 (not including the Trading Committees) fulfilled the criterion of 'compensatory savings elsewhere in the organisation'.

Meanwhile, tasked with shaving 10% off their revenue budgets, the combined forces of the Committee Presidents in the recent Fundamental Spending Review (FSR) came up with the requirement for 70 new full time positions.

Perhaps the public will be reassured to know that, in the FSR paperwork under 'Post workshop tasks', the group agreed the following resolution: "to work together to ensure that Committees share job vacancies (to minimise the impact on States' staffing of service growth)".

The situation is desperate and demands desperate remedies – measures that will require – today, not tomorrow – the Policy and Resources Committee to direct any Committee of the States to alter its staffing levels, including contract and temporary posts, so as to achieve the corporate objective of lowering the cost of the public sector workforce. The lead Committee must take a lead on this issue and exercise a meaningful role in allocating human resources to priority service areas; to tackle the continued duplication of service provision between States Departments; and to avoid increases in taxation and other charges to the public until such time as the States have demonstrated their ability to control their own expenditure.

Leadership in this crucial matter of controlling public sector employment costs is also vital if the majority of hardworking and committed members of our workforce are to receive the respect they deserve for the work they do.

Several years ago the then Public Services Committee implemented the recommendations of its service review to an extent unmatched by other departments, some of which have continued to increase their manpower levels in spite of Public Services' belt-tightening. Now, in 2003, the Environment and Public Services Committee risks being pilloried both within and without the States for proposing a sewerage charge in order to meet further cuts in its budget, while other departments are spared any meaningful reductions.

It is entirely wrong that any individual Committee of the States should have to act as the 'fall guy' in this matter; it is right, in my view, that all States committees, including the 'social' committees, take their share of adapting to our changed economic circumstances before any individual Committee takes steps to increase its revenue by imposing new charges on the public. It is particularly important that this happens if the States is to retain any vestiges of respect and trust from the public, who must find the prospect of paying new charges and increased taxation in the face of rising public sector staff costs a very bitter pill to swallow.

If this proposition is approved all Committees of the States (including the Health and Social Services, Education, Sport and Culture, and Employment and Social Security Committees) will be obliged to take steps to reduce their non-core staff costs. In practical terms this will mean breaking down the silo-mentality which still exists between departments and which allows the duplication of functions such as administration, finance, personnel, strategic planning, public relations, training, health and safety, purchasing, maintenance, cleaning, training and the like to continue unchecked.

There are no negative manpower or financial implications in this proposition.

## Appendix – Headcount by department as at 31st December 2002

Department	Permanent	Contracts	Trainees	Vacancies	Total
Culture and Fisheries	65	3	0	3	71
Magistrate's Chambers	11	0	0	0	11
Motor and Vehicle Standards	18	0	0	1	19
Economic and Commercial Development	21	2	0	1	24
Immigration	1,642	4	4	63	1,713
Emergency Planning	3	0	0	0	3
Employment and Social Security	117	15	0	3	135
Fire Service	88	0	2	0	90
Health and Social Services	2,318	30	34	5	2,387
Home Affairs	3	1	0	0	4
Immigration	85	0	0	11	96
Migration and Nationality	23	0	0	0	23
Police	53	2	0	0	55
Revenue Tax	63	4	0	4	71
Royal Greffe	47	0	0	0	47
Senior Officers' Department	35	1	0	5	41
Deputy Lieutenant Governor	13	0	0	1	14
Statistical Analysts	8	0	0	1	9
Disaster Relief Aid Committee	1	0	0	0	1
Planning and Environment	59	2	9	1	71
Police	334	0	0	23	357
Personnel and Resources	42	3	3	7	55
Police Board	97	0	2	5	104
Police Station	32	5	2	0	39
Police Services	526	1	9	68	604
Police, Leisure and Recreation	90	25	0	3	118
Police Greffe	37	2	0	3	42
Police Human Resources	30	0	9	13	52
Police Treasury	106	2	14	9	131
Prothonotary Registrar	3	0	0	0	3
Police	5	0	0	0	5
Police	34	2	0	5	41
Police Units Office	25	0	0	1	26
<b>Traders Total</b>	<b>6,034</b>	<b>104</b>	<b>88</b>	<b>236</b>	<b>6,462</b>

Source: (R.C.26/2003)