

STATES OF JERSEY



DRAFT ANNUAL BUSINESS PLAN 2011 (P.99/2010): THIRTEENTH AMENDMENT

**Lodged au Greffe on 31st August 2010
by the Deputy of St. Mary**

STATES GREFFE

DRAFT ANNUAL BUSINESS PLAN 2011 (P.99/2010): THIRTEENTH
AMENDMENT

1 PAGE 2, PARAGRAPH (a) –

After the words “withdrawn from the consolidated fund in 2011” insert the words –

“except that the net revenue expenditure of the Chief Minister’s Department shall be increased by –

- (a) £24,000 in order to maintain the ability of the Law Draftsman’s Department to recruit as required, and not proceed with the Comprehensive Spending Review proposal on page 62 of the Plan CMD-S4 “Reduce recruitment budget for the Law Draftsman” and;
- (b) £26,700 in order to maintain the budget for the Legislation Advisory Panel, and not proceed with the Comprehensive Spending Review proposal on page 62 of the Plan CMD-S5 “Reduce the Legal (*sic*) Advisory Panel budget”,

and the net revenue expenditure of the Treasury and Resources Department shall be decreased by the same amount by reducing the allocation for Restructuring Costs.”.

2 PAGE 2, PARAGRAPH (a) –

After the words “withdrawn from the consolidated fund in 2011” insert the words –

“except that the net revenue expenditure of the Economic Development Department shall be increased by £204,000 in order to maintain the normal functioning of the Department and not proceed with the Comprehensive Spending Review proposal on page 62 of the Plan ED-S3 “Overheads – Efficiency Savings” and the net revenue expenditure of the Treasury and Resources Department shall be decreased by the same amount by reducing the allocation for Restructuring Costs.”.

3 PAGE 2, PARAGRAPH (a) –

After the words “withdrawn from the consolidated fund in 2011” insert the words –

“except that the net revenue expenditure of the Health and Social Services Department shall be increased by £400,000 in order to maintain services provided by the department, and not proceed with the entire Comprehensive Spending Review proposal to save £750,000 on page 62 of the Plan HSS-S20 “Procurement savings from corporate procurement project” and the net revenue expenditure of the Treasury and Resources Department shall be decreased by the same amount by reducing the allocation for Restructuring Costs.”.

4 PAGE 2, PARAGRAPH (a) –

After the words “withdrawn from the consolidated fund in 2011” insert the words –

“except that the net revenue expenditure of the Health and Social Services Department shall be increased by £140,000 in order to maintain services provided by or with funds from the department and not proceed with the Comprehensive Spending Review proposal on page 62 of the Plan HSS-S22 “Recurrent reduction in all H&SS third party provider SLA” and the net revenue expenditure of the Treasury and Resources Department shall be decreased by the same amount by reducing the allocation for Restructuring Costs.”.

5 PAGE 2, PARAGRAPH (a) –

After the words “withdrawn from the consolidated fund in 2011” insert the words –

“except that the net revenue expenditure of the Housing Department shall be increased by £100,000 in order to maintain the normal functioning of the Department and not proceed with the Comprehensive Spending Review proposal on page 63 of the Plan HSG-S4 “Staffing rationalisation, reduced training and temporary staff provision together with a general reduction in departmental running costs” and the net revenue expenditure of the Treasury and Resources Department shall be decreased by the same amount by reducing the allocation for Restructuring Costs.”.

6 PAGE 2, PARAGRAPH (a) –

After the words “withdrawn from the consolidated fund in 2011” insert the words –

“except that the net revenue expenditure of the Viscount’s Department shall be increased by £33,000 in order to maintain services provided by the department and not proceed with the Comprehensive Spending Review proposal on page 64 of the Plan JGV-S2 “Delete a vacant post in Viscounts” and the net revenue expenditure of the Treasury and Resources Department shall be decreased by the same amount by reducing the allocation for Restructuring Costs.”.

DEPUTY OF ST. MARY

REPORT

Introduction

This set of Amendments is concerned only with what have been defined by the Minister for Treasury and Resources in his reply to my Written Question of 19th July 2010 as “efficiency savings” as opposed to “service cuts”.

In this written answer the Minister claims that of the overall 2% cuts which form part of this year’s Business Plan, 64% are actually efficiency savings.

But I have a real problem with these efficiency savings. Departments which run themselves in a sparse and frugal way have no fat to cut, nothing to offer up, whilst those who do not can more easily find these efficiency savings. Thus the wise virgins, so to speak, get punished, whilst the foolish ones find the cuts easy to manage. But this is not how it should be. Or am I missing something?

My understanding is that this is not the first time that departments have been tasked with finding savings and efficiencies. There was the FSR and before that no doubt again something similar under another name. The political masters and their Chief Officers should always, and rightly so, be seeking to run a tight ship.

This Amendment challenges Ministers to defend these efficiency savings and tell us openly where they come from and why they were not done before if they can be done now.

Note that I am sure that genuine efficiency savings can be made. Normally restructuring to eliminate anomalies and inefficiencies in large systems which grow up over time and which can be very expensive takes time, effort and the application of much intelligence and wisdom. The resultant cost savings are real and do not harm services, performance or working conditions.

Amendment 1(a) – “Reduce recruitment budget for the Law Draftsman”

Recruitment advertising is no doubt expensive, and trying to economise may mean more expense later, as an inadequate response may create the need to re-advertise. We need to attract the best people we can, as people are our most precious asset.

It is strange indeed that £24,000 can be found from the recruitment budget for one small department.

Questions come to mind:

How many posts are advertised each year, on average, over say the last 5 years, by this department? What was the budget before this cut? If this money can be saved now, what was it used for in the past?

NOTE: If a contingency is needed, in this or any other department, as well it might, then let us call it a contingency, and handle it with appropriate mechanisms. I am only surmising that that is what is going on here ...

Amendment 1(b) – “Reduce the Legislation Advisory Panel (LAP) budget”

Again, some simple questions:

What is the work of this Panel and who is on it? What was the budget before this cut?

It is strange indeed that £26,700 can be found from one small department, or is the LAP a quango, in which case the sum is even more extraordinary.

However, I do not wish to see the essential work of the LAP compromised so seek to restore this efficiency saving and look forward to the Minister explaining why this money can be cut now.

Amendment 2 – “Overheads – Efficiency Savings” in EDD

This is not a service cut, we are told, and there are no posts saved. So these savings are from some other source.

I would like the Minister to specify where they actually come from and why these savings could not be made before.

Amendment 3 – “Procurement savings from corporate procurement project” – HSS

The question here is: what happens if the planned savings do not materialise? Is this proposed saving secure, or more of a hope? The States-wide savings on procurement for 2011 are listed as £492,000 on page 104 of the Annex. In seeking to put back some of this cut, I am playing safe on behalf of the department. The Minister must persuade members that this reduction is indeed possible and sustainable. And again, why it was not done before?

Amendment 4 – “Recurrent reduction in all H&SS third party provider SLA” – HSS

This is billed as an efficiency saving and not a cut in the answer to my Written Question of 19th July 2010. But surely a “reduction in third party provider SLAs” means that a cut is being implemented at arms’ length by these third party providers?

Maybe the Minister will be able to reassure members that we do not have a stealth cut here.

Amendment 5 – “Staffing rationalisation, reduced training and temporary staff provision together with a general reduction in departmental running costs” – Housing

This is the lean, mean, fighting department the new Minister for Housing is proud of referring to. As with amendment 2 above, there is no reduction in actual staff, so where does this saving come from?

Amendment 6 – “Delete a vacant post in Viscounts”

Why does this job not need doing any more?

Was it a non-job before? Or has the work disappeared? Or will the remaining staff be overloaded?

Financial and manpower implications

The amendments are all cost-neutral for the States as the increases are all offset with an identical reduction from the £6 million Treasury and Resources Department’s central allocation for Restructuring Costs. The only manpower implication is the retention of the one vacant post in the Viscount’s Department.