Deputy Helen Miles,
Chair, Corporate Services Scrutiny Panel
By email

31st October 2025

Dear Chair,

Thank you for your letter of 16th October 2025. The answers to your queries are provided below.

Revenue Heads of Expenditure

1. **Are you confident that the 2026 departmental allocations for Cabinet Office, Digital Services and People Services are sufficient to deliver key services and policy under your remit? Please can you provide the rationale to support your response.**

All Departments have undertaken a process of prioritisation to focus their expenditure on delivering key services and policies and the priorities of the Common Strategic Policy. Ministers have been assured that the 2026 allocations will be sufficient to achieve this, and the following points provide the rationale:

Cabinet Office

- A Government-wide Legislative Programme has been agreed that seeks to match policy demand to capacity.
- A formal annual assessment process for Statistics Jersey balances demand with budget capacity.
- Quarterly liaison meetings have taken place with the arm's length bodies, Safeguarding Partnership Board and Jersey Advisory Conciliation Service, to discuss their budget management and risk management.

Digital Services

Digital Services has identified key focus areas which include:

- Resilience: Proactively identifying risks in the estate to target areas needing reinforcement.
- Prioritisation: Facilitating the Departmental Digital Project Prioritisation process using key principles to focus on Tier 1 risk remediation, Common Strategic Policy alignment and projects with full departmental funding and resources in place.
- Optimisation: Maximising the value gained from strategic IT investments to benefit public services. There will be a review of the IT application estate in parallel.
- Innovation: Maintaining innovation and exploring the use of Artificial Intelligence and other emerging technologies to deliver solutions.

These focus areas underpinned the approach to the development of the IT Strategy and apply across the operational IT services and strategic IT programmes.

People Services

People Services has refocused its priorities in line with the proposed 2026 Budget and Departmental Business Plan. Key enhancements include:

- Connect People Platform: Streamlined recruitment workflows and automated candidate communications.

- Strategic Workforce Alignment: Enhanced ability to match staffing levels with service demand and budget constraints, ensuring prioritisation of frontline essential services.

- Performance Management Support: Tools now enable managers to track and manage performance more effectively, enhancing accountability and development.

- Learning and Development Enhancements: Improved delivery and monitoring of training programmes, including compliance and leadership development, to build workforce capability.

- Policy and Procedure Updates: Revised frameworks to empower managers to address employment matters more swiftly and confidently.

- People Dashboards and Analytics: Managers have access to workforce trend data and decision-making tools, supported by monthly vacancy cleansing to maintain data integrity.

These initiatives demonstrate a proactive approach to modernising People Services, ensuring alignment with strategic goals while maintaining service quality and operational resilience.

2. What funding pressures are faced by services under your remit, and how are these addressed in the Proposed Budget 2026-2029?

It is recognised by the Council of Ministers that funding pressures arise from ‘trying to do too much’ which has meant that the demands on the organisation far exceed the capacity of the staff and funding available and has created the pressure for continued and unsustainable growth in the public sector and its budget.

This applies across the organisation and has included the Cabinet Office, Digital Services and People Services. For example, the funding pressures in Digital Services result from having had a list of pending projects totalling 333 items, which has been reduced down to an achievable 102 through a prioritisation exercise. A similar position has existed in respect of the law drafting programme.

The Budget addresses this by aligning the financial resources to delivery of the Common Strategic Policy, our major business-as-usual activity and frontline services, whilst demonstrating fiscal prudence.

3. **The Panel notes a decrease in expenditure for 2026 for Cabinet Office, Digital Services and People Services, can you provide the rationale for this and any impact thereof on project and service delivery?**

Changes to Revenue Heads of Expenditure

£'000	2025 Amended	Inflation	Formula Driven/Technical	Previous Revenue Growth	New Revenue Growth	Pay Award 2025	Budget Transfers	Savings	2026 Estimate
Departmental Heads of Expenditure									
Cabinet Office	**26,188**	65	-	(527)	-	853	(6,883)	(1,335)	**18,361**
Digital Services	**39,790**	412	-	200	-	771	(5,589)	(1,035)	**34,549**
People Services	**14,107**	69	-	-	-	461	(917)	(417)	**13,303**

Much of the reduction relates to transfers of budgets to other departments – most notably to Health and Care Jersey. These are set out in Table 2 on Page 4 of the Annex to the Budget 2026-2029 (see above). The impact on project and service delivery in the three departments will therefore be limited.

4. **Are Cabinet Office, Digital Services and People Services experiencing any resourcing or staffing challenges and, if so, what impact will this have on the delivery of projects and services in 2026, and what mitigating actions are being taken?**

<u>Cabinet Office</u>

The Cabinet Office applied the Government-wide restrictions on external recruitment and use of consultants. The headcount of the department has reduced through this process of vacancy management. There are no resourcing and staffing challenges because the workload of the department was prioritised accordingly, as set out in the response to question 1.

<u>Digital Services</u>

As with the Cabinet Office, the Government-wide restrictions on external recruitment and use of consultants has been applied within Digital Services. The budgeted headcount of the department has been reduced through vacancy management across roles which are predominately not in the sphere of technical specialisms.

<u>People Services</u>

People Services restructured in Q4 2024 to ensure that budget savings would be made. There has been prioritisation of staff in line with the People Services Business Plan. The role-saving target has been met via a review and restructure of the People Services staff model, from which a number of vacant roles have been removed.

5. **Can you provide details on the projected income earned through operations for 2026 for Cabinet Office (£410K), Digital Services (£1,410K), and People Services (£6,101K)?**

Department	Income value £'000	Detail
Cabinet Office	410	Jersey Care Commission - income is derived from fees from registered healthcare professionals, and regulated activities such as care home and home care services.
Digital Services	1,084	Recharges of department-specific technology
Digital Services	326	TETRA usage recharges
People Services	5,945	Keyworker accommodation - property recharges
People Services	38	Recharge of payroll services to Andium
People Services	67	Internal Recharges of payroll services to JTSF and PEPT Pensions
People Services	51	Occupational Health & Wellbeing internal recharges of licences

6. **Could you provide, in table format, the number of staff employed and open vacancies as of 30th September 2025 for:**

Cabinet Office	FTE	Headcount	Vacancies
Public Policy	28.21	30	0
Housing, Environment & Placemaking	24.70	26	1
Governance & Assurance	3.00	3	1
Statistics & Analytics	18.19	40	0
Safeguarding Partnership	8.00	9	0
Care Commission	17.30	18	0
Children's Commissioner	5.68	6	0
Charities Commissioner	1.95	2	0
Advice & Conciliation services	0.00	0	0
Ministerial Office & FOI	28.72	30	1
Communications	16.51	17	0
Total	**152.25**	**181**	**3**

7. **Could you provide a detailed breakdown of Cabinet Office expenditures for:**
    a. **Staff costs**
    b. **Other operating expenses**
    c. **Grants and subsidies payments**

Cabinet Office team	**Staff costs £'000**	**Other operating expenditure £'000**	**Grants and subsidies £'000**
Public Policy	3,376	363	33
Housing, Placemaking & Environment	2,290	242	-
Governance & Assurance	330	25	-
Statistics and Analytics	1,682	237	-
Safeguarding Partnership	609	143	-
Care Commission	1,712	359	-
Children's Commissioner	741	213	-
Jersey Advice & Conciliation Services	-	-	493
Ministerial office, Freedom of Information and CEO	2,993	766	-
Communications	1,979	185	-
Total	**15,712**	**2,533**	**526**

8. **Could you confirm the number of staff employed and open vacancies as of 30th September 2025 for Technology and Digital Services?**

185 staff are employed in Digital Services as of 30th September 2025 and there were 3 vacancies at that date. Note that 'open vacancies' refer to those roles in Talent Acquisition which are going through the recruitment process.

9. **What is the rationale for the 6.0 FTE role reduction in 2026 for Technology and Digital Services, where is this occurring and what impact will this have on employees and project and service delivery?**

Savings proposals as part of the 2025 Budget process included £15 million to be delivered in 2025 and 2026 through reduction in roles by removing management layers, extraneous activity and a reduction in consultancy spend. This has been allocated to departments based on the proportion of staff employed on a civil servant contract at Grade 11 and above. The role savings target in 2026 for Digital Services will be achieved through vacancy management and a restructure, which is currently being finalised.

10. Could you provide a detailed breakdown of Digital Services expenditures for:

- **a. Staff costs**
- **b. Other operating expenses**

Digital Services area	**Staff costs £'000**	**Other operating expenditure £'000**
Business Architecture	897	32
Business Enablement & Customer	4,973	719
Change Delivery	4,982	1,620
Information Security	1,290	71
Technology	5,276	16,099
Total	**17,418**	**18,541**

11. Could you confirm the number of staff employed and open vacancies as of 30th September 2025 for People Services?

136 staff were employed at People Services as of 30 September 2025 with. 5 vacancies at that time. Note that 'open vacancies' refer to those roles in Talent Acquisition which are going through the recruitment process. These vacancies include parental leave cover.

12. Could you provide a detailed breakdown of People Services expenditures for:

- **a. Staff costs**
- **b. Other operating expenses**

People Services area	**Staff costs £'000**	**Other operating expenditure £'000**
Corporate Services	2,882	6,850
Directorate	1,314	549
Organisational Development	1,771	513
People Operations	2,926	25
Reward and Employee Relations	1,403	140
Health & Safety and Wellbeing	427	604
Total	**10,723**	**8,681**

Ministerial Mapping – Risk

13. Can you provide a detailed breakdown of the £331K allocated to Risk (referred to as Corporate Portfolio Management Office and Risk in 2025), which falls under the Department for Treasury and Exchequer but maps to the Chief Minister?

	Staff costs £'000	Other operating expenditure £'000
Risk & Management (3.0 FTE)	331	-

Savings 2026

14. Can you provide a detailed breakdown for how the tabled savings proposals for 2026 will be achieved and the impact they will have?

2025 Approved	Savings Proposals £'000	2026 Estimate	2027 Estimate	2028 Estimate	2029 Estimate
1,000	Arm's Length and Regulatory Organisations	-	-	-	-
1,719	Office Consolidation	1,715	481	466	-
3,133	Growth Reductions	-	-	-	-
6,000	Roles	9,000	-	-	-
452	Non-Ministerial and Other Bodies	-	-	-	-
8,000	Financial Recovery Programme (HCJ)	9,000	-	-	-
-	Pay Management	-	17,431	-	-
-	Future Savings	-	11,304	-	-
20,304	**Total**	**19,715**	**29,216**	**466**	**-**
20,304	***Budget 2025 Savings Profile***	***24,000***	***2,500***	***466***	***-***

Table 13: Saving Proposals

A detailed breakdown of the 2026 savings proposals can be found on page 112 of the proposed Budget. The Financial Recovery Programme for Health and Care Jersey was introduced in 2023 and has, to date, delivered £10 million in recurring savings and is forecast to deliver £8 million in 2025. The £9 million savings estimated in 2026 focuses on making efficiency gains through:

- Improved planning and control
- Better use of staff and resources
- Procurement and contract management
- Income optimisation

Savings are targeted and phased to protect frontline services and release resources for investment where it is needed most.

In the Chief Minister's portfolio, the Cabinet Office made savings through reductions in the use of consultants and vacancy management during 2024 and 2025. The latter involved the removal of vacant posts and the decision not to backfill posts as staff left the department.

The 2024 and 2025 savings were necessary to meet the savings needed from 1st January 2026. The Cabinet Office is forecast to deliver an underspend of approximately £1.3m in 2025, which is the same amount that the Budget will reduce by in 2026. Therefore, the department's 'run rate' is already at the levels needed for 2026 and there have been no adverse impacts.

15. Following the review hearing on 10th October 2025 the following documents have been provided as requested:

- The Actuarial Letter provided to the Minister for Social Security on the viability of the Social Security Fund has been published online: Actuary letter on the Social Security Fund September 2025.pdf

- A copy of the Annual Assessment made by the Chief Minister under the Statistics and Census (Jersey) Law 2018 to ensure that the Chief Statistician is provided with the financial and administrative resources, and other support, including staff, services, equipment and accommodation to discharge the functions of the Office economically, effectively and efficiently.

- Further correspondence between the Chief Officer and Chief Statistician and supporting information (referred to in that correspondence) in relation to 2026 growth bids by the Chief Statistician.

I trust this letter provides the information the Panel requires but please do not hesitate to make contact if there are any further queries. Apologies for the delay in providing this response.

Yours sincerely,

Deputy Lyndon Farnham
Chief Minister
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