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# STATES OF JERSEY



## **TRANSFERS BETWEEN HEADS OF EXPENDITURE UNDER THE PUBLIC FINANCES (JERSEY) LAW 2019: ARTICLE 18 – 2ND FEBRUARY 2022**

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**Presented to the States on 2nd February 2022  
by the Minister for Treasury and Resources**

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**STATES GREFFE**

## REPORT

**Decision(s):** Under Article 18(4) of the [Public Finances \(Jersey\) Law 2019](#) (the Law), the Minister for Treasury and Resources hereby notifies the States, and having consulted with any relevant Minister under Article 18(5) of the Law; that she has agreed to the following –

### Transfers between Heads of Expenditure under Article 18 of the Law

MD-TR-Ref.	Department		£	Funding of –
	From –	To –		
2022 - 0009	Operating Office (COO)	Treasury and Exchequer (T&E)	£4,500,000 and up to 55 FTE (not all recruited)	Commercial Services, representing the total budget and team supporting this directorate

After the expiry of 4 weeks following the presentation to the States of these transfers, the Minister hereby authorises the Treasurer of the States to action the transfers outlined in the table above.

### **Background**

As part of the One-Government Transformation programme, whereby the Principal Accounting Officer (PAO) structure was established a number of structural transformations were prioritised. Two of these were the Treasury and Exchequer (T&E) redesign and the formation of the Chief Operating Office (COO).

The requirement for a Commercial service was confirmed in 2018 as part of the One Gov transformation. The concept was initiated but the services was yet to be designed, the existing transactional procurement team were moved into the CS directorate and a Director appointed to lead it through the creation and implementation of the new service, focusing on expanding and maturing how the Government thinks and delivers procurement across the organisation but also bring in the concept of Commercial, which to date had not a central centre of excellence with inconsistent delivery of solutions and minimal capability across the organisation. Focusing more on out-sourcing rather than developing our own.

The rationale behind removing the legacy procurement team out of T&E into the COO at that time was to give them both the best chance of success. The transformation of both whilst connected were too significant to undertake at the same time under the same programme, therefore the COO was set up and the recruitment process for the Commercial Services Director commenced.

The collaboratively lead transformation design of Commercial Services, has led to the creation of a matrix directorate, covering Commercial advisory and support e.g. Grant Schemes, Fiscal Stimulus support, ALO governance and standards development, Procurement e.g. the development of Strategic Category Management across Capital and Revenue, including advisory towards multiple strands of expenditure, which is

being developed through the CS transformation programme and Business Services e.g. demand, data and process management and consolidation, ITS support and development, governance and Commercial training.

Over the last 12-18 months, the evolution of this model has identified multiple touch points and synergies with the Department of the Treasurer & Exchequer, from operational, strategic, regulatory and statutory responsibility perspectives.

Due to the above, whilst also recognising the substantial portfolio including a considerable amount of outsourcing that comes under the Chief Operating Officer, it is recommended that the Accountable Officer (AO) responsibilities should be separated.

The transfer of the Commercial Services directorate from the COO into T&E, will build on the synergies above, reposition the AO responsibilities whilst, also seeking to optimise commercial and financial strategic and operational thinking, process design and resource development.

All staff and related non staff items currently outlined in the 2022 – 2025 Government Plan will be transferred to T&E. The current staff budget is £3,622,202, non-staff budget is £820,500, income budget is (£175,000) and non-cash budget is £70,000 for depreciation.

The directorate has previously been under the Treasury Minister, in this regard no changes of ministerial direction are required as it ensures that the core components under their responsibility are consolidated as they had been previously.

*This decision can be found on [www.gov.je](http://www.gov.je) under the following Ministerial Decision references –*

- *MD-TR-2022-0009*

*which were signed on 28th January 2022.*