

#### **4.10 Deputy A.E. Jeune of the Minister for Health and Social Services regarding the £600,000 ‘savings’ achieved by the Managing Director:**

Following the response to written question 6171 on 29th of March this year regarding the £600,000 savings achieved by the Managing Director at the hospital, would the Minister please justify how working to her budget can be regarded as a saving, and state exactly please where the savings equating to a turnaround of just over £1 million were made?

#### **The Deputy of Trinity (The Minister for Health and Social Services):**

My Assistant Minister who has responsibility for finance will be answering this question.

#### **Deputy E.J. Noel of St. Lawrence (Assistant Minister for Health and Social Services - rapporteur)**

On 15th February in response to an oral question the Minister said that the Hospital Managing Director and I quote: “at least saved £600,000.” On 18th February in a written brief to all States Members, the Minister clarified that the Hospital Managing Director had, and again I quote: “taken responsibility for services that were predicted to overspend by £964,000 and delivered a £51,000 underspend, a turnaround of just over £1 million.” The Minister clarified this again on 1st March in an answer to question 6082, and again on 29th March in an answer to question 6171. We can argue about the wording but this has not changed the fact that without the Hospital Managing Director, Health and Social Services would have overspent by approximately £964,000 across a number of services at the end of 2010. The Minister’s answer to question 6171 provided information about the areas of the financial turnaround. If the Deputy has further questions I would invite her to meet with myself and Health and Social Services officers and we can go through it with her in detail.

#### **4.10.1 Deputy A.E. Jeune:**

The answers that this Assembly has been given is a myriad of savings relating to rostering and utilisation of nursing staff. £1 million on rostering and utilisation of nursing staff in a small hospital like we have got is really quite amazing. We have asked please to list where, in which departments, et cetera, these savings have been made. Well, not savings, very little savings, mostly living within the budget and making sure we do not have an underspend. Is that not what we employ these senior people to do, not to go over budget? We should not accept going over budget.

#### **The Bailiff:**

Will you come to your question, Deputy?

#### **Deputy A.E. Jeune:**

Can they please explain this because we are not getting the answers?

#### **Deputy E.J. Noel:**

The simple answer to that is I refer the Deputy to question 6171 where the detail was given. Arguing about semantics does not change the fact that a £1 million overspend has been avoided. Living within our budget does mean managing the resources to achieve underspends in certain areas because inevitably we will overspend in others.

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

Moving on somewhat, last month there was a big red light against C.S.R. Stage 2 in terms of saving money because the staffing was not available to pursue C.S.R.2. What progress has the department made in acquiring or appointing suitably qualified staff to proceed with C.S.R.2?

**Deputy E.J. Noel:**

I have not got that information with me, I am quite willing to get it and invite the good Deputy into the department and we can go through the information available.

**4.10.3 Deputy G.P. Southern:**

No, I do not wish to come into the department. Will the Minister circulate the information as to whether he has appointed or not?

**Deputy E.J. Noel:**

On reviewing Hansard to identify what Deputy Southern has requested, I will provide the information.

**4.10.4 Deputy T.M. Pitman:**

Accountants certainly seem to speak very, very quickly or perhaps it is me but I think the Assistant Minister mentioned £960,000, could he tell us, does that include the approximate £80,000 over-the-top payment awarded to the Managing Director himself by someone within his own agency?

**Deputy E.J. Noel:**

I do not understand Deputy Trevor Pitman's question. He needs to explain that better but what has been included in the underspend of £964,000 was explained in the answer to question 6171.

**4.10.5 Deputy G.P. Southern:**

In the £960,000 saving he claims for 2010, can the Minister assure Members that this saving was made without any reduction of front line services?

**Deputy E.J. Noel:**

The turnaround from an overspend to an underspend; the information has already been given to Members, it is set out in detail in question 6171.

**4.10.6 Deputy G.P. Southern:**

So the Minister either can or cannot confirm that this has been achieved without any cuts to front line services. Why will he not do so now?

**Deputy E.J. Noel:**

If you bear with me I will read out the extract from question 6171: "As outlined in the answer to question 6082 on 1st March, in early 2010 some areas of hospital services including those relating to rostering and utilisation of nursing staff in the medical wards, the utilisation of agency/locum doctors, and the estate and facilities were predicted to overspend by £964,000 by the end of the year. The Managing Director successfully managed this problem and helped to deliver a £51,000 underspend, a turnaround of just over £1 million."

**The Bailiff:**

I do think the question was very simple. Have any of these cuts been made to front line services? I think it is a yes or no answer to this.

**Deputy E.J. Noel:**

As far as I am aware we have maintained front line services throughout 2010, and are continuing to do so in 2011.

**Deputy G.P. Southern:**

So that is a yes.

**4.10.7 Deputy A.E. Jeune:**

Will the Assistant Minister confirm that what we have achieved is not a saving, it is living within the budget - not having an overspend - and clarify that to suggest that they do not want to have an overspend? Would he please meet with his Minister for Treasury and Resources who will tell him that staff should have to live within the budgets that are set, that overspends are not acceptable? Thank you.

**Deputy E.J. Noel:**

I am not sure there was a question there but I agree with the Deputy, overspends are not acceptable, and Health and Social Services for 2010 has underspent in total.