

23.07.04

**3 Deputy M.R. Scott of St. Brelade of the Chief Minister regarding Government cost-saving achievements (OQ.129/2023)**

Will the Chief Minister identify for Members what she assesses to be the best example of cost-saving achieved by the Government in the last 12 months?

**Deputy K.L. Moore (The Chief Minister):**

I thank the Deputy for the question. Shortly after entering Government and realising that the rebalancing programme of the previous Government was not delivering the significant savings that it had promised we decided to take a different approach, and have focused particularly through the Cabinet Office and the Treasury team on a value-for-money project. Also, through the excellent work of the Delivery Unit within the Cabinet Office, a number of streams of work have been undertaken that drive value for money and, in particular, better results for our workforce. I am extremely grateful to the Delivery Unit for their work. They are now delivering an £80,000 a month saving in accommodation costs because previously accommodation was being funded through temporary accommodation. Through this piece of work we now have a much better allocation of accommodation for key workers, in particular. We also are focused of course on going forward and the health turnaround team have a financial business plan, which will deliver a £20 million saving annually within the next 3 years.

**3.3.1 Deputy M.R. Scott:**

Could the Chief Minister please expand on how the temporary accommodation costs have been saved?

**Deputy K.L. Moore:**

Gladly. Until recently we had a situation where, for example, nurses were having to spend parts of their shift making calls to hotels to arrange accommodation for their colleagues and we are now developing a centralised accommodation service and more permanent accommodation. We have released over 100 units of accommodation in some Andium properties but also, by redeveloping Westaway Court and making that suitable for our much-needed key workers, that they have a stable source of accommodation when they first arrive here to deliver the much-needed services that they bring their skills here to help us with.

**3.3.2 Deputy M. Tadier:**

Does the Chief Minister accept that there are perhaps 2 types of cost saving; there is short term and there is longer term and that when it comes to longer-term savings that often upfront investment is needed? Could the Minister give examples of areas that she thinks that investment either has been made or is desperately needed in order to save cost terms both financially and human in the future.

**Deputy K.L. Moore:**

The purpose of the Delivery Unit is exactly that. To go in and identify ways of working that improve efficiencies and then they hand over to that team to develop within their business as usual. So that those new ways of working, those new practices, are embedded within the organisation and long-lasting. I can also identify of course the health turnaround team where we have made a significant investment but that investment is driving forward much better practice both clinically in terms of service delivery but also in terms of our financial management. As I explained in the previous

answer, that team is driving forward improvements in spending in the health service so that in future, within 3 years, we will be delivering a £20 million a year saving.

### **3.3.3 Deputy M. Tadier:**

Does the Chief Minister also accept that if we invest, for example, in things like early years and we invest in sport and preventative health, that that will not show up as a saving in the short term or even necessarily within her term of office, but that maybe in decades to come we will see positive outcomes which include financial?

### **Deputy K.L. Moore:**

As the Deputy should be well aware, I am a big believer in early intervention and, of course, with early intervention methods in terms of, say, the Pupil Premium, but also with sport and, as the Deputy identified, quite rightly, public health programmes, we of course can deliver long-term savings through better health outcomes for Islanders and particularly for children.

### **3.3.4 Deputy S.Y. Mézec of St. Helier South:**

In an earlier answer the Chief Minister referred to the value-for-money programme, which in the most recent Government Plan outlined an ambition for £10 million of savings to be achieved year on year. The future years of which did not have a single penny of that substantiated in that plan. Given the Fiscal Policy Panel has said that savings should not be provided for in a Government Plan where they cannot be identified where they are going to be found, will the Minister commit that the next part of the Government Plan will not contain any plans for value-for-money savings where she cannot point out exactly where those pennies will be found?

### **Deputy K.L. Moore:**

As I think I have outlined, we are already driving value-for-money savings through simple changes to practice and improvements for both service delivery and key workers and public servants. The Deputy is quite right in raising his question, but that is why the value-for-money programme is expressed as it is and has a very simple target which is achievable and one that will, as we progress with some time, be deliverable.

### **3.3.5 Deputy S.Y. Mézec:**

That was not anything close to an answer to my question which was about whether she commits that in future Government Plans the Fiscal Policy Panel's recommendation that it should not include value-for-money savings where the Government cannot substantiate exactly where those savings are coming from, which they recommend for all the right reasons about the negative side effects that can have on other services if the savings are not delivered. Could she answer that question and say whether she commits that she accepts that recommendation and those savings will not be in the Government Plan if they are not substantiated?

### **Deputy K.L. Moore:**

Forgive me if I was not clear enough but I can simply repeat that I agree with the F.P.P. (Fiscal Policy Panel) and their suggestion. It is most sensible. We have only had a year in office so far. We have identified that what went before was not working and that a new approach is required. Therefore we have put forward a sensible target that is achievable and we have identified already in previous answers to questions how we are achieving that, and we will continue to move forward so that in future we can identify these savings that will be delivered. But that moment we have set an achievable target that we are well on progress to delivering.

### **3.3.6 Deputy L.V. Feltham:**

Could the Chief Minister give the Assembly an idea of what criteria she used in order to determine which was the best example that she would use in answer to the original question?

### **Deputy K.L. Moore:**

I thank the Deputy for her answer. I have been most impressed by the Delivery Unit and the dedication with which they have taken the task of their work. It is challenging work but we are really proud of what they are delivering, and I think that it is for that reason that I wanted to identify it so I can share with the assembly this good work. They are a great example to everyone in the public service and I simply am so proud of it that I wanted to share it with the Deputy.

### **3.3.7 Deputy L.V. Feltham:**

I think we heard here that there was no assessment criteria. Perhaps the Chief Minister would be able to provide the Assembly what she means by the definition of “value for money” and how she defines it?

### **Deputy K.L. Moore:**

I think value for money has been well set out in the Government Plan, and it will be set again in the next one. That is a matter for the Treasury team and the particular people who are leading that.

### **3.3.8 Deputy G.P. Southern:**

Is it not the case that value for money is merely another set of words which mean savings? So value-for-money savings is redundant. Can the Minister point to one particular value-for-money saving where she was seen investment in now to gain benefit later among the value-for-money savings that she is talking about?

### **Deputy K.L. Moore:**

Gladly. I think I have already done that but I can of course give the Deputy some further examples because value for money is simply doing things smarter, doing things better. If I can again identify the good work of the Delivery Unit, they have spent a considerable amount of time with the People Hub, refining and improving our recruitment practices so that the process of onboarding people into much-needed roles in the organisation is smoother, slicker and helps the person applying for the job feel a part of our organisation, right from the very beginning. That of course drives value and the process is less burdensome, so therefore administratively more efficient but not necessarily with a distinct saving. I can also point to the £800,000 savings that has been made in the past year by reducing the use of zero hours agency staff by employing people on permanent contracts. I am sure the Deputy will see that that is indeed a step in the right direction. Also another example would be, and going back to recruitment, a greater use of our in-house talent, and the recent recruitment process for our interim chief executive costs two-thirds less than the previous one.

### **Deputy G.P. Southern:**

I do not quite know where to go with this apart from to point out that the phrase “onboarding” people means recruitment. I will leave it there.

[10:00]

### **The Deputy Bailiff:**

Is there a question there? No.

### **3.3.9 Deputy M.R. Scott:**

If I could just follow up in terms of the Chief Minister's explanations in regard of cost saving and value for money. With respect to these 100 units in the Andium Properties that have been used for key workers and while accepting the value of key workers, will the Chief Minister accept that there is a cost to the community that perhaps needs to be set off there because presumably that means others in our community may well not have use of those properties, and if that has been looked at in terms of her estimation there? Also if she could please just give some numbers in respect of the saving achieved by turning agency staff into permanent staff.

### **Deputy K.L. Moore:**

I think the Deputy will agree that bringing people to the Island with the skills that we need to deliver much needed services, particularly in health and education, is a benefit to our community. If we take the Westaway Court, there was an investment there from the Infrastructure team, but that brought back to life a building that had been left empty for at least the past 4 years and now it is home to over 53 people. That, of course, is a positive thing. Yes, there are some units of Andium's that are now being used for this programme but again I return to the point that the benefit to our wider community is of great value and we have also carefully managed the impact on our Gateway and our waiting lists.