

4.7 Deputy L.M.C. Doublet of St. Saviour of the Chief Minister regarding policy towards the provision of Government funds to charities (OQ.12/2026):

Will the Chief Minister advise whether the Council of Ministers has changed its policy towards the provision of Government funds to charities and, if so, how this will impact the provision of public services as a consequence?

Deputy L.J. Farnham (The Chief Minister):

It is the Government's policy to support charities as much as we possibly can, recognising the significant value they provide to the community. The taxpayer provides approximately £40 million annually to support Jersey-registered charities. The policies have not changed. Funding is allocated from the Budget Sponsoring Department following an assessment of need for a particular service or services. In addition, work is underway on commissioning a framework to ensure we have a consistent approach to dealing with requests from an organisation that find themselves in unexpected difficulty. Accountable officers are expected to review grants periodically, usually annually, to ensure they still achieve the agreed outcomes, which may mean that the individual agreement for varied or discontinued or renewed and the financial context is examined in case of service need changes. In short, we have not changed our policy. It is our policy to continue to support charities as much as we can.

4.7.1 Deputy L.M.C. Doublet:

I thank the Chief Minister for his answer. I have noticed a pattern across not just the charity that has been the subject of questions this morning but other charities not getting funding that they were getting. This does not tally up with the increased needs that I think we are seeing across the Island. If there is not a plan, is the Chief Minister working on a cohesive plan, perhaps a needs analysis, across all of the charitable services to ensure that they are properly supported where they need funding to help Islanders?

Deputy L.J. Farnham:

That is part of the practice now; it is ongoing work right across Government through all the departments where we work closely with charities. There is an ongoing assessment of need. We have very good relationships with charities in a number of instances. I have not got a breakdown of the whole list of all the organisations and many of them that receive a share of that money to ensure that money is well distributed. I would just remind Members of course that accounting officers have to work in line with the Public Finances Manual, which sets out the rules, if you like, of how we engage and how we ensure taxpayers' money is being best used.

4.7.2 Deputy J. Renouf of St. Brelade:

One of the issues raised by the case of the Jersey Employment Trust was the question of funding having been frozen, in other words no inflation-linked increases for a considerable period of time and that being a factor in the need for top-up funding. Does the Chief Minister agree that since most Government services are operated in line with inflation that a similar policy should not apply in relation to services that the Government has contracted out to organisations such as charities?

Deputy L.J. Farnham:

Could I just ask the Deputy just to repeat the last part of the question? I am not sure I ...

The Bailiff:

Yes, Deputy.

Deputy J. Renouf:

Does the Chief Minister agree that the funding for services that the Government contracts out to other organisations, such as charities, should in general rise in line with inflation, much as it does in terms of Government funding for its own services that are provided through government departments?

Deputy L.J. Farnham:

While the budgeting process accounts for inflation in certain areas, it is by no means automatic across Government budgets. There were robust discussions about departmental funding around the Council of Ministers' table and, ultimately, in this Assembly. In relation to all of the grants we give, not just to charities but to other third party, third sector, arm's length organisations, as the Public Finance Manual describes, those are reviewed on a regular basis to ensure money is being well spent. There are quite a lot of instances where we have significantly increased grants to charities, where they are increasing the services they deliver. I, for one, support that. I think the more the third sector can do and the less the Government can do in certain areas is good. We should be looking to the third sector and the private sector to deliver services where they can do it better than Government. I hope that answers the Deputy's question.

4.7.3 Deputy J. Renouf:

I think there does just appear to be a contradiction here but I think it would be useful to hear the Chief Minister's views on, which is that he has said that he thinks that in general it is good that services are contracted out to other organisations and that provides good value for money. Yet he is also saying that these funds have to be carefully managed, and indeed we have just seen with the Jersey Employment Trust an attempt to bring back in-house services that were going to be provided by the Jersey Employment Trust. How does he square this contradiction? Where does the centre of gravity lie?

Deputy L.J. Farnham:

There is no contradiction. We have not thought to bring back services. What we want to do is ensure services are not duplicated, and that is at the heart of the discussions we have been having with the Jersey Employment Trust. I am pleased to say, following a meeting yesterday afternoon with myself and Deputy Feltham and officials and the board of the Jersey Employment Trust, a joint statement has been issued that I am sure Members will see this morning, which removes all risk of redundancy for staff. But, importantly, it makes sure we have the time and the commitment from both sides that we look to revise contract for services that reflects Islanders' needs and avoids duplication. There are instances in charities where Islanders are receiving duplication, the same services from different charities and from the Government. That is not necessarily in the best interests of Islanders or the charities themselves. We have agreed that on an agreement on data sharing that enables us to move forward positively together so we can assess that and avoid duplication to ensure that money is being well spent. That might end up in some services being brought back into Government. It could mean that we give more services to a charity but we need to discuss it and understand the data to put that forward. A business plan for J.E.T. services that meets a requirement of the Public Finances Manual and ensures that Government and J.E.T. services are complimentary to each other. I think we are all agreed that we want to ensure that J.E.T. can continue to deliver this for many years to come.

4.7.4 Deputy M. Tadier of St. Brelade:

Could the Chief Minister confirm whether it is necessary for charities which receive certain grants from Government to reveal information about their reserves?

Deputy L.J. Farnham:

I think that is important. I think we have open-book policy with all the charities we support. I am sure the Public Finances Manual ... and Deputy Feltham knows that probably better than I do. I am not sure whether she is a poacher turned gamekeeper or gamekeeper turned poacher; I am not sure how that works. But it is important we have open-book policy with all of our charities and all of the organisations that receive public funds. While organisations keeping reserves is important, it is important that those reserves are not too large or irrelevant.

4.7.5 Deputy M. Tadier:

The reason I ask the question is clearly charities provide such important work in Jersey but not all charities are created equally. I am wondering if, for example, a particular charity were to receive a large bequest and up until that point they had been relying on a certain amount of Government funding, at what point does the grant and relationship and S.L.A. (service level agreement) and delivery all get taken into consideration? To what extent is it Government's job to get itself tied up in those areas to make sure Government's money is spent effectively and that the charities also remain efficient?

Deputy L.J. Farnham:

It is difficult to answer that without the context or the detail of a specific case. But in general I refer to my previous answer, that it will depend entirely on the circumstances and entirely upon the services we are contracted with the charity to deliver. But I think the principle is the same, we have to ensure there is open-book policy and the finances that are provided to the charities are relevant and sufficient for them to do their jobs. We must take into account that they are not over-funded and not carrying too many reserves.

4.7.6 Deputy I. Gardiner of St. Helier North:

As the Chief Minister mentioned in his answer, the commissioning framework that has been developed by the Government, will the Chief Minister confirm that the new commissioning framework has been developed and is in place and this will take forward commissioning services through the charities or it is still under development? If it is still under development, when will the updated commissioning framework be finalised?

Deputy L.J. Farnham:

Work is underway on a commissioning framework to ensure we have a consistent approach. I cannot give an exact timeline on that but I will find out and get back to the Deputy.

4.7.7 Deputy I. Gardiner:

Absolutely, thank you. I would welcome follow up in the public domain when the commissioning framework will be in place, so that all of the charitable sector will know. Would the Chief Minister advise if long-term funding that has been suggested by the Public Accounts Committee, Comptroller and Auditor General and the charity themselves that long-term funding, for example, 3-years' funding, would be part of this commissioning framework to ensure the charity can plan their work and deliver the services that they are required to?

[10:45]

Deputy L.J. Farnham:

What we support in the principle of longer-term funding, and we are looking at that now with the budget, the Dormant Bank Account Fund is a case in point. Deputy Gorst, I think it was last year, extended funding from that on to a 3-year cycle. It is important that when we are dealing with charities we give as much certainty as we possibly can. Of course all that is caveated by an annual budget. We have to agree the budget and use the funds that the States agree. We have to reconcile those positions but, in principle, I would be more comfortable in certain instances if we could provide a longer-term cycle for some of these organisations.

4.7.8 Deputy L.M.C. Doublet:

I agree with the Chief Minister that often the third sector can deliver the best service and this is backed up, is it not, by the J.O.L.S. (Jersey Opinions and Lifestyle Survey) data that shows charities have the highest trust from the public? There is a balance to be struck, again, around the governance of public funds. Given all of this information, can the Chief Minister inform the Assembly whether a decision or a policy has been made either centrally by himself or by any of his Ministers to deliver more services in-house through Government departments? If so, who took that decision, when and why?

Deputy L.J. Farnham:

No, as far as I know there is no policy about that. The policy is to deliver the best value for Islanders at all times and that is what we continue to adhere to.