States of Jersey
States Assembly

États de Jersey
Assemblée des États

Public Accounts Committee

Arm's-Length Bodies Review

Witness: Chief Officer, Employment, Social Security and Housing and Chief Officer, the Cabinet Office

Wednesday, 24th September 2025

Panel:

Deputy I. Gardiner of St. Helier North, Chair
Deputy D.J. Warr of St. Helier South
Deputy K.M. Wilson of St. Clement
Mr. V. Khakhria, Lay Member
Mr. A. Awan, Lay Member

Ms. L. Pamment, Comptroller and Auditor General

Witnesses:

Ms. S. Le Sueur, Chief Officer, Employment, Social Security and Housing
Mr. P. Wylie, Chief Officer, Cabinet Office
Mr. S. Perez, Head of Corporate Governance, Treasury
Mr. P. McGinnety, Director of Local Services

[15:23]

Deputy I. Gardiner of St. Helier North (Chair):

Welcome to this hearing of the Public Accounts Committee on our review into the arm's-length bodies, grants and subsidies. Today we have with us the Chief Officer for Employment, Social

Security and Housing and the Chief Officer for the Cabinet Office with relation to our review. With 4 organisations that fall under your remit, we will be asking questions about processes and procedures in place to monitor effectiveness and value for money of the organisations. But before we start, we will introduce ourselves. Deputy Inna Gardiner, Chair of the Public Accounts Committee.

Deputy K.M. Wilson of St. Clement:
Karen Wilson, member of the Panel.

Mr. A. Awan:
Ali Awan, I am a lay member.

Deputy D.J. Warr of St. Helier South:
Deputy David Warr, panel member.

Mr. V. Khakhria:
Vijay Kahkhria, lay member.

Comptroller and Auditor General:
Lyn Pamment, Comptroller and Auditor General, independent.

Chief Officer, Employment, Social Security and Housing:
Sophie Le Sueur, Chief Officer for Employment, Social Security, and Housing.

Director of Local Services:
Paul McGinnety, Director of Local Services.

Chief Officer, Cabinet Office:
Paul Wylie, Chief Officer of the Cabinet Office.

Head of Corporate Governance, Treasury:
Sebastian Perez, Head of Corporate Governance, Treasury.

Deputy I. Gardiner:
Thank you. The first couple of questions will be for both Sophie and Paul, probably easier ones before we go deeper. Would you please confirm the A.L.B.s (arm's-length bodies) or delivery entities, so service delivery and independent bodies, office holders, whatever is under your remit?

Chief Officer, Employment, Social Security and Housing:

In terms of A.L.B.s, I do not have any under my remit. Historically, we do fund organisations like the Jersey Employment Trust but following advice from the Comptroller and Auditor General, we have changed that position. Within the P.F.M. (Public Finances Manual) now there is a formal list of arm's-length bodies of which the charities that we give funding to are not part of that.

Deputy I. Gardiner:

But the list suggests that you are still funding Jersey Employment Trust.

Chief Officer, Employment, Social Security and Housing:

That is it, so we are funding them but they are not A.L.B.s. Jersey Employment Trust, the Shelter Trust, FREEDA (Free from Domestic Abuse), those are the charities that we fund.

Deputy I. Gardiner:

Jersey Advisory and Conciliation Service?

Chief Officer, Employment, Social Security and Housing:

That is under Paul.

Deputy I. Gardiner:

Okay, thank you. So back to you. The same question, yes.

Chief Officer, Cabinet Office:

Okay, so within what used to be called a Strategic Policy, Planning and Performance Department, which was subsumed by the Cabinet Office, so within that function, we hold the sponsoring relationship for the Care Commission, the Office of the Children's Commissioner, the Charities Commission and then we also have the relationship, as you said, with the Jersey Advisory and Conciliation Service.

Deputy I. Gardiner:

Okay, thank you. For the organisations that you have mentioned, can you please confirm that you do provide grants?

Chief Officer, Employment, Social Security and Housing:

Yes.

Chief Officer, Cabinet Office:

Yes.

Deputy I. Gardiner:

Okay. Now, how do you monitor the relationship with these organisations? Let us probably start with you first because you have more of them. How do you monitor the effectiveness and the grants that they receive to make sure they are spent appropriately?

Chief Officer, Cabinet Office:

So although they all are very, very different entities, we treat them the same way in terms of governance. So in the framework agreement for the 3 of those is a requirement to have at least a biannual oversight meeting.

Deputy I. Gardiner:

Biannual?

Chief Officer, Cabinet Office:

Yes, every 6 months. Actually, this is both the practice of my predecessor and myself to meet on a quarterly basis where we go through finance, people issues, risks, wider governance issues, and it is a chance to make sure that there is a consistent relationship. It differs in terms of who we are meeting compared to which organisation we are talking about, but I can get into that in detail if you want me to.

Deputy I. Gardiner:

Was it yourself or other officers that meet twice a year with senior leaders, at least twice a year, if not more.

Chief Officer, Cabinet Office:

Yes. So the requirement is twice a year, we actually do it quarterly.

Deputy I. Gardiner:

Quarterly, with the senior leaders of these organisations?

Chief Officer, Cabinet Office:

It is always myself as the Accountable Officer. Then, if it makes sense to do so, we have our finance business partner, our people business partner, the lead for digital services in this field and head of policy or assistant director of policy in that area. That tends to be the team on my side. Then, as I said, it depends which organisation we are talking about as to what that looks like on the other side.

Deputy I. Gardiner:

How often do you meet with Jersey Employment Trust?

Chief Officer, Employment, Social Security and Housing:
So, formally, quarterly meetings but, in practice, we also have regular, more operational meetings on a monthly basis. That is at an officer level, looking at more operational issues. A lot of the grants that fall overseas, such as Shelter Trust, there are regular meetings there, typically every 8 weeks with senior leaders from those grant organisations. But, again, it is sometimes with that relationship often things do not need to wait until a meeting to be convened if there are things that we think are of mutual interest and importance.

Deputy I. Gardiner:
As the P.A.C. (Public Accounts Committee) I would like just to ensure that we are concentrating mainly on organisations that the majority of their annual spend is public money. We know that the Jersey Employment Trust, their annual budget is £2.5 million and we give them £2.2 million, so it is the major part of their income.

Chief Officer, Employment, Social Security and Housing:
Yes, the core grant is £1.9 million. Yes, they have had some top-up funding but their core grant is £1.9 million.

[15:30]

Deputy I. Gardiner:
I am looking at the accounts of 2024 and in the accounts their total spent £2.593 million and the public money that was put as a grant is £2.215 million. Is it any other charity that you work with that has the same proportion of funding?

Chief Officer, Employment, Social Security and Housing:
Shelter would be our next biggest.

Chief Officer, Cabinet Office:
Shelter is £1.58 million they get from Government, they also get money from the Jersey Funders Group, which we supported, and they fundraise. They still have to raise funds on a regular basis to run their 8 sites. We supported them to get about £450,000 for the Vulnerable Women's Service, which is a new thing for Jersey. It is social bridging finance, which has not happened before. Also, I like to go and visit the actual sites. I think it is really important when you are looking at care and providers, it is not just about spreadsheets, it is actually going there, speaking to staff, understanding and getting a feel for the providers that we work with. I have to say, you know, the likes of Shelter,

FREEDA, et cetera, are an absolute asset to the Island. Last quarter, 188 people were in emergency accommodation and that is down to some amazing work by those charitable organisations and officers as well.

Deputy I. Gardiner:
Okay, thank you.

Mr. A. Awan:
So, as you meet quite regularly, what are the key risks faced by these organisations? As a department, what process are in place for you to maintain regular dialogue over these risks? If you can also add, how are you getting assurance that these risks are being mitigated? Yes, just how are you mitigating those risks and identifying them?

Chief Officer, Employment, Social Security and Housing:
Should I go? Yes, I think with the charities that we have been talking about, actually many of the risks are not dissimilar from those risks that we manage in our department. Things like, you know, the cyber security risk, economic climate. With areas such as the Shelter, we have certain terms of staffing and the Employment Trust staffing is you want to make sure you have the resource to be able to … the impact on the Island for homelessness and things like this is something that is managed. In terms of how we measure that, we discuss those top risks … the contract managers discuss those at their regular meetings, seek that assurance, check if there is any additional support that Government … if there are things where there can be mitigation that Government can support with, make sure we are having that open and honest dialogue about those key risks.

Director of Local Services:
There is also the human cost as well, in terms of homelessness, what that looks like in terms of re-offending, the cost of re-offending, but also the human costs on victims of crime. We also know since we put the G.P. (general practitioner) clinic in Shelter we have seen a deterioration of people presenting A. and E. (Accident and Emergency) in quite considerable amounts. Again, people are being supported, given the right medication, et cetera. So there is a whole human cost but we can put a social value to it. Which is what we did and when we realised that one of the providers was potentially in some trouble, we were able to actually cost it up. If we did not act, this is a cost to Jersey plc.

Mr. A. Awan:
Just on this one, do we get a hold of the risk assessment registers, on a regular basis, on a quarterly basis?

Director of Local Services:

Yes, having worked in a shelter before as a young person, you have to have risk assessments. Each has a different one. So Shelter operate 8 units across the island. So, again, different cohorts of people there. Very much risk-based. They also use something called an outcomes star, which you might be aware of, which is basically people self-assessing where they are on that particular journey. So we are able to look at demand but also where people are in terms of how they assess themselves which, again, mitigates that risk for people who are maybe at risk of offending, et cetera, or going back into substances, which is the main reason why we have people in emergency accommodation.

Chief Officer, Cabinet Office:

I am happy to answer the questions, if I may. There is consistency in some of the risk, particularly for the Children's Commission and the Care Commission, the number one risk in both areas is resources. That is for myself and the organisation to manage in terms of mitigating and being clear about what is actually required and whether it needs escalating further into the budget process each year. But then within that, there are capabilities and particularly for those 2 organisations, and for J.A.C.S. (Jersey Advisory and Conciliation Service), there is the concern is the work that they are doing having any real world effect? Then finally, the only income stream … I am saying for organisation that I have a relationship with is the Care Commission. So, again, if they fail to meet their projected income budget, then clearly that is going to have an effect on their overall budget, and that features in their risk register as well.

Mr. A. Awan:

Okay, thank you. Leading into that question, how do you set and track the key objectives, like K.P.I.s (key performance indicators) for all of these bodies and how do you gain assurance that they are being met on a monthly basis?

Chief Officer, Cabinet Office:

For the ones in my sphere, I do not set those key performance objectives. In each case, there is a board or an advisory group, or in the case of the Children's Commissioner they can be responsible direct to the States Assembly. But what we do is we look at their performance more generally and, again, it leads back into that risk and governance process of is their purpose matched to their budget and their capacity and capabilities? If there is that disconnect, then clearly their performance is going to suffer.

Mr. A. Awan:

If there is a disconnect between them, is there a process we go through?

Chief Officer, Cabinet Office:

We do have, quite rightly, robust discussions around money, in particular, and that is featured in, for example, the Children's Commissioner. It is in her annual report that it is a concern. It has not yet reached a point where she is saying to myself, as the Accountable Officer, or the Chief Minister as the Minister in this space, that there is a problem in terms of her service delivery, but for her it is reaching a point where it is potentially a problem in future if the trajectory continues.

Deputy D.J. Warr:

Can I just ask a quick question? Just thinking about budgets and size and how much you spend, today on the front page of the *Evening Post* it talked about homelessness, and I think it was in response to a written question from Deputy Gardiner. Is that a reflection of a lack of budget? Is it the lack of capacity? I am just trying to work out how we end up with scenarios as described today, can you explain if that is a lack of budget or is that a lack of resource or is that … maybe you can try and explain.

Director of Local Services:

I will try and explain. Again, I do not want to generalise, because obviously it is a very small number of families, but there are many reasons for homelessness, trauma, addiction, et cetera.

Deputy D.J. Warr:

It is a significant number.

Director of Local Services:

It is a significant number, it has come down and we have taken some action to address that. We have worked very closely with Andium to actually look at getting properties for our hardest to house. It is not as simple as giving somebody the keys, as well you will know, they need that support around them. There is a risk profile as well. We have people who potentially are at risk to other residents. So, again, it is a very complex picture but we are working with those families and we want to match that stock to supply. What we do not want to do is put people into a tenancy that they are then unable to actually keep because that then basically puts a cloud over them and then it is difficult to find accommodation.

Deputy D.J. Warr:

It is not a resource issue as far as you are concerned?

Director of Local Services:

We are seeing some trends which worry me if I am honest, I mean we have had this discussion. I think the number of under 25s who are in emergency accommodation is a concern, so I think we need to look at how we deal with that. Also the whole issue around substance use, it has the highest prevalence in terms of people who are homeless. Again, it is what we can do in a more upstream way to prevent so we do not see generations coming through our system. So I do not know if that has answered the question because it is so complex, not one person is the same and it could be because of medication, it could be because of mental health problems. We are working very closely with our colleagues in health to make sure that people when they are released from mental health facilities are actually supported into accommodation, because obviously that is a key to their recovery.

Deputy I. Gardiner:
We did have housing within the Government once, before Andium was created? I am not sure if you remember or not, if it was within the Government would we have more control about availability of housing than we have now when we are dependent on arm's-length organisations? It is owned by the Government but it is still an independent company. FREEDA are doing an amazing job, Shelter Trust are an amazing job but the emergency housing for homeless people is not delivered by the Government. We do not have statutory duty, again, within our law. But my question, we are paying grants so States own entity like Andium should provide emergency … not should, is expected to provide emergency accommodation for homelessness. Did we lose control and this is why we have 59 families with children that actually do not have accommodation today?

Director of Local Services:
That transfer happened before I was actually here, so I cannot comment on happened before that. In terms of the model, we leave Andium - who have done a great job in terms of build - to look after that side and then have the right support network. I think it would be unusual for a social housing provider to have all of the support from a mental health, from a drug and alcohol point of view, et cetera. Although we do not run those services, we do have our housing advice service which works with an increasing complex caseload. We do fund Shelter, we do fund Sanctuary, we do fund FREEDA. So they actually deliver that service in an excellent way, because they have the speciality and they have the teams who can actually deliver that on the ground. But I do not know about the control before that was pre my arrival in Jersey.

Deputy I. Gardiner:
Okay. Thank you.

Deputy K.M. Wilson:
I just wanted to come back to this concept of value and I think what has been very illuminating is the example given around how social value is being driven by some of the investment you are making in the grant awards to some of the bodies that you have just alluded to. How do you define value in

terms of the bodies that you relate to? Is it social value or is it a different metric? Is it a different measure?

Chief Officer, Cabinet Office:

That is a great question. It does differ, because they are so different as organisations. Perhaps I will take them in turn, if that would be useful. So the Care Commission, through the Chair and the Commissioner, it is their job to hold the Chief Inspector and her team to account for issues like value, because clearly the whole purpose of it is to ensure that there is a quality care provision, both in the private sector and increasingly in the public sector in that space. I would argue that is a public value. If you move on to the Children's Commissioner, it is her job to provide independent advice to the Executive, but also to the States Assembly, on what is the best public value for children, for their overall care in that generic advocacy space rather than individual advocacy space. The Charities Commission is interested in making sure that the charitable sector, more generally, is a positive force, which in the vast majority cases it is. It is their job to make sure that the few rogue operators are dealt with and removed. It is unfortunately something you see both in international finance centres but also in bigger jurisdictions. So, again, it is about making sure everything is delivering for the value. The final one in terms of the Jersey Advisory and Conciliation Service, what was interesting with them is a consistently increasing number of contacts and when you look at their performance as we do every year it increases. To some extent you follow a line with the employment legislation and the equality, diversity and inclusion legislation that we bring in over those decades. But we hope at least it is adding value to making sure that those individuals are given independent advice and help to get back into employment in some cases, but also to challenge where necessary.

Deputy K.M. Wilson:

That is a description of their functional purpose but how do you measure the cost per unit of their activity, for example?

Chief Officer, Cabinet Office:

Okay, sorry, are we talking about value for money?

Deputy K.M. Wilson:

Yes.

Chief Officer, Cabinet Office:

Okay, I apologise. I thought you were talking about the kind of social value.

Deputy K.M. Wilson:

No, I asked the question about what are the measures.

[15:45]

Chief Officer, Cabinet Office:

Of course. In terms of value for money, it is interesting. We look at it on a periodic basis, particularly where new functions, new responsibilities are being attached to them. The Care Commission, for example, as you know, States Assemblies made decisions in the recent years to add responsibilities to it. The ambulance and increasingly preparing to implement the legislation around the wider public sector, the hospitals, et cetera. In doing so, we did an informal strategic review effectively to determine are they efficient and effective in what they currently do in terms of providing care, quality inspections for the private sector care industries and to what extent they actually need additional money and the people and capabilities in terms of I.T. (information technology) to deliver for those additional responsibilities. That was all part of a business case and we were quite clear that we were looking at the entirety of the organisation for that in order to make sure it had value for money that we could then justify making the initial growth bid within the internal budget process, but also taking it to the States Assembly as part of that Government Plan.

Deputy K.M. Wilson:

Okay, so drilling down into that question, I think maybe we could ask some more detailed, written questions if that is okay?

Chief Officer, Cabinet Office:

Of course.

Deputy K.M. Wilson:

There is just one area that I just want to understand from you, which is when you are faced with calls for regulatory activity, which is largely what your portfolio is about, is it not …

Chief Officer, Cabinet Office:

The Care Commission and charities, yes.

Deputy K.M. Wilson:

… that is costing the Island, that brings no value to the Island, how do you respond to that?

Chief Officer, Cabinet Office:

Let me just be clear on the question, is this an allegation perhaps that … I do not mean to put it that way, sorry, that this is charging private companies for fees, can you clarify?

Deputy K.M. Wilson:

There is an assumption that the cost of regulatory activity in the Island is a cost maybe that the Island should not be bearing. You will have heard people call that out time and time again. I suppose when you are responsible for the stewardship of awarding public money to these bodies, how do you respond to that?

Chief Officer, Cabinet Office:

I see, thank you for clarifying. Perhaps we could talk to the Care Commission again, because that is the one that is close. The Charity Commission is a regulator but it is more niche and it is only 2 people. The Care Commission, yes, it is a genuine choice as to how you regulate that industry. I think first duty to the States is to protect its citizens so you need a function which makes sure that those who are in the most vulnerable state are receiving the best care available and can bring some light and transparency to that process. But it is genuinely more of a philosophical choice as to do you have that on Island with our own set of care standards or do you import other jurisdictions care standards - and you can import a spectrum of regimes - or do you reduce your risk level to the point that actually you only need to inspect infrequently or less comprehensively. That is the ongoing discussion that you have with the Ministers. The Minister in question here is the Minister for the Environment who is responsible for many of the regulatory functions. That kind of debate is absolutely part of the determination of how much money we give them.

Deputy K.M. Wilson:

What you have just described is that for those bodies - and you have used the Care Commission as an example - it is about the States investing in its own requirement to protect citizens, if I can put it in that way?

Chief Officer, Cabinet Office:

That one certainly is, different regulators do different things.

Deputy K.M. Wilson:

Which is the value you place on awarding grants of this kind?

Chief Officer, Cabinet Office:

Yes, yes.

Mr. V. Khakhria:

To drill further into the question of value for money, I am interested in the overarching processes you have for assuring value for money. You had an excellent example earlier, which was you created a counterfactual for what would happen if you did not provide the services. What are the overarching processes in determining value for money? How are they applied in particular when you are going through the grant appraisal cycle?

Chief Officer, Employment, Social Security and Housing:
I think it is something that we do need to … as part of looking at an annual review but as each part of the quarterly reviews that you do, you are building up a picture. I think in our world, it is often the census Paul just talked about, we are trying to understand the difference that this grant would make, actually is it at the right level? But also we do look at actually is there, with lots of different things evolving, a risk of any overlap? Are we focused in on the right areas? In light of keeping abreast of other developments in the areas that we work in, whether it be homelessness, employment support, these sorts of areas, what is best practice telling us that is appropriate levels of funding? So we tend to bring that in through our general reviews. Then when we come to look at either longer term contract awards, that sort of thing, when we are going through that process, that is looking at a number of factors that come into determining that. Especially in areas where we have both internal Government provision and external, we want to make sure that we are actually giving the money where it will make the biggest difference.

Mr. V. Khakhria:
Are these formal, periodic, written processes?

Chief Officer, Employment, Social Security and Housing:
I would not say they are formalised in the sense of it is not that there is a value for money annual review on its own, but it is part of it. As we come up to the new award period, that would be one of the elements that would be considered in terms of the process.

Director of Local Services:
Just to say, in terms of the Vulnerable Women's Service, we have actually got an independent academic who is going to review it and actually give us a report to show exactly what worked, what did not work. It is a bit more nuanced because we know it is very complex in terms of this particular cohort. What we have done in terms of K.P.I.s is, it is the percentage of people achieving 60 per cent of their agreed objectives. It is an individual owning that objective to help them actually progress. That could be somebody who wants to get to see their children again or it could be somebody who wants to reduce self-harm. It is still very important. Again, I think when you are dealing with real people, having one-size-fits-all is probably not the best way to encourage them to actually make some big changes in their lives.

Mr. V. Khakhria:

I understand. I guess what I was asking about is what are the overarching structures? Every organisation is going to have a different set but value for money must be a driving principle when we are dealing with public funds. Moving to specific organisations, you mentioned with J.A.C.S. earlier that you look at the number of interactions, but is that necessarily going to determine … it seems like a very blunt individual number. Does that demonstrate value for money?

Chief Officer, Cabinet Office:

You are right, it is an input and it is just one of the performance metrics that they record and that we review with them each quarter. It is an input. The output and output outcomes, you would expect from having a system of bodies of which J.A.C.S. is one, which makes employment safe and healthy for everyone, is that there will be far fewer people going through the unsatisfactory removal processes and the tribunals. That is what you are looking at really in terms of the whole environment but, to be fair, J.A.C.S. is just one player in that. I will go back to your earlier part of the question, if I may, around what are the component parts of value for money. I think in all of these organisations, there has been a decision to pull, as I call it, the legislation lever or the spend lever. That is a genuine choice. In a jurisdiction like Jersey, where you have got all 6 national policy levers, you could have chosen, as I call them, the convene lever or the oversight lever of Ministerial oversight. Once you have gone down that legislate and spend lever route, though, you are establishing a body for the first time, corporation sole in most cases, and you are attributing it with X amount of F.T.E. (full-time equivalent) staff, non-staff pay and premises, et cetera. At that point, that is the moment in time to achieve base value for money, I would suggest. Because after that, you are building in a precedent of expectation that they will have similar levels of funding going forward. I assume we all agree it is far harder to do those strategic reviews later on down the track and achieve value for money once those initial decisions have been taken.

Mr. V. Khakhria:

I can accept your argument that it is much harder. How do you view your responsibilities in terms of conducting those strategic reviews periodically?

Chief Officer, Cabinet Office:

This is where we talk about J.A.C.S., for example, if I may. I looked at this with the then Accountable Officer in 2022 and it is clear to me and the Accountable Officer that the legislative requirements, the demands, have been rising over the past decade or so in terms of additional legislation. But the amount and the contacts, it is an input but it is an interesting input in terms of how many people they are seeing on an annual basis, was also ticking up annually in that period. The amount of money that we were providing as grants was a flat cash and had been, despite inflation. In fact, we had undertaken an informal strategic review at that point and tried to map it back to what you would expect a body like this to be able to service, given the amount of contacts per individual staff member. The other call was on their money in terms of premises, I.T. and non-staff pay. As a result of that, we put in a formal budget increase as part of the Government Plan of 2022-23. After that, we have linked it to inflation and R.P.I. (retail price index) increases, because it was important once you have gone through that - for want of a better term - systematic review, to make sure it is going to be future-proofed, at least in the short to medium term.

Mr. V. Khakhria:
To what extent does that encourage these organisations to seek economies of scale? For example, if contacts increase, is there potentially a different way of delivering a service? Are you encouraging them? Is there a mechanism that you hold to persuade them to search for greater value for money?

Chief Officer, Cabinet Office:
The fundamental lever we have is money. You call it a budget lever and suddenly … under the previous Council Ministers there has been an effort to curb the growth of the public service and in practice, certainly in the 2024 Budget, we applied a percentage cut to the budgets of the arm's-length bodies, which was proportionate to the rest of the Cabinet Office at that time. Each of these organisations that we are talking about here - with the exception of J.A.C.S. because it is a grant - received a proportionate reduction.

Mr. V. Khakhria:
Applying a cut across the board to a budget is not necessarily the same as trying to focus on improving value for money. In fact, it is a slightly curious process to undertake. Stepping back further and conducting a more strategic review, which I think David is going to be asking you a little bit about in a moment, that was not part of that process?

Chief Officer, Cabinet Office:
That was not, no. Like I said, we did do something similar for the Care Commissioner in 2022 and 2023 but it was in relation to increased expectations in statutory requirements.

Mr. V. Khakhria:
Okay, thank you. Moving on to Statistics Jersey, it is reported as an organisation that the Cabinet Office holds responsibility for it but it is not reflected in the 2025-26 Business Plan. Can you confirm what responsibility, if any, you hold for Stats Jersey?

Chief Officer, Cabinet Office:
Yes, so I am the Accountable Officer for Statistics Jersey and there is a statutory role for a chief statistician.

[16:00]

Mr. V. Khakhria:

Thank you.

Chief Officer, Cabinet Office:

If I may, there is also a formal Statutory Statistics Council, which is newly established.

Deputy D.J. Warr:

Okay, so this is on to duplication of service. Can you advise the P.A.C., how do you identify overlap or duplication between A.L.B.s and between A.L.B.s and your department? What action do you take to remove duplication to join up work and, if possible, can you give me an example? I do not mind who takes that.

Chief Officer, Employment, Social Security and Housing:

I can use the example of the Jersey Employment Trust. There is natural synergies between what we in Government do and what Jersey Employment Trust do. In some areas, we can be confident in terms of knowing, for example, a number of their cohorts are on income support. They are on the actively seeking work register. We actually have a data sharing agreement. At an officer level, on a weekly, bi-weekly by weekly basis, there is almost clarity on: "You are seeing these customers, they are doing their employment-seeking activity with the Jersey Employment Trust" and we know Back to Work, we have got our customers who are different. I think on some levels there, so that is officer operational level, we can be really clear. However, this is an area - and is something our Minister is very keen on as well - where we want to always make sure that although there are lots of synergies between our services, we want to make sure that there is not overlaps and that we are not actually almost accidentally working with the same customers to try to achieve the same outcome. This is something … as part of our normal process with the Jersey Employment Trust, we are looking for a new agreement for next year. That is something that we, as Government, are saying that improved data sharing with almost … at the moment we know about a certain group from an income support perspective but obviously that is not all of the cohort. That is something that we have been working … we recognised last year that how the relationship was quite led by Back to Work, whereas actually we have got partners in Government who are now, since this year, much more involved. Colleagues from the mental health service, from the learning disability service, from C.Y.P.E.S. (Children, Young People, Education and Skills), so now our relationship with the Jersey Employment Trust, rather than it being led by one department on a quite specific basis, we have extended that so that we have got cross-government input. We are looking, as part of our new agreement, to make sure that from a data sharing perspective - we all want the best outcomes for the individual customers - actually knowing who is getting what support will actually help us to be able to help ensure that that …

Deputy D.J. Warr:
Is that something under review at the moment?

Chief Officer, Employment, Social Security and Housing:
Yes, that is it. That is something we are actively discussing, yes.

Deputy K.M. Wilson:
Sophie, can I just clarify something? What you are saying is that you are effectively, as a Government department, doing the same as the bodies that you give grant money to, to do the same as what you are doing?

Chief Officer, Employment, Social Security and Housing:
What J.E.T. (Jersey Employment Trust) have a real expertise and specialism in is supporting people with diagnosed long-term disabilities, health conditions into employment. That is their specialism, their expertise. Whereas Government say the Back to Work service as a whole is supporting Islanders who are unemployed into employment. Where we recognise that as a result of someone's disability their barriers to employment are more significant, it would be appropriate that we could refer someone in to the Jersey Employment Trust to get that very tailored specialist service. In that case, we would absolutely know that that customer has gone there so we would not be working with the same customer at the same time.

Deputy K.M. Wilson:
Is there an incentive for you to almost transfer people into those organisations that offer that kind of support rather than actually deliver that offer in-house?

Chief Officer, Employment, Social Security and Housing:
No, I think, for us, it is very person-centric, so if you are looking at something from a Back to Work perspective, it is actually … you know, where we feel we have got the right skills, tools in-house. In some cases, there are people who are not quite ready to look for employment. Their path to employment might be longer. In which case, Jersey Employment Trust is focusing on helping someone to employment. It might be, for example, that a day service within the learning disability team might be more appropriate for a few years to help with the goal then of referring into the Jersey Employment Trust. I think as long as we are clear on … it is about people playing to their strengths, their expertise, their training and recognising who the best organisation is to support that particular

individual. That is something we are really keen to make sure that we are working as well as possible to ensure that the customers are getting that best support.

Deputy K.M. Wilson:

But it is also about whether or not Islanders are getting value for money out of that, which is what P.A.C. is concerned with. How you are actually spending the money on that. Where do you see the waste and the need for improvement in some of those arrangements?

Chief Officer, Employment, Social Security and Housing: 42:00

That is where we are working at the moment because it is the natural time of year. We have been working this year on reviewing, that is why bringing in partners, making sure we are actually trying to understand and we have recognised that for us in order to really make sure we can understand that is open data sharing in a professionally appropriate legal way is something that is an important step for us. We have some data sharing at the moment but it is more limited than we feel we would like. So that is an example of where we, as officers, would gain more assurance and get the right outcomes for individuals, that both is the right thing. That is an example of where … I would not say we are 100 per cent there, but we recognise where there are challenges and that is what we are looking to with our new agreement.

Deputy D.J. Warr:

Just to carry on. The thing which is coming through my brain all the time now is Housing Advice Service, which was set up as this fulcrum point where people could go to and then be directed to the thing, is that a potential area to replicate that model or, I do not know, combine with housing and make a bigger organisation?

Chief Officer, Employment, Social Security and Housing:

I think the Housing Advice Service is a good example of where that has been set up for Government to do that service, and the key thing is that we do not want, then, housing advice to be almost duplicated across lots of different services. So we would not expect Jersey Employment Trust to be giving housing advice, we would expect them to know that the Housing Advice Service is there and if someone needs that advice they would come to that. We have got other services that … that is something that we work very closely with different partners and different … it is inter-Government, not even just within our grant-funded organisations, making sure that everyone is aware of what support there is and where the most professional support and advice is, so the Housing Advice Service has now, I think, got a good name for itself. Professionals, both in Government and externally, recognise that that is, if you have got a customer, constituent or an individual that actually needs that support, focusing it in that one area.

Deputy I. Gardiner:
How do you calculate the annual grant to the Jersey Employment Trust?

Chief Officer, Employment, Social Security and Housing:
We have been going through a process this year. In the previous years there has been some, when there was inflationary pressures, et cetera, there was some top up payments made. This year we have gone through a process which is still ongoing where we have been looking at what the focus is that Government needs, what is the resource that is needed to do that and been working in partnership with Jersey Employment Trust to work out what the funding level is.

Deputy I. Gardiner:
What we are trying to understand, because, for example, there was a clear explanation of how Jersey Advisory and Conciliation Service got it, is what is the formula going forward? Jersey Care Commissioner, I more or less know how it is calculated but we could not find information for Jersey Employment Trust for 2022 but we did find it for 2023 and 2024. I am not saying if it is right or wrong, I have no idea. This is my question: how is the grant, on what basis, decided that it will be £1.921 million and not £2.5 million, for example, or not £1.5? How did the number come about?

Chief Officer, Employment, Social Security and Housing:
I think it initially came from looking at the number of … it is a balance of customers who had been referred in to who needed that specialist support, balanced with what is the service that Government needs that is not what they are currently providing, but then also looking at it from a lens of where is … you know, as Governments have changed what they have been able to do, where they are getting partners in from other areas of, for example, health, children’s services, we have been looking at where is the right focus for the funding? But, broadly, that is probably a driving reason for us understanding the client base model.

Deputy I. Gardiner:
Will you be able to follow up to share the funding formula or is it formula under development or does the formula not exist?

Chief Officer, Employment, Social Security and Housing:
Yes, it is not a funding formula. What we worked on the basis of, within the financial envelope that we have, is the service that is being provided adequate to meet the needs that we recognise. But, as part of this work, we recognise that we need to be able to understand more about that customer base to make sure that we are not double funding, et cetera thing. That is the live piece of work that we are going through at the moment.

Deputy I. Gardiner:

Do you remember off the top of your head the annual spending for Back to Work?

Chief Officer, Employment, Social Security and Housing:

Sorry, not off the top of my head.

Deputy I. Gardiner:

Okay, we will follow that up.

Deputy K.M. Wilson:

I am just conscious of the time. I am just going to come to Seb, if I could. Seb, could you just give us some idea, after what you have heard today, of what response you would take to some of the issues that the departments are actually dealing with, and what approach you would undertake to address some of those areas where there is a perceived suboptimal guidance or lack of control in the award of some of these grants and subsidies?

Head of Corporate Governance, Treasury:

Yes, so I think what is probably best to do is to outline some of the work that we are doing following the C. and A.G.'s (Comptroller and Auditor General) review on grants and subsidies that was published at the beginning of this year. I think as part of that work, we committed to do a review of how we award grants and how the process and the P.F.M. and the guidance around that takes place. We were conscious when we put that together of the recommendations of C. and A.G. and previous recommendations of the C. and A.G. I guess the historic Government tendency at times to react to some of those recommendations and add to a process, which has the result of making it more complex and not necessarily either leaner or more straightforward to apply both on a Government side and an arm's-length body side. We have taken more of a stand back approach of, okay, so what are the problems that we are looking at here? How do we then identify the opportunities? Then the balance of what are the easy wins and what are the proportionate actions that we can take that will have an impact in a context where we are in a financially challenging context, we have limited resources, et cetera.

[16:15]

Deputy K.M. Wilson:

Are you making any assumptions at this stage?

Head of Corporate Governance, Treasury:

In respect of?

Deputy K.M. Wilson:

In terms of some of the things that you might want to test or explore as part of that work?

Head of Corporate Governance, Treasury:

We are not at a stage where we have a plan that has been through an approval process. We are probably writing something up, so it would probably be a little early to say. However, there are some things that I think are relatively easy, relatively obvious to do, I guess. Some of those have been highlighted by the C. and A.G. Things like determining whether they should be grants. First of all, the P.F.M. at the moment has a small section that says grants, contracts, it is a table side by side, it is relatively high level, it does provide some guidance. What more can we do? I think as Paul alluded to earlier, we can deliver services in different ways, either through Government delivery, benefits, procurement, commissioning, grants. What is the best way of supporting A.O.s (Accountable Officers) to make the right decision? Or because there are grants, there have always been grants - this is a point that the C. and A.G. has raised previously - should they be grants, should things be tendered? So there are options for value for money in respect of that. That does not mean that they should always go down, for example, a more commissioning or tendering route, if it is a particular policy decision of the Council of Ministers, if it is in legislation such as the Charities Commission, if there is no competition in the Jersey market. There are lots of questions I think we can ask ourselves to help us to frame how we make that decision.

Deputy K.M. Wilson:

Have you got a workstream or a programme of work set up to do that with particular focus on some of those things that you have just highlighted or is it just a generic response to the C. and A.G. recommendations, if I can put it that way?

Head of Corporate Governance, Treasury:

No, that is exactly what we are developing at the moment. So we have done some of that discovery work, we have looked at some of what are perceived be the issues across departments, across those people who are administering some quite big grants, people from economy, people with Paul, with Kevin Hemmings, the Head of Financial Governance, and we are at the stage now where we are looking at what those opportunities are and what the feasibility realistically is of those opportunities in terms of things like simplicity, transparency, sustainability. The ability to deliver in terms of cost, people, money, time and also what is the ongoing cost of some of those, again bearing in mind the context that we are working in. It is balancing all of those up and then looking at what the opportunities are and then, at that point, we will be seeking approval to determine which ones to pursue and which ones not to pursue.

Deputy K.M. Wilson:

Okay, so there is obviously also an analysis of the risks associated with some of that change process that are coming through. What would you anticipate were the biggest areas of risk in that in terms of value for money and effectiveness?

Head of Corporate Governance, Treasury:

I think the value for money question is … I am sure it has come across in today's hearing, in your submissions and in previous hearings with the C.E.O. (Chief Executive Officer) is that sometimes there is no specific formula to quantify that, sometimes it is because it is a policy issue, sometimes it is because there is not an easy way to demonstrate a clear saving in respect of some of the homelessness stuff, and sometimes it is to do with social value. So there is no formulaic way of delivering that.

Deputy K.M. Wilson:

How do the public know then when officers say: "We are delivering value for money"? Where is their go-to place to drill down into the evidence that supports that or the metrics or the measures that support that?

Head of Corporate Governance, Treasury:

If we were to look into the simplified process around the granting process, whether it be A.L.B.s or other grant funded organisations, is an application process, an appraisals process, a giving money out and doing something process, and a review cycle. I think at that appraisal process, whether it be in relation to an initial grant or in relation to when those grants are recurring, which is what Paul referred to in terms of the timing of those reviews, I think that appraisal does need to be well articulated and that is the responsibility of each Accountable Officer. That is, I think, again one of the things that we will probably look at in terms of any update to the P.F.M. in articulating what responsibility the Accountable Officer should have in making and documenting that appraisal.

Deputy K.M. Wilson:

When we talk about should do we mean "must"?

Head of Corporate Governance, Treasury:

I do not think that is possible to say yet.

Deputy K.M. Wilson:

Okay, Paul, did you want to say something?

Chief Officer, Cabinet Office:

I was just going to agree with Seb and refer to the fact that we have brought out in the Comptroller and Auditor General's report that there was no overarching strategy for devising which functions should be pushed out as arm's-length versus grants and then, secondly, what size they should be, what projects you do should be. That is a strategy that does not exist in terms of its overarching approach. Each individual decision has been taken as such and that leads us to where we are, and the report is therefore very welcome because it allows us to think again. If you are not already, I would encourage you to come to the all States Members briefing on Friday morning where we have been doing some analysis work on the growth of the public service, particularly from 2018 to 2025, and we will be presenting some data on that. The whole section is on arm's-length organisations and grants, and I think you would find that interesting.

Deputy K.M. Wilson:

This will address some of the questions as well that we have been raising today. What is the timeframe for this work to be done by? Have you got an idea of the timing?

Chief Officer, Cabinet Office:

We have not set one. We are in that process of what does the data show us at present, do we all agree? We are in that space.

Deputy K.M. Wilson:

Do we have the data that is needed to make some of these changes and assumptions?

Chief Officer, Cabinet Office:

Yes, I think a lot of it is open source. It takes pulling together, which again goes back to the lack of overarching approach and grip because you are pulling data from each individual annual report but it does exist.

Deputy K.M. Wilson:

Very quickly. We know that the targets for implementation of both actions arising from the C. and A.G. reports, the follow-ups are set for June 2026. Could you just give us some idea of what consideration has been given to the sequencing of the actions, noting that one is reliant on the completion of the other, despite them having the same implementation date?

Head of Corporate Governance, Treasury:

I think we are still in line with what we planned, because one was reliant on the other. We did not want to jump ahead and say we are going to just update the Public Finances Manual. I think, to an extent, the principles of the Public Finances Manual in respect to the grants is not going to change but we are almost treating the discovery work as if it did not exist, what would you do, and build the ground back up around it. It will not look significantly different, probably, in what the controls are around it, apart from … one of the reasons is to reduce complexity on behalf of the Government. One of the things that the C. and A.G. has noted in her report was that because we built the processes around the P.F.M., the processes and the guidance have potentially become too complex. If we think about the way we want to deliver it and then deliver the P.F.M. around it, as long as the right controls are in place, that would still be appropriate. So we are not going to update the P.F.M. until such time as we have done that work. We are talking about doing them in parallel because they will inform each other. But, as I said, that initial discovery work, we are largely complete on. We are looking at that second part which is what are the proportionate actions that we should take? We will look at cross-referencing the recommendations of the Comptroller and Auditor General's recent review on arm's-length bodies from last year, the work that commercial services have done in the past that was referenced in the C. and A.G. report and other sources like internal audit. We will cross-reference the things that we are doing, do they address them? Do they not address them? Either say yes, that is great, or make a conscious decision to carry a risk that has been highlighted, if it is the right thing to do, and build a delivery plan on that basis.

[16:25]

Deputy K.M. Wilson:
Is this likely to be ready before the election?

Head of Corporate Governance, Treasury:
I would hope so.

Deputy K.M. Wilson:
So the timeframe we are talking about is within the next 6 months.

Head of Corporate Governance, Treasury:
I would hope so.

Deputy I. Gardiner:
Any other questions from panel members? Thank you very much for your answers and your time. The public hearing is closed.

[16:25]