

Scrutiny Review of the Government Plan: 2021 - 2024

Health and Social Security Panel
Scrutiny Report

27th November 2020

S.R.10/2020



2021-24
**GOV PLAN
SCRUTINY
REVIEW**

States of Jersey
States Assembly



États de Jersey
Assemblée des États

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Government Plan Review

1.1 Panel membership

The Health and Social Security Panel is comprised of the following States Members:



Deputy Mary Le Hegarat (Chair)



Deputy Kevin Pamplin (Vice-Chair)



Deputy Trevor Pointon



Deputy Carina Alves



Deputy Geoff Southern

1.2 Chair's Foreword



The Government Plan 2021-2024 has changed significantly as to what would have been anticipated and is now a recovery plan.

The Jersey Care Model has been approved by the Assembly in November 2020 and moving forward the Panel will need to ensure that the work on this model continues. As a result of the Panel's amendment to the Jersey Care Model, it will have the opportunity to review the progress of the implementation and the financing of the model on a monthly basis.

The pandemic has had an impact on a number of islanders and in the coming year it will be critical for the improvements to mental health to continue at pace to make sure that we are in a better place by the end of 2021.

Across health care the Panel will need to see how the department assists the population in relation to the delays and cancelled treatments to reduce the long-term effects.

A handwritten signature in black ink that reads "M. Le Hegarat".

Deputy Mary Le Hegarat
Chair
Health and Social Security Scrutiny Panel

1.3 Methodology

The proposed [Government Plan](#) sets out the approach the Government of Jersey has taken in responding to Covid-19 whilst continuing to invest in the Common Strategic Policy priorities:

1. Put children first
2. Improve Islander's wellbeing and mental and physical health
3. Create a sustainable, vibrant economy
4. Reduce income inequality and improve the standard of living
5. Protect and value our environment.

The Plan outlines the investment proposed in each of these five strategic priority areas and also includes a number of proposed efficiencies within the Government.

The Government Plan Financial [Annex](#) has also been lodged which contains supporting information for the Government Plan 2021 – 2024.

The Scrutiny review of the Government Plan has taken a thorough approach, looking at the projects identified for Additional Revenue Expenditure and Capital Expenditure last year, as well as new projects requiring Additional Revenue Expenditure and Capital Expenditure in 2021. The Panel has undertaken this review in as much detail as possible with the information provided by Government.

A summary table of Business Cases first reviewed by this Panel last year is provided in Section 1.7 below and a summary of Business Cases reviewed for the first time this year can be found in Section 1.9.

In line with the methodology used during its review of the Government Plan 2020 – 2023, all Scrutiny Panels have agreed to use a common system to report on the status of each project, as follows:



This status means that the Panel has reviewed the background information on the project and is satisfied with it.



This status means that the Panel has reviewed this and either has concerns or considers that it needs more work, or further detail should be provided. It might also mean that the Panel considers it too early to make an informed decision. This may or may not lead to recommendations and/or amendments.



This status means that the Panel has reviewed this and is not satisfied or does not agree with the proposal. This may or may not lead to an amendment.

1.4 Findings and Recommendations

Finding 1: It has been proposed that the States Grant is not paid in 2021, 2022 and 2023, to allow an additional estimated £235 million to be allocated to urgent financial pressures. The funds will pay for costs relating to Covid-19, help to make up for lower tax revenue and support ongoing public service costs and investments in strategic priorities.

Finding 2: For the purposes of this Government Plan, the Minister for Social Security is only proposing a change to the Social Security Law to remove the States Grant for 2021. Further changes to the value of the Grant will be proposed during 2021, following agreement on the outcome of a review of the sustainability of the Social Security Scheme.

Finding 3: If the Government Plan is adopted as proposed, and the draft Regulations are subsequently approved by the States Assembly, the estimated balance of the both the Social Security Fund and the Social Security (Reserve) Fund at the end of 2024 would total £1,800 million.

Finding 4: It is anticipated that the opening value of the Health Insurance Fund in 2021 will be £10 million less than its equity balance in 2019, as a result of the transfer of £5.3 million to support emergency Covid-19 work and a forecast deficit in 2020.

Finding 5: There is a commitment in this year's Government Plan to design and implement a sustainable funding model for primary care costs in 2021 for approval by the 2022-2025 Government Plan. This work will be informed by a review of the Health Insurance Fund, its structure and use, which is due to take place early next year.

Finding 6: It is envisaged that the development of additional support in the community and an emphasis on preventative activities, as a result of the new Jersey Care Model, should reduce the anticipated increase in Long-Term Care costs.

Finding 7: All aspects of the project "Preventable Diseases" have been deferred to 2021 to help mitigate efficiency programme challenges in 2020. None of the funding that was allocated to this project for 2020 has been spent or is due to be spent this year.

Finding 8: £102,000 was allocated to the project "Adult Safeguarding Improvement Plan" for 2020. Of that total amount, it has been forecast that only £40,000 will be spent by the end of 2020 due to a deferral of the recruitment of a new post.

Finding 9: Of the £3.2 million that was allocated to the "Mental Health" project for 2020, only £1.7 million would have been spent by the end of 2020.

Finding 10: The recruitment of new staff to support individuals with complex trauma has been delayed due to Covid-19. It is intended that the recruitment of new staff with the necessary skills will address the existing backlog of people with complex trauma who are currently waiting for specialist psychological interventions.

Finding 11: £612,000 will have been spent on digital changes across the Health and Community Services Department by the end of 2020 in response to the Covid-19 pandemic.

Finding 12: The funding requested under the "Health P.82 Reinstate 2019 project" is not transformation funding for the Jersey Care Model but rather the ongoing revenue impact of previous transformation programmes that will support existing services.

Finding 13: The funding allocations for the “Maintaining Health and Community Care Standards” project have reduced significantly over the next 4 years due to financial pressures arising from the Covid-19 pandemic.

Finding 14: The funding requested for the “Regulation of Care” project in 2021-2024 is intended to fund a shortfall from the non-receipt of income that was budgeted to be received through the regulation of care legislation in 2018 and is simply a continuation of what was approved in last year’s Government Plan.

Finding 15: In 2019 the Government Plan 2020-2023 requested £155,000 to fund the “Diffuse Mesothelioma Scheme” project in 2021. However, this year the Minister for Social Security is requesting a reduced amount for 2021 and thereafter of £100,000. The reduction in budget is due to a lower demand for the scheme than previously anticipated.

Finding 16: The ‘Financial Independence in Old Age’ project was deferred in order to re-prioritise officer time to other urgent pandemic related policy work. A new timeframe for this project has yet to be agreed and will be considered as part of the next Government Plan submission.

Finding 17: Appendix 4 of the Government Plan identifies £50,000 in the revised 2021 budget for the ‘Financial Independence in Old Age’ project. However, these funds have been identified as a saving within the Government Plan and there is no longer a budget for this project in 2021.

Finding 18: The Panel cannot support the request for any further funding for the “Financial Independence in Old Age” project until the outcome of the investigation is known, and proposals of a way forward are brought to the States Assembly.

Finding 19: The increase in funding requested in this year’s Government Plan for the ‘Food Costs Bonus’ project reflects the States Assembly approval of the Draft Community Costs Bonus (Jersey) Regulations on 9th September 2020. The draft Regulations proposed an increase to the value of the bonus following an amendment to last year’s Government Plan by the Corporate Services Panel.

Finding 20: The funds requested within the Government Plan for the “Single Parent Component’ are simple a continuation of what was agreed within the previous Government Plan.

Finding 21: Following initial planning of the “Care Needs at Home” project, investigations with individual families had to be postponed due to the pandemic, and this project has now been deferred until 2021.

Finding 22: £400,000 worth of funds that had been allocated to the “Care Needs at Home” project for 2021 have been identified as efficiencies

Finding 23: Whilst the Panel is content with the proposals that were contained within the business case for the “Care Needs at Home” Project last year, until we understand the outcome of the pilot scheme, that how now has been deferred until 2021, we are unable to conclude whether the resources allocated for 2022-2024 are appropriate.

Finding 24: Only £88,000 of the £351,000 that was allocated to the ‘Disability Strategy and Community Support’ project in 2020 will be spent by the end of this year.

Finding 25: Last year the Panel was advised that the transfer from Orchard House to Clinique Pinel was due to be completed by the end of 2020. The relocation is now not due to be complete until January 2022.

Finding 26: There has been no spend to date against the £3.9m that was allocated to the “Mental Health Improvements” project last year as the project is still spending against the original £2m allocation due to the stage of the ‘Mental Health Improvements’ project.

Finding 27: The “Health Service Improvements” project was revised due to the impact of the pandemic and, as a result, 39 projects were identified for 2020. All of the 39 projects are due to be completed by the end of the year to the value of £5 million.

Finding 28: Of the £250,000 that was allocated for 2020 to undertake a feasibility study under the ‘Learning Difficulties’ project, £150,000 has been deferred to 2021. The pre-feasibility work is due to be completed by the end of this year and we have been assured that it can be delivered within the £100,000.

Finding 29: The Panel supports the request for additional funds in 2021-2024 to provide alternative accommodation for individuals with severe learning difficulties. However, until the outcome of the feasibility study is known, we are unable to confirm whether we agree that the future funding allocations for this project are sufficient.

Finding 30: As a result of the Panel’s amendment to P.114/2020 – ‘Jersey Care Model’, it will have an opportunity to review the progress of the delivery of the Jersey Care Model on a monthly basis and closely monitor the spend allocated to the “Jersey Care Model” project in 2021 and subsequent years.

Finding 31: The funding allocated to the project “Air Ambulance Service” is for additional costs incurred following a change in contract in 2020 after the original provider of the fixed wing Air Ambulance service withdrew from the market.

Finding 32: The Minister for Health and Social Services is satisfied that despite being unable to procure a new supplier for the same costs as the previous, the Government is receiving value for money on the “Air Ambulance Service” project.

Finding 33: The £5.47m funding requested for 2021 will allow the Government of Jersey to be in a position to purchase a vaccine for Covid-19, should one pass clinical trials and become available for distribution to Islanders.

Finding 34: The Covid-19 vaccine and administering costs of £5.47m was calculated on the assumption of a population of 106,340 and will therefore enable the same number of vaccines to be purchased.

Finding 35: It is forecast that, at the end of 2020, £11,946,368 would have been spent on the Nightingale Hospital.

Finding 36: Additional funds of £8.38m have been requested in 2021 under the “Covid-19: Nightingale Wing” project to keep the facility for the period January to March 2021 to be ready for a possible resurgence of Covid-19 activity on the Island. Furthermore, this Programme asks for additional funding in 2021 for extended building and plant hire, stripping out the building at the end of March, removal of equipment, buildings and associated plant and remediation of the field at Millbrook.

Finding 37: Should the Nightingale Hospital be required beyond 2021, the business case would need to be reviewed, revised and submitted for consideration. HCS would also need to seek approval for any necessary extension from the landowners of the Nightingale Hospital site.

Finding 38: Due to the uncertainty of the “Nightingale Ward” project and the extent, and length of time, in which the facility will be required, the Panel is unable to confirm whether the level of funding is appropriate or sufficient.

Finding 39: The requested additional investment of £338,000 under the project ‘PPE Warehousing Solution’ will be used to fund alternative warehousing and logistics arrangements. Of the total amount, £225,000 will be spent on lease costs for warehousing and £113,000 will be spend on staff and logistics costs.

Finding 40: The funding request for the “Covid-19 – Income Support Costs” project is based upon the Customer and Local Services Department’s forecast benefits spend for 2021, which utilises data provided by the Fiscal Policy Panel and projects numbers of individuals activity seeking work.

Finding 41: Forecasts from the Fiscal Policy Panel suggest that the number of people who are unemployed will reduce gradually over the next 4 years, hence the reduction in funding allocated to the “Income Support Costs” from 2021 onwards.

Finding 42: A number of projects (previous and new) in the Government Plan appear to request funding for similar areas of work; namely the “Digital Health and Care Strategy”, the “Digital Care Strategy (Major Project)” and the “Jersey Care Model – Digital Systems”. It was advised that whilst the funding is split for Government Plan purposes, operationally the HCS digital strategy project will be delivered as one programme.

Finding 43: The funding allocated to the “Our Hospital (phase two)” project will be primarily used to pay for the services provided by the delivery partner, commercial and technical experts, and cost consultants.

Finding 44: The funds requested for phase two of the Our Hospital Project will last up until Spring next year, at which time the Minister for Treasury and Resources will have brought forward a financing package detailing how much the project will cost and how the Government proposes to pay for it.

Finding 45: The funding allocation for the “In Patients/Support Services Refurbishments” project has been limited to two years at this time. Whilst the Minister for Health and Social Services wants to ensure best standards within the current hospital, he does not want to spend money unnecessarily if a new hospital is to be in place by 2026.

Finding 46: In 2020, the Minister for Health and Social Services was asked to make £9 million worth of efficiencies. Due to the impact of Covid-19, HCS was only able to deliver £5 million worth of efficiencies this year. Of the £5 million worth of efficiencies made, £3.5 million have been realised through the offset of 2020 growth and £1.5 million resulted from direct efficiency savings across all business units following a budget review.

Finding 47: In total, the Minister for Health and Social Services has been asked to make £5,227,000 worth of efficiencies in 2021. £5 million is due to be made through the implementation of proposals from a Zero-Based Budgeting exercise and £227,000 through recurring reductions in the non-staff budget.

Finding 48: In total, the Minister for Social Security has been asked to make £442,000 worth of efficiencies in 2021. £400,000 is due to be made from deferring the implementation of the care needs at home project by one year and £61,000 will be made through regularly reviewing and improving customer services. Furthermore, £19,000 is due to be deducted from the Minister’s budget and paid to Justice and Home Affairs to support Health and Safety Inspectorate resources.

Finding 49: Without further details and a breakdown of the funding being requested for the “Digital Care Strategy (Major Project)” in 2021, the Panel is unable to confirm whether it is content with the amount of funds that being requested.

Recommendations

Recommendation 1: The Minister for Social Security must keep the Panel informed of any progress made in respect of a new funding model for primary care and the review of the Health Insurance Fund and to allow the Panel sufficient time to scrutinise the outcomes of both pieces of work, if required.

Recommendation 2: The Minister for Health and Social Services must ensure that recruitment of new staff to support individuals with complex trauma recommences as soon as possible to help address the current backlog of cases.

Recommendation 3: The Minister for Social Security must provide the Panel with a report detailing the outcome of the scoping work that was undertaken at the end of 2019 in respect of the “Financial Independence in Old Age” project.

Recommendation 4: The Minister for Social Security must provide the Panel with regular updates as to how the “Care Needs at Home” Project is progressing throughout 2021 and the outcome of the pilot scheme as soon as it has been completed.

Recommendation 5: The Minister for Social Security must provide the Panel with regular updates as to how the “Care Needs at Home” Project is progressing throughout 2021 and the outcome of the pilot scheme as soon as it has been completed.

Recommendation 6: The Minister for Health and Social Services should update the Panel on a quarterly basis on the relocation of Orchard House to Clinique Pinel and any further delays to the current timeframe.

Recommendation 7: The Minister for Health and Social Services must provide the Panel with the outcome of the feasibility work in respect of the “Learning Difficulties” project, as soon as it is complete, and detailed plans for alternative accommodation.

Recommendation 8: The Minister for Health and Social Services should provide the Panel with monthly updates on the planned spend on the Nightingale Hospital as the pandemic situation progresses.

Recommendation 9: The Minister for Health and Social Services must provide the Panel with further clarity as to how much in total is due to be spent on each key objective of the HCS Digital Strategy Project in 2021.

Recommendation 10: The Minister for Health and Social Services must provide the Panel with quarterly updates on the progress of the HCS Digital Strategy Project, including the spend to date.

Recommendation 11: The Minister for Health and Social Services must provide the Panel with a detailed breakdown of the funding requested for the “Digital Care Strategy (Major Project)” in 2021, before the debate of the Government Plan 2021-2024.

1.5 Departmental Budgets

Departmental Budgets

The Health and Social Security Panel scrutinises the work of two Ministers; the Minister for Health and Social Services and the Minister for Social Security. Therefore, the project policy work contained in the various actions, programmes and capital projects assigned to the Panel predominantly sit under:



Minister for Health and Social Services (Health and Community Services Department)



Minister for Social Security (Customer and Local Services Department)

Departmental Heads of Expenditure

In the Government Plan 2021 - 2024, the States Assembly has been asked to approve the proposed amount to be appropriated from the Consolidated Fund for 2021, for each head of expenditure. The tables below provide a summary of the proposed “Heads of Expenditure” allocated to the Departments for 2021 and estimates produced for 2022 - 2024:

Table 10 Heads of Expenditure 2021-24				
	2021 Allocation (£000)	2022 Estimate (£000)	2023 Estimate (£000)	2024 Estimate (£000)
Customer and Local Services	91,415	93,838	95,778	95,778
Health and Community Services	227,435	232,086	234,336	227,875
COVID-19 Response	87,277	26,590	25,642	12,602

Summary Table 5(i) Proposed 2021 Revenue Heads of Expenditure ¹			
	Income (£000)	Expenditure Allocation (£000)	Head of Expenditure (£000)
Health and Community Services	25,031	252,466	227,435
Customer and Local Services	9,486	100,901	91,415
COVID-19 Response	0	87,277	87,277

A further breakdown of these figures was provided within the Annex to the Government Plan 2021-2024:

Health and Community Services

2021 (£'000)					
Service Area	Income (£000)	AME	Non-Cash 2021 Net Revenue Expenditure	Total Net Revenue Expenditure (£000)	2021 FTE
Hospital and Community Services	22,978	241,869	3,207	222,098	2,327
Chief Nurse	1,481	3,836	0	2,355	42
Medical Director	572	6,761	0	6,189	61
Net Revenue Expenditure	25,031	252,466	3,207	230,642	2,430

Customer and Local Services

2021 (£'000)						
Service Area	Income (£000)	AME	DEL	Non-Cash 2021 Net Revenue Expenditure	Total Net Revenue Expenditure (£000)	2021 FTE
Customer Operations	7,060	78,705	13,186	0	84,831	148

¹ Government Plan 2021 – 2024 Table 11 p.179

Customer Services	2,184	0	6,786	0	4,602	94
Local Services	242	0	2,224	10	1,992	32
Net Revenue Expenditure	9,486	78,705	22,196	10	91,425	274

The 2021 resources allocated to the Ministers which fall under the Panel's remit are as follows:

Resources mapped to Ministerial portfolios²	
Minister	2021 Allocation (£000)
Minister for Health and Social Services	237,463
Minister for Social Security	128,753

At the Public Hearing with the Social Security Minister, we queried why the resources mapped to the Minister's portfolio for 2021 had reduced from £188m in the previous Government Plan to £128m in this year's Government Plan. It was advised that due to the proposal to remove the obligation to pay the States Grant in 2021, the amount that would have been paid into the Social Security Fund has been removed from the Minister's resources allocation for next year. We also questioned why the Minister's funding allocation for 2021 was a lot greater than the funding allocation to the Customer and Local Services Department for the same year (£128,753,000 vs £91,415,000). The Director General advised the Panel:

There is a difference between the Minister's allocated resources and that for Customer and Local Services. As you have just covered, the resources the Minister has includes the majority of the Customer and Local Services budget, extra COVID money for income support and a long-term care grant, as well as, in the years it is payable, the States grant. Whereas the Customer and Local Services budget, which is typically around 91 million for next year does not include the long-term care grant, does not include the States grant, it includes just the cost of running the department and, relevant to the Panel, obviously the benefits that come under the Minister for Social Security. It also includes the cost of running the library, the Office of the Superintendent Registrar, et cetera. It is much smaller amounts for quite a few other Ministers. How it is based is we look at the budget from last year and look forward in terms of forecasting those benefits based upon the F.P.P. (Fiscal Policy Panel) forecast around inflation. Of course, in this current year it has been quite a moving picture around those forecasts and also around the actual experience in terms of people claiming benefits. We have forecasted ahead and also considered what resources we may need and the like. In relation to Customer and Local Services, that is how that budget is built up. Obviously,

² Government Plan 2021 – 2024 Table 11 p.126

*we also look at the contribution towards the balancing of last year's efficiency savings as well.*³

Similarly, at a Public Hearing with the Minister for Health and Social Services on 26th October, we queried why the resources mapped to his Ministerial profile for 2021 had increased from £223.9 million in last year's Government Plan to £237.4 million in the Government Plan 2021-2024. The Group Director for Performance Accounting and Reporting advised that there are two key reasons for the increase. Firstly, that this year's Government Plan requests £6 million for the Jersey Care Model and secondly, that there has been an increase in maintaining health and care standards due to increased pressures that the service fields through inflation, demand growth etc.⁴ In light of this information, the Panel questioned why the Minister's budget had only increased by around £13 million, if the additional funding he was requesting this year totalled substantially more than this amount. The Group Director from Performance Accounting and Reporting advised the Panel that Covid-19 related expenditure through business cases are approved through reserves, so the base budget is not impacted.⁵

1.6 Special Funds

Social Security Fund

The main purpose of the Social Security Fund (SSF) is to provide old age pensions. It also pays maternity, incapacity and other benefits.

The Government Plan 2020-2023 proposed to reinstate the States Grant to full value by 2023, rather than reinstating it in full in 2020. During its previous review, the Panel was advised by the Minister for Social Security that the staged reinstatement of the States Grant had the best outcome, as a total of £50 million would be released to invest in the agreed priorities set out in the Government Plan to fund some of the services that were significantly underfunded, whilst still ensuring the sustainability of the fund in the long-term.

Alongside the Government Plan 2020-2023, States Members were asked to approve amendments to the Social Security (Jersey) Law 1974. The Regulations would introduce a legal requirement to reinstate the States Grant to its full value of £93.1 million by 2023. The Regulations were approved by States Members.

On 25th March 2020, the Minister for Social Security lodged [P.31/2020 – 'Draft Social Security \(Amendment of Law No.12\) \(Jersey\) Regulations'](#), in light of the ongoing Covid-19 pandemic. The Regulations proposed to remove the obligation to pay any States Grant, from the Consolidated Fund, into the Social Security Fund (SSF) during 2020 and 2021. The purpose of these changes was to further assist the Treasury and Resources Minister in addressing the financial implications of Covid-19. The Panel undertook a review of the Regulations and lodged an amendment prior to the debate (LINK). The Panel's [Amendment](#) sought to maintain, at that time, the obligation to pay the States Grant of £65.3 million into the SSF in 2021. Alongside the amendment, we requested that an economic forecast was undertaken by the

³ Public Hearing, Minister for Social Security,

⁴ Public Hearing, Minister for Health and Social Services, 26th October 2020

⁵ Public Hearing, Minister for Health and Social Services, 26th October 2020

Treasury and Resources Minister within a six-month period to allow the States Assembly to reassess whether there was a need to remove the obligation to pay the States Grant in 2021.

The States Assembly supported the Panel's amendment which meant that no grant would be paid into the Social Security Fund in 2020 but that the Minister for Social Security would have to seek further approval from the Assembly to remove the obligation to pay the States Grant in 2021.

According to the Government Plan 2021-2024:

Due to the exceptional financial pressure being faced by the Government as a consequence of the pandemic, it has been proposed that the States Grant is not paid in 2021, 2022 and 2023, allowing an additional estimated £235 million to be allocated to urgent financial pressures. This is a critical element in enabling the Government to cope with the lost income and additional costs associated with Covid-19 and fund its capital and revenue expenditure Programmes. If we don't do this, borrowing will need to increase over the period to fund these additional transfers.⁶

In addition, the Social Security Fund is also facing reductions in contributions income because of:

- The economic downturn resulting from the response to the pandemic
- The decision to reduce employee social security contributions by 2% from October 2020 to June 2021 as part of the Economic Stimulus Programme
- The decision to enable businesses and self-employed people to defer social security contributions, payable in the first 2 quarters of 2020, to be repaid over 2 years.

For the purposes of this Government Plan, the Minister for Social Security is only proposing a change to the Social Security Law to remove the States Grant for 2021. It is advised that further changes to the value of the Grant will be proposed during 2021, following agreement on the outcome of a review of the sustainability of the Social Security Scheme. This review is due to be undertaken by the Council of Ministers urgently and will draw on the work already completed, which has gathered views on the future of the fund, contributions and benefits. It is further advised that the review will include a long-term plan and funding model for the SSF given the ageing population, the need to encourage greater retirement saving, and pressure on its reserves brought about by the economic impact of Covid-19 and social restrictions. With regards to the review of Social Security Sustainability, the Government Plan 2021-2024 states:

We are determined to place the Social Security Fund in a fully sustainable position for future generations and will undertake a full review of the various components of the Social Security scheme over the coming months. These components include the contributions levied, other income coming into the Fund, the range and level of benefits and pensions provided and the size and investment strategy of the Reserve Fund. In particular, the balance of contributions and States Grant will be reviewed in the context of the burden of overall government levies (taxes and contributions) on individuals, workers, businesses and employers. The review will build on the public consultations, previously conducted in 2016 and 2017, and will lead to proposals to be incorporated into the Government Plan 2022.⁷

As shown in the table below, it is proposed that the States Grant of £65.3 million will be reinstated in 2024 and a sustainability measure will also be used to address the balance of

⁶ Government Plan 2021 – 2024, p163

⁷ Government Plan 2021 – 2024, p172

£29.3 million in the same year. Further transfers from the Reserve Fund (in addition to the transfer of up to £150m that was approved by the Minister in May 2020) will also be required during 2021 to 2023 to “support the on-going payment of pensions and benefits.” These have been proposed as follows:

- £94,932,000 in 2021
- £81,255,000 in 2022
- £87,175,000 in 2023

These amounts total £263,362,000.

Estimate of Social Security Fund balances⁸

	2021 (£000)	2022 (£000)	2023 (£000)	2024 (£000)
Opening balance	92,722	91,746	86,020	75,294
Existing Contributions income	199,054	205,507	211,627	217,929
Changes to Contribution rates	(15,894)	0	0	0
Sustainability Measures	0	0	0	29,319
Transfer from Social Security Reserve	94,932	81,255	87,175	0
Grant to Social Security Fund	0	0	0	65,300
Existing benefits and other expenditure	(275,879)	(284,475)	(296,398)	(310,018)
New Benefits proposed	(2,939)	(3,013)	(3,130)	(3,256)
Capital Investment in New Benefits System	(250)	(5,000)	(10,000)	(7,750)
Closing balance	91,746	86,020	75,294	66,818

Table 36 – Social Security Fund

With regard to these proposals, the Minister for Social Security lodged [P.148/2020 – ‘Draft Social Security \(Amendment of Law No.15\) \(Jersey\) Regulations](#) on 2nd November 2020. The Draft Regulations are due to be debated directly following the debate of the Government Plan 2021-2024, if Part b) of the Proposition is passed by the States Assembly.

If the Government Plan is adopted as proposed, and the draft Regulations are subsequently approved by the States Assembly, the Government Plan notes that the estimated balance of both the Social Security Fund and the Social Security (Reserve) Fund at the end of 2024 would total £1,800 million (as shown in table 32 of the Government Plan 2021-2024 - below).⁹

Special funds balances	2021 (£000)	2022 (£000)	2023 (£000)	2024 (£000)
Strategic Reserve Fund	890,300	904,900	952,900	1,003,600
Stabilisation Fund	0	0	0	0
The Health Insurance Fund	79,340	62,517	47,467	35,027
The Long-Term Care Fund	35,220	39,566	43,810	46,190
The Social Security Fund	91,746	86,020	75,294	66,818
The Social Security (Reserve) Fund	1,667,068	1,609,813	1,634,638	1,751,338
The Currency and Coinage Funds	107,800	108,600	109,400	109,400
The Jersey Reclaim Fund	14,300	14,300	14,300	14,300
Housing Development Fund	(14,665)	(13,270)	(11,815)	(10,290)
Climate Emergency Fund	3,397	3,757	4,107	3,797
Fiscal Stimulus Fund	0	0	0	0
Other Special Funds	23,634	16,325	13,929	13,929
Total	2,898,140	2,832,528	2,884,030	3,034,109

Table 32 – Special Funds balances

In the report to our amendment on the Draft Social Security (Amendment No.12) (Jersey) regulations 202-, we stated that “The Panel does not feel that it can support the removal of

⁸ Government Plan 2021 – 2024, p164

⁹ Government Plan 2021 – 2024, p159

the obligation to pay the States Grant in 2021 until it has received further clarification as to how the funds will be used in response to the outbreak of Covid-19.” Following a briefing the Panel received on the Draft Social Security (Amendment of Law No.15) (Jersey) Regulations 202-, it requested further information from officers regarding how the funds will be used if the States Assembly was to agree to hold back the States Grant in 2021. We were provided with the following information:

What will the States grant money be used for instead?

Stopping the States grant from 2020 to 2023 and reducing it by £30 million in 2024 releases approximately £300 million of tax-funded money in the Consolidated Fund.

This will pay for costs relating to Covid-19 over the period, and it will also help to make up for lower tax revenues, supporting ongoing public service costs and investments in strategic priorities.

This year, the £65 million has been put towards the costs of Covid-19. We forecast the costs of covid-19 to be over £250 million this year.

Table 1: £300 million to be made available by 2024

	2020	2021	2022	2023	2024	Total
	£m	£m	£m	£m	£m	£m
<i>Previous Plan</i>	65.3	65.3	65.3	76.1	93.1	365
<i>Proposed</i>	0	0	0	0	65.3	65
Retained in the Consolidated Fund	65.3	65.3	65.3	76.1	27.8	300

Reduced income in 2020 and future years

The latest forecasts from the Income Forecasting Group show a decline in income, as a result of Covid-19, of £96 million in 2020, compared to the forecasts a year ago, with all future years also reduced¹.

Government spending 2021-24

We are planning to spend £1.05 billion on public services and infrastructure in 2021. This compares with forecast expenditure of £945 million included in last year’s Government Plan. The difference (£105 million) is largely the projected costs arising from the pandemic response and economic recovery.

In written correspondence to the Minister for Social Security, we asked how the decision not to pay future grants into the Social Security Fund until 2024 would affect Family-Friendly Legislation going forward, given that last year’s Government Plan proposed that these changes would be funded through the SSF. It was advised, that to help fund the additional costs of introducing Parental Benefits, the following changes to Social Security contributions were made effective from 1st January 2020:

The liability of employers and class two contributors, paying contributions above the Standard Earnings Limit (SEL) of £53,304 were increased as follows:

- The Upper Earnings Limit – the maximum level of earnings that is taken into account for contribution purposes – increase from £176,232 to £250,000
- The percentage rate levied on earnings above the Standard Earnings Limit (£53,304-£250,000) was increased by 0.5% from 2% to 2.5%

It was estimated that the overall impact of these two changes was estimated to be additional income of £3.35 million a year being received into the Social Security Fund during 2020. There has, however, been an impact on the income received into the SSF as a result of Covid-19. The Assembly approved a 2% cut to standard level contribution rates until June 2021 and there have been deferrals made to some contributions. Furthermore, it is proposed that the States Grant is deferred until 2024.

The Panel was advised that the income for parental benefit is not affected by the 2% cut, as all the funding comes from income above the SEL. We were also told that, even with the temporary downturn, the Social Security Fund will have enough money to meet the costs of the new benefit. The anticipated costs associated with the new Parental Benefit are included in the Social Security Fund forecasts throughout the Government Plan period.¹⁰



FINDING 1

It has been proposed that the States Grant is not paid in 2021, 2022 and 2023, to allow an additional estimated £235 million to be allocated to urgent financial pressures. The funds will pay for costs relating to Covid-19, help to make up for lower tax revenue and support ongoing public service costs and investments in strategic priorities.



FINDING 2

For the purposes of this Government Plan, the Minister for Social Security is only proposing a change to the Social Security Law to remove the States Grant for 2021. Further changes to the value of the Grant will be proposed during 2021, following agreement on the outcome of a review of the sustainability of the Social Security Scheme.



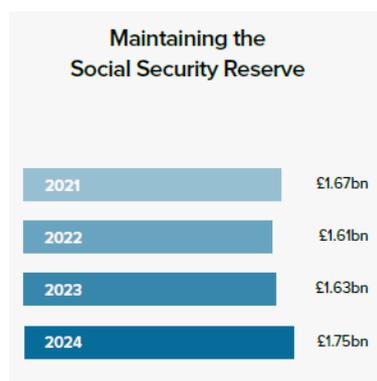
FINDING 3

If the Government Plan is adopted as proposed, and the draft Regulations are subsequently approved by the States Assembly, the estimated balance of the both the Social Security Fund and the Social Security (Reserve) Fund at the end of 2024 would total £1,800 million.

Social Security (Reserve) Fund

The Social Security (Reserve) Fund holds the balances built up in the Social Security Fund and is a key to the Government managing the impact of an ageing population on future pension costs.

¹⁰ Letter, Minister for Social Security, 4th November 2020



As discussed above, it is proposed that further transfers from the Reserve Fund into the Social Security Fund are made to support the cost of Social Security pensions and benefits.

Similar to the previous Government Plan, this year's also states that "*consideration is being given to modifying the investment strategy of the Reserve Fund to allow it to invest in local infrastructure, providing greater benefit to the Island while still providing a healthy financial return to the fund.*".

During our review of the Government Plan 2020-2023, we were told that investment in infrastructure could complement the existing asset classes held in the fund's portfolio, increase diversification and offer an appropriate risk adjusted return. However, the Panel was still unclear at that stage as to the type of local infrastructure that might receive this investment. As a result, we recommended that, in advance of any changes being made to the investment strategy of the Reserve Fund, the Minister for Treasury and Resources should provide the States Assembly with documentation in respect of the proposed changes, including details of the local infrastructure to be invested in, any potential risks associated with that investment, and any risks to the future projections of the fund and its objectives.

In the Ministerial Response to the Panel's Findings and Recommendations, and in response to the Panel's recommendation, it was advised that the Minister for Treasury and Resources is required to publish Investment Strategies for Funds and cannot act in accordance with those Strategies until they have been presented to the States.

Estimate of Social Security (Reserve) Fund balances¹¹

	2021 (£000)	2022 (£000)	2023 (£000)	2024 (£000)
Opening balance	1,736,400	1,667,068	1,609,813	1,634,638
Return on investments	25,600	24,000	112,000	116,700
Transfers	(94,932)	(81,255)	(87,175)	0
Closing balance	1,667,068	1,609,813	1,634,638	1,751,338

Health Insurance Fund

The Health Insurance Fund (HIF) receives allocations from Social Security contributions from employers and working-age adults and supports the wellbeing of Islanders by subsidising GP visits, the cost of prescriptions and other primary care services.

The Jersey Care Model (JCM) was debated on 3rd November and was approved by States Members 39 votes to 7.

The Government Plan 2021-2024 proposes that £28 million of investment in the JCM will be met from the current balance in the Health Insurance Fund. It is further proposed that £16 million of the Health Digital Project will be funded from the transfers out of the HIF. Part b) of P.130/2020, therefore, asks the States Assembly to "*approve the amounts to be transferred*

¹¹ Government Plan 2021 – 2024, p 165

from one States fund to another for 2021, in line with Article 9(2)(b) as set out in Appendix 2 – Summary Table 2 to the Report” (as below).

Summary Table 2 – Transfers to the Consolidated Fund

	2021 (£000)	2022 (£000)	2023 (£000)	2024 (£000)
Health Insurance Fund to Consolidated Fund	11,300	13,000	12,160	7,825
Charitable Funds to Consolidated Fund	1,044	989	0	0
Loans Funds to Consolidated Fund	0	5,700	0	0
Criminal Offences Confiscation Fund to Consolidated Fund	1,956	1,609	2,396	0
Total transfers to/from the Consolidated Fund	14,300	21,298	14,556	7,825

According to the Government Plan, these transfers combined with other pressures and planned additional assistance to financially vulnerable patients, means that the value of the fund is planned to reduce from £74,340,000 at the end of 2021 to £35 million at the end of 2024 (as shown in the table below). This amount of funds would represent less than one year’s worth of expenditure.

Estimate of the Health Insurance Fund balances¹²

	2021 (£000)	2022 (£000)	2023 (£000)	2024 (£000)
Opening balance	97,679	79,340	62,517	47,467
Return on investments	1,600	1,400	3,000	2,250
Contributions Income	32,778	36,781	37,877	39,006
Benefits and other expenditure	(41,417)	(42,004)	(43,767)	(45,871)
Transfers - Jersey Care Model & Digital Care	(11,300)	(13,000)	(12,160)	(7,825)
Closing balance	79,340	62,517	47,467	35,027

Table 34 – Health Insurance Fund

In April 2020 we were advised that the most recent valuation found the fund to be valued at £83 million. However, we recognise that a recent transfer of £5.3 million was made from the fund to support emergency Covid-19 work. In correspondence to the Minister for Social Security in October we queried the funds current valuation and we were told that the current value of the financial assets held by the fund is £88.9 million. In light of the current value, the Panel questioned the disparity between the current valuation and its opening balance of £97.7 million in 2021. We were told:

This has increased in comparison with the previous valuation as a result of the recovery in financial asset values since April. April 2020 was the low point in the values of the assets held by the Health Insurance Fund (HIF). The £5.3m transfer to Health & Community Services has been deducted from the £88.9m figure. The values quoted above relate to the financial assets held for investment. The opening balance in 2021 is Taxpayers Equity which includes other assets and liabilities of the fund. The Taxpayers Equity balance in the HIF per the 2019 audited accounts was £107.6m. Of this £95m was held in financial assets. The opening value in 2021 is anticipated to be £10m less as a result of the transfer referred to above and the forecast deficit in 2020. The forecast

¹² Government Plan 2021 – 2024, p161

deficit is due to shortfalls in contributions and investment income and some increased costs in 2020.¹³



FINDING 4

It is anticipated that the opening value of the Health Insurance Fund in 2021 will be £10 million less than its equity balance in 2019, as a result of the transfer of £5.3 million to support emergency Covid-19 work and a forecast deficit in 2020.

During the Panel's review of Jersey Care Model, concerns were raised by members of the public and GPs in respect of using the Health Insurance Fund to fund purposes other than what the Fund was created to support. The following are examples of some of the comments provided:

Anonymous (1)

HIF contributors have a right to expect the benefit to be paid out to fund their primary care needs and do not belong to HCS to be 'repurposed'.

Anonymous (2)

The HIF is there for those that contribute to the fund as is the SoJ Pension Fund, what will happen when these run out of funds?

Friends of the New Hospital

If the JCM is pushed through, we believe the HIF should be maintained for its primary purpose. The fund is in a relatively healthy position but will run out at the current rate of expenditure by 2035.

GP Survey response

Proposal to use the HIF by Health when they have clearly demonstrated a lack of understanding of community demand and have a very poor track record on achieving projects within reasonable budgets.¹⁴

According to the Government Plan 2021-2024, the ageing demographics of Jersey's community will also increase the underlying annual costs to be met by the fund during the 2020s. As a result, there is also a commitment in this year's Plan to design and implement a sustainable funding model for primary care costs in 2021 for approval by the 2022-2025 Government Plan. In this regard, in a Public Hearing with the Panel, the Minister for Social Security commented:

We are going to do a review of the Health Insurance Fund in conjunction with the health team and the healthcare model who are producing that because we need a sustainable net funding going forward. Not necessarily to be called the Healthcare Fund, it could come from something else but that is all in the review. It should all be coming back early next year, hopefully before the Government Plan, because they are 2 quite big bits of work. The review of the Social Security Fund and the Health Insurance Fund. But, yes, we do know that it is well depleted. It has less than half in it over the next 4 years than

¹³ Letter, Minister for Social Security, 4th October 2020

¹⁴ Health and Social Security Panel, Review of the Jersey Care Model Report, p96

what it is in it today. We need to make sure that we have a plan going forward on how to get some money to pay for the new healthcare model.¹⁵

With regard to this year's proposed transfer of £11.3 million from the Health Insurance Fund, the Minister for Social Security lodged [P.156/2020– 'Draft Health Insurance Fund \(Miscellaneous Provisions\) \(Amendment No.2\) \(Jersey\) Law 202-](#) on 5th November 2020. The Draft Law is due to be debated directly following the debate of the Government Plan 2021-2024. The report to the Proposition provides the following breakdown of the £11.3 million that would be transferred in 2021:

Programme	£million
Jersey Care Model	6.6
Jersey Care Model – Digital Systems	1.3
Digital Care Strategy	3.4

Each of these Programmes have been considered by the Panel later on in this report under Section 1.9.



FINDING 5

There is a commitment in this year's Government Plan to design and implement a sustainable funding model for primary care costs in 2021 for approval by the 2022-2025 Government Plan. This work will be informed by a review of the Health Insurance Fund, its structure and use, which is due to take place early next year.



RECOMMENDATION 1

The Minister for Social Security must keep the Panel informed of any progress made in respect of a new funding model for primary care and the review of the Health Insurance Fund and to allow the Panel sufficient time to scrutinise the outcomes of both pieces of work if required.

Long-Term Care Fund

The Long-Term Care Fund (LTCF) provides universal and means-tested benefits to individuals with long-term care needs and is funded through a central grant from general revenues and income-related contributions from income tax payers.

An actuarial review completed at the end of 2017 found that the LTCF would reduce to provide just 3 months' worth of expenditure by 2023 and become negative by 2027. It also predicted that the contributions would require "break even" contributions of 1.5% by 2028 and up to 2.5% by end of 2043. The projections were noted to be uncertain. The Government Plan 2020-2023 sought to increase the balance of the LTCF from the current 2019 balance of £24m to £94m by 2023. To achieve this, the previous Government Plan proposed a 1% increase (to 2%) in

¹⁵ Public Hearing, Minister for Social Security, 22nd October 2020

the headline rate of Long-Term Care contributions from 2020, together with an increase in the income cap from £176,232 to £250,000.

However, as a result of an [Amendment](#) put forward by the Corporate Services Panel at the time, the contribution rate was only increased by 0.5% and, therefore, now stands at 1.5%. According to the Government Plan 2021-2024, the current rate is expected to enable the balance on the Fund to continue to increase throughout the period of the Government Plan. It is anticipated that further increases in Long-Term Care contribution rate in future years will be needed as the proportion of older people with long-term care needs is expected to increase. However, the Government Plan states that:

...the implementation of the Jersey Care Model, and the proposed introduction of the new Care Needs at Home Benefit, are intended to reduce the number of individuals who will need a care home replacement through the provision of alternative care options and improved support at homes in the community. These actions are expected to reduce the extent of future increases in Long-Term Care expenditure.



FINDING 6

It is envisaged that the development of additional support in the community and an emphasis on preventative activities, as a result of the new Jersey Care Model, should reduce the anticipated increase in Long-Term Care costs.

Estimate of Long-Term Care Fund balances

	2021 (£000)	2022 (£000)	2023 (£000)	2024 (£000)
Opening balance	30,972	35,220	39,566	43,810
Return on investments	300	400	400	400
Existing Long-Term Care charge	31,889	34,471	37,264	38,866
Grant to Long-Term Care Fund	31,000	32,100	33,300	34,200
Benefits and other expenditure	(58,941)	(62,625)	(66,720)	(71,086)
Closing balance	35,220	39,566	43,810	46,190

Table 35 – Long-Term Care Fund

1.7 Previously Reviewed Actions, Programmes and Capital Projects (Government Plan 2020 – 2023)

The Panel completed its review of the Government Plan 2020 – 2023 and the various actions, projects and capital projects that were assigned to it by the Government Plan Review Panel. This section provides an overview and update on each of the actions, projects and capital projects reviewed last year.

The tables immediately below identify the projects included in the Government Plan 2020-2023, that will continue to be invested in in 2021, and indicates whether the projects are 'Complete', 'On Track', 'Reduced', 'Delayed', 'Deferred' or subject to 'Partial Deferral'.

Programmes (Government Plan 2020 – 2023)						
Programme	CSP reference	Page number	Scrutiny RAG Status 2021	Six-Month Report Status	2021 Allocation (£000) (original)	2021 Allocation (£000) (revised)
Preventable Disease	CSP2-1-03	24		Deferred	1,200	1,200
Adult Safeguarding	CSP2-2-01	26		Partial deferral	102	100
Mental Health and Mental Health Legislation	CSP2-2-02	27		Delayed	4,800	4,800
Digital Health and Care Strategy (DCS)	CSP2-3-01	31		On track	700	700
Health P.82 Reinstate 2019	CSP2-03-02	33		Complete	3,597	3,597
Maintaining Health and Community Care	CSP2-3-03	35		Complete	11,464	10,000
Regulation of Care (Income Deferred)	CSP2-3-04	36		On track	200	200
Compensation for Mesothelioma	CSP4-1-01	37		Complete	155	100
Financial Independence in Old Age	CSP4-1-02	39		Deferred	200	50
Food Costs Bonus	CSP4-1-04	41		On track	308	340
Single Parent Component P.113/2017	CSP4-1-5	42		Complete	2,539	2,539

Care Needs at Home	CSP4-3-01	43		Delayed	620	620
Disability Social Inclusion	CSP4-03-02	46		On track	571	481

Capital Projects (Government Plan 2020 – 2023)						
Programme	CSP reference	Page number	Scrutiny RAG Status 2021	Six-Month Report Status	2021 Allocation (£000) (original)	2021 Allocation (£000) (revised)
Mental Health Improvements	2	49		On track	-	-
Health Services Improvements (including vital IT investment)	2	52		On track	5,000	5,000
Learning Difficulties – Specialist Accommodation (now a Major Project)	2	54		Partial deferral	2,300	2,100
Our Hospital	2	56		On track	1,600	36,120

1.8 Update Reports on Previously Reviewed Actions, Programmes and Capital Projects

This section provides an update on the Actions, Programmes and Capital Projects that were previously reviewed by the Panel during its review of the Government Plan 2020 – 2023.

Programmes

Preventable Diseases

Preventable Diseases			
CSP2-1-02 – Supporting Islanders to live healthier, active, longer lives			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
<ul style="list-style-type: none"> Deliver a range of preventative and proactive schemes focused on inspiring an 'Active Jersey' Support the reduction in preventable disease 	<ul style="list-style-type: none"> Preparing for more Islanders living longer 	Minister for Health and Social Services	

Previous Scrutiny RAG Rating – Green

Summary

According to the summary business case contained in R.91, the aim of Reducing Preventable Disease (RPD) portfolio is to reduce the burden of preventable disease and, avoidable early death in Jersey's population. In doing so, HCS will be aiming to achieve the Government of Jersey's Common Strategic Priority to 'Improve Islanders wellbeing and mental and physical health.'

Panel analysis

Funding allocations approved in Government Plan 2020-2023:

Additional Investment Required (£000)

2020	2021	2022	2023
300	1,200	2,500	2,800

Funding allocation requests in Government Plan 2021-2024:

Additional Investment Required (£000)

2021	2022	2023	2024
1,200	2,500	2,800	2,800

Six Monthly Report Status – Deferred

According to R.89/2020, the Government has launched a Health and Wellbeing Framework which describes a new way of working to address the root cause of preventable illnesses such as heart disease, diabetes, cancer, anxiety and depression. It sets out a system of working across Government and the wider community, to achieve outcomes based on what Islanders say matter most to them. In addition, the Government has continued to deliver the Smoking Cessation Programme and supported the 'WHO World No Tobacco Day 2020'.

This project links in well with one of the key objectives of the Jersey Care Model, which is a greater focus on prevention and public health.

The 6-month progress review of the Government Plan 2020-2023 advised that a review has been undertaken into the diabetes pathway, identifying areas that require action and improvement in year and require investment going into 2021. Furthermore, a Diabetes Centre Manager post has been established to provide day-to-day operational oversight and support for this patient pathway. Some food and nutrition programmes have continued to be progressed up until school closures including:

- Primary school meals service
- The Food Dudes fruit and vegetable programme
- Family Project, weight and healthy eating programme.

During our review of the Government Plan 2020-2023, we were advised that the £300,000 funding requested under the 'preventable diseases' project would be spent on health promotion and introducing a two-year pilot scheme to provide healthy meals in schools. In written correspondence from the Minister for Health and Social Services in November, we were advised that all aspects of the project have been deferred and that the food and nutrition programmes in schools are funded by the Children, Young People, Education and Skills Department.

As all aspects of the project have been deferred, it was confirmed that no funds have been spent or are due to be spent on this project this year. Instead, the growth allocated for support of preventable diseases has been used to "*mitigate efficiency programme challenges in 2020.*"¹⁶



FINDING 7

All aspects of the project "Preventable Diseases" have been deferred to 2021 to help mitigate efficiency programme challenges in 2020. None of the funding that was allocated to this project for 2020 has been spent or is due to be spent this year.

¹⁶ Letter, Minister for Health and Social Services, 6th November 2020

Adult Safeguarding Improvement Plan

Adult Safeguarding Improvement Plan CSP2-2-01 – Supporting Islanders to live healthier, active, longer lives			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
<ul style="list-style-type: none"> Improving Islanders' wellbeing and mental and physical health 	<ul style="list-style-type: none"> Nurturing a diverse and inclusive society 	Chief Minister	

Previous Scrutiny RAG Rating – Green

Summary

The Safeguarding Adults Partnership Board is responsible for co-ordinating work locally, safeguarding and promoting the welfare of adults in Jersey and monitoring and challenging the effectiveness of Jersey's safeguarding arrangements. The Board meets 6 days per month and is led by an independent Chair. The work is undertaken by 2 trainers and 1 policy staff, with a part time manager and administrators.

According to the business case in the previous Government Plan, two reviews were undertaken in 2018 by independent advisers and in consultation with service providers and the Safeguarding Adults Partnership Board. The reviews identified some good practice but identified 40 recommendations relating to delivery personalisation through an outcomes-based approach and improving inter-agency working, processes and culture. The Board stated that the extra work required to co-produce and implement the adult safeguarding improvement plan ('Making Safeguarding Personal'³⁰) would require additional resources, which was agreed by the Council of Ministers.

Panel analysis**Funding allocations approved in Government Plan 2020-2023:**

Additional Investment Required (£000)

2020	2021	2022	2023
102	102	102	102

Funding allocation requests in Government Plan 2021-2024:

Additional Investment Required (£000)

2021	2022	2023	2024
100	100	100	100

Six Monthly Report Status – Partial deferral

R.89/2020 confirmed the status of this project as partially deferred and stated:

The Safeguarding Partnership Board (SPB) carries responsibility for coordinating safeguarding and promoting the welfare of adults in Jersey. Sound adult safeguarding

is built on effective inter-agency practice. Additional staff members have been recruited by the SPB to implement 'Making Safeguarding Personal' as agreed by the Council of Ministers. These new colleagues will support the development of a co-produced "Making Safeguarding Personal" Programme.

As part of its review of the Government Plan 2020-2023, the Panel found that the £102,000 worth of funding requested for the Adult Safeguarding Improvement Plan in 2020 was to provide funding for two additional FTEs who were needed to co-produce and implement the Plan (1 manager and 1 administrator).

Whilst this project sits with the Department for Strategic Policy, Planning and Performance (SPPP), the Minister for Health and Social Services advised the Panel that recruitment to one of the new posts had been deferred. The Making Safeguarding Personal (MSP) work post previously went out to advert twice with no successful candidate appointed. The post has now been re-graded and rewritten to a lower level and SPPP are interviewing again on 28th October. It was also advised that the MSP administrator post was recruited to last year, but the contract has now ended for the individual. The post was instead used to facilitate the Adult safeguarding team including the Community Adult Support Panel (CASP) and the remainder to the Safeguarding Partnership Board (SPB).

The Panel noted that one of the recommendations that came out of the report into Adult Safeguarding in 2018 was that the policy should be rewritten in line with "Making Safeguarding Personal". It was advised that the policy was rewritten in 2019 and the project was joint funded by SPB and Adult Social Services. The new policy is due to go live on 1st January 2020.

In regard to funding, SPPP forecast that of the £102,000 that was allocated to this project for 2020, £40,000 will be spent by the end of 2020, meaning £62,000 will be saved from deferring the recruitment. The Panel queried whether the 'partial deferral' would have any impact on inter-agency adult safeguarding. We were told that the implementation of the new policy in January 2021 would have the biggest impact on inter-agency working and whilst the recruitment has been deferred, the work to progress the policy is on track.¹⁷



FINDING 8

£102,000 was allocated to the project "Adult Safeguarding Improvement Plan" for 2020. Of that total amount, it has been forecast that only £40,000 will be spent by the end of 2020 due to a deferral of the recruitment of a new post.

Mental Health and Mental Health Legislation

Mental Health			
CSP2-2-02 – Improve the quality of and access to mental health services			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
<ul style="list-style-type: none"> Improve access to mental health services 	<ul style="list-style-type: none"> Nurturing a diverse and inclusive society 	Minister for Health and Social Services	

¹⁷ Letter, Minister for Health and Social Services, 13th November 2020

Previous Scrutiny RAG Rating – Amber**Summary**

In R.91/2019, the business case stated that the requested funds for this programme were required to deliver Health and Community Services' plans to:

- Improve access to 24/7 mental health services, aid recovery, and provide safer and more effective care closer to home
- Improve the quality and therapeutic value of the care environment through work on the mental health estate.
- Keep Islanders mentally healthy and physically well by co-producing and developing services, initiatives and educational and promotional activities that are recovery oriented and improve well-being
- Improve access to advocacy and upholding human rights
- Develop our workforce for the future in response to innovation and new models of care
- Optimise technology as an alternative option supporting the therapeutic process
- Work in partnership with a range of stakeholders to deliver value-based care and support.

The Health and Social Services Minister requested £3.2 million for 2020. Of which:

- £0.4m would be spent on facilitating the transfer of Child and Adolescents Mental Health Service (CAMHS) to CYPES (Children, Young People, Education and Skills) and improving operational accountability for the delivery of CAMHS.
- £1.1m would be used to appoint various roles to support the crisis support services
- £0.3m would be allocated to undertake a 2-year pilot on a listening lounge
- £0.8m would be spent on recruiting a team of professionals to form a complex trauma team
- £0.6m would be put towards recruiting a team of 8 FTEs to ensure that HCS can meet the statutory obligations under the Mental Health (Jersey) Law
- £0.6m would be used to further develop the Mental Health Strategy aligned to the Jersey Care Model.

Panel analysis**Funding allocations approved in Government Plan 2020-2023:**

Additional Investment Required (£000)

2020	2021	2022	2023
3,200	4,800	4,100	4,200

Funding allocation requests in Government Plan 2021-2024:

Additional Investment Required (£000)

2021	2022	2023	2024
4,800	4,100	4,200	4,200

Six Monthly Report Status – Delayed

The 6-month Progress Review gave this Programme a ‘delayed’ status and provided a summary of the work that had been undertaken to date. It also provided a summary of work that had been undertaken as part of the response to Covid-19.

The update advised that at the end of March this year, a new Home Treatment Service had been established in response to the pandemic. The service provides community patients with face-to-face contact and seeks to support patients in the community during periods of crisis to help prevent admission to hospital. It also advised that the Safeguarding Cell has been established with online meetings taking place daily on weekdays at the height of the pandemic and remaining in place as Jersey moves through the Safe Exit Framework. The group represents the largest tactical multi-agency function seen on a routine basis and enables each agency to present and discuss individuals where there may be concerns. According to HCS, the Safeguarding Cell is a vast improvement on previous multi-agency co-ordination.

In respect of the previous objectives for 2020, we were provided the following update:

Complex Trauma Pathway – The new pathway has been developed and recruitment has started but this initiative has been delayed due to the pandemic.

Listening Lounge - a listening lounge had been established and was experiencing a high volume of activity. Furthermore, the Government had agreed additional funding to support the increased activity and to prevent long waits for people who needed access to services, such as counselling. It was further advised that work was on-going to increase the capacity within Jersey Talking Therapies (JTT) to ensure a seamless service for clients between the Listening Lounge and JTT.

CAMHS – According to HCS, the funding allocated for 2020 was for off island placements. During Covid-19 an on-island facility was established as the UK was not accepting any new referrals.

Mental Health Legislation - The Mental Health Law team has had an initial round of recruitment but needs further recruitment to reach full strength.

Crisis Response – Covid-19 accelerated the introduction of community triage, intensive outreach through the Home Treatment Team (HTT), and the strengthening of a focused liaison function. The crisis service was put in place by redeploying staff from across other areas of the Mental Health Care Group (MHCG), including community mental health teams. In regard to a permanent workforce for crisis support (which was identified as an objective for 2020), the Panel was advised that, due to Covid-19, recruitment was put on hold for practical reasons. The Minister for Health and Social Services’ response continued:

The crisis team requirements have been identified and presented to the HCS management executive, with consideration given to the current and existing impact of the pandemic on MH Services. Work has commenced with the States Employment board (SEB) in order to support parity of pay across professional roles performing the same function. The Mental Health Care Group have received approval for the release of the funding after plans were approved this week. The Care Group will begin advertising immediately for posts with confirmed salaries but also develop a recruitment campaign because of the volume of posts required.¹⁸

¹⁸ Letter, Minister for Health and Social Services, 31st July 2020.

In November, the Panel received an update on recruiting within the Crisis Team. We were advised that recruiting for practitioners was well under way and in process and HCS have five substantive practitioners, one of whom is leading on incorporating physical health. HCS have also identified several posts which will be designated for allied health professionals which will give a multi-disciplinary team approach to managing crisis in mental health services.

As stated above, we note that recruitment of new staff to support individuals with complex trauma has been delayed as a result of Covid-19. In a question to the Minister for Health and Social Services regarding this matter, we queried whether a potential backlog of cases was anticipated as a result of the pandemic. It was advised that the Government already has an existing backlog of people with complex trauma who are waiting for specialist psychological interventions. We were also advised that HCS expects this backlog to be addressed as the Department recruits new staff with the skills to offer this support. Furthermore, HCS do not foresee that the backlog will increase significantly as a result of Covid-19.

In written correspondence from the Minister for Health and Social Services in November, we were advised that the ‘delayed’ status refers to some delay of the implementation plan for the Government Plan. In light of this, the Panel queried how much of the £3.2 million that had been allocated to this project for 2020 had been spent. We note that the funding requested was for the five areas of development addressed above; Listening Lounge, Crisis Response, Complex Trauma Pathway, MH Legislation and CAMHS. It was advised that at the end of 2020 the total spend associated with the Listening Lounge service will be £428,000 and the total spend in the remaining 3 areas (CAMHS not included as that sits under Children, Young People, Education and Skills) will be £1,314,000.¹⁹

**FINDING 9**

Of the £3.2 million that was allocated to the “Mental Health” project for 2020, only £1.7 million would have been spent by the end of 2020.

**FINDING 10**

The recruitment of new staff to support individuals with complex trauma has been delayed due to Covid-19. It is intended that the recruitment of new staff with the necessary skills will address the existing backlog of people with complex trauma who are currently waiting for specialist psychological interventions.

**RECOMMENDATION 2**

The Minister for Health and Social Services must ensure that recruitment of new staff to support individuals with complex trauma recommences as soon as possible to help address the current backlog of cases.

¹⁹ Letter, Minister for Health and Social Services, 13th November 2020

Digital Health and Care Strategy

Digital Health and Care Strategy CSP2-3-01 – Put patients, family and carers at the heart of Jersey’s health and care system			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
<ul style="list-style-type: none"> Implement the digital care Programme 	<ul style="list-style-type: none"> No Links 	Minister for Health and Social Services	

Previous Scrutiny RAG Rating – Amber

Summary

Last year the Panel was advised that the money requested under the digital health and care strategy was to fund projects that had already been agreed and were currently ‘in flight’. In a written response to the Panel the Minister advised that the following work was due to be undertaken under this programme:

- EPrescribe or EMPA is scheduled to go live February 2020. Clinical trials begin November 2019 and, subject to successful trials, on track to go live in February.
- Primary Care Integration as an integration platform is complete and is due to be signed off in September.
- GP Order Communications – Radiology: is currently in clinical trials and should formally go live 1st November 2019.
- GP Order Communications – Pathology: Q1 2020 is the target go live date but again is subject to clinical trials.

Panel analysis**Funding allocations approved in Government Plan 2020-2023:**

Additional Investment Required (£000)

2020	2021	2022	2023
0	700	800	800

Funding allocation requests in Government Plan 2021-2024:

Additional Investment Required (£000)

2021	2022	2023	2024
700	800	800	800

Six Monthly Report Status – On track

The 6-month progress review provided the following update on the work that was due to be undertaken in 2020:

The Government plans to use technology to improve the way that health services across the Island are designed, delivered, and managed, with a clear focus on the individual and their experience. The Government is implementing a strategy to change the way that healthcare data is generated and accessed. This will enhance care provision for our population, in Jersey's hospital and in the community. It will enable health and care professionals to make the best decisions they can because they have the information they need at the point of care. A fundamental part of the strategy is to ensure that patient data is safe and secure with cybersecurity at the heart of every decision.

Progress to date:

- e-Prescribing – digitisation of the hospital-based process for prescriptions and dispensing. This project was first implemented in the hospital in a limited number of wards to pilot it before its wider rollout. The pilot showed good safety improvement and users liked the technology. There was a pause during the pandemic, but the Programme has now been fast tracked to full implementation. The hospital WiFi upgrade Programme continues in line with ward refurbishments*
- Order communications and primary care integration – enabling GPs to be able to request and receive test results electronically. The project moved into implementation in March 2020 but was slowed due to the pandemic. The first practices are now having the system installed and working for radiology results. Blood tests will follow soon. During the pandemic the system was focused on automated delivery of COVID-19 testing data from the labs to general practice.*

In July this year, the Panel was advised that, to date, £411,000 had been spent on this project, with a full year estimate spend of £612,000. It was further advised that this figure may increase if Jersey was to experience a severe second wave of Covid-19.²⁰ The Panel queried both of these points in a letter to the Minister for Health and Social Services in October. Firstly, we wanted to ascertain how funding had been spent on this project in 2020 when no additional funds were allocated to it in last year's Government Plan. In response to our letter, it was advised that the funding referred to above is not in respect of the Digital Health and Care Strategy but was a specific business case covering the Covid-19 emergency response. The business case covered process and digital changes across Health and Community Services in response to Covid-19. It was advised that the scope of this business case covered the following:

- IT infrastructure and IT services in support of the development of the Nightingale Wing of Jersey General Hospital, the Urgent Treatment Centre, the General Hospital and GP Community Response Team at Mason Le Pape.
- Provision of remote diagnostic services for Radiology & Pathology for Clinical Staff in isolation (working from home).
- Deployment of communication and collaboration tools to support remote working.
- New off-Island digital connections to the Public Health England laboratory at Colindale and the private laboratory, Micropathology Ltd, in Warwick to facilitate COVID-19 Polymerase Chain Reaction (“PCR”) swab tests and results.

²⁰ Letter, Minister for Health and Social Services, 31st July 2020

- Patient-facing applications and services to enable remote consultations and care planning, support for PPE and management analytics and reporting.

As stated above, it is anticipated that a further £200,000 will be spent against this business case before the end of the year. We were told that the majority of this funding (£156k) would cover additional TrakCare licences, project management support for the Covid-19 Testing and Tracing efforts (£36k) and additional Order Comms printers for the Urgent Treatment Centre (£4K). The remainder would cover smaller sundry costs associated with supporting the Covid-19 response.

Secondly, the Panel also asked why it was felt that further funding would be needed if Jersey was to experience a severe second wave of Covid-19. We were informed that at the time of sending the Panel the letter in July, HCS did not know whether additional digital and process changes would be required in the event of a second wave of Covid-19. Since then, through the Covid-19 Testing and Tracing Programme, there have been additional business cases to support the planned activities for the rest of 2020, as part of the Covid-19 strategy. In respect of HCS systems, the business case included integration of the new on-island Covid-19 laboratory, OpenCell, into existing platforms. We were advised that this funding covered the cost of integration of OpenCell to the laboratory system, OMNILAB and the patient administration system, TrekCare. Therefore, no further spend has been required against this business case. It was further advised that for this reason, it is not anticipated that there will be additional funding required over the £612,000 that was estimated for the year end spend. However, it was noted that that as the pandemic is a live and evolving situation there may be new requirements that, at this stage, are unknown.²¹



FINDING 11

£612,000 will have been spent on digital changes across the Health and Community Services Department by the end of 2020 in response to the Covid-19 pandemic.

Health P.82 Reinstate 2019

Health P.82 reinstate 2019 new and recurring CSP2-3-02 – Put patients, family and carers at the heart of Jersey's health and care system			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
<ul style="list-style-type: none"> • Deliver the initial stages of the Jersey Care Model • Deliver Care Closer to Home 	<ul style="list-style-type: none"> • Nurturing a diverse and inclusive society 	Minister for Health and Social Services	

Previous Scrutiny RAG Rating – Green

²¹ Letter, Minister for Health and Social Services, 6th November 2020

Summary

Last year the Government Plan requested £3.6 million to be restored to the Health and Community Services baseline budget to fund the delivery of a new Health Care Model, in line with the proposals of P.82/2012 – ‘A new way forward for Health and Social Care’.

Panel analysis

Funding allocations approved in Government Plan 2020-2023:

Additional Investment Required (£000)

2020	2021	2022	2023
3,597	3,597	3,597	3,597

Funding allocation requests in Government Plan 2021-2024:

Additional Investment Required (£000)

2021	2022	2023	2024
3,597	3,597	3,597	3,597

Six Monthly Report Status – Complete

R.89/2020 stated “Ongoing funding for the business as usual operation of the Health and Community Services department” in respect of this project. The Panel notes from the funding allocations this year that they are the same as what was approved during last year’s Government Plan.

Whilst the Panel is content with the funding allocated to this project, it wanted to understand how the aims and objectives of the project differed to the “Jersey Care Model” project which also seeks funding to deliver its key proposals (which are very similar to the objectives of P.82/2012).

The Panel was advised that, as stated above, the 2020-2023 Government Plan has an allocation of money to fund the delivery of the new health care model in line with proposals of P.82/2012. This is ongoing revenue requirement for services implemented as part of P.82, which are not built into base budgets, but support services already in place. It was also advised that the funding under this project is not transformation funding for the Jersey Care Model but the ongoing revenue impact of previous transformation programmes.²²



FINDING 12

The funding requested under the “Health P.82 Reinstate 2019 project” is not transformation funding for the Jersey Care Model but rather the ongoing revenue impact of previous transformation programmes that will support existing services.

²² Letter. Minister for Health and Social Services, 6th November 2020

Maintaining Health and Community Care Standards

Maintaining Health and Community Care Standards CSP2-3-03 – Put patients, family and carers at the heart of Jersey's health and care system			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
<ul style="list-style-type: none"> • Deliver new models of primary care • Deliver an acute floor in the General Hospital for unscheduled or emergency care • Implement the digital care Programme 	<ul style="list-style-type: none"> • Exploring and using the opportunities offered by digital 	Minister for Health and Social Services	

Previous Scrutiny RAG Rating – Green

Summary

We note that the full business case for this project, which was requested by the Panel last year, confirmed that the funds requested under the programme would allow the Health and Community Services Department to continue to transform and modernise and also to ensure that existing services were funded sustainably in respect of changing demographic and the requirement to maintain standards in line with other jurisdictions. The Government Plan 2020-2023 proposed transformation priorities that HCS were able to deliver within existing budgets but also Government Plan Review developments that required additional funding. Within the full business case it was stated that the 4 main drivers of costs which supported the need for the requested funding were:

- Healthcare inflation
- Changing health and social care standards
- Increasing (non-demographic) demand
- New treatments and ways of working

Panel analysis**Funding allocations approved in Government Plan 2020-2023:**

Additional Investment Required (£000)

2020	2021	2022	2023
4,179	11,464	15,907	21,513

Funding allocation requests in Government Plan 2021-2024:

Additional Investment Required (£000)

2021	2022	2023	2024
10,000	12,250	16,300	11,840

Six Monthly Report Status – Complete

The six-monthly report status for this programme was ‘complete’ and the only information provided was:

Ongoing funding for the business as usual operation of the Health and Community Services department.

The Panel notes, however, that last year the funding allocation for 2021 was £11,464 and that this year it has reduced to £10,000. We also note that the funds for years 2022 and 2023 are also significantly reduced compared to what was requested in last year’s Government Plan. When the Panel queried why the funding for 2021 had reduced it was advised:

The reduction is as a direct result of the consultation by Ministers and Officers to review 2021 growth across Departments in response to addressing the financial pressures arising from the Covid-19 pandemic.²³



FINDING 13

The funding allocations for the “Maintaining Health and Community Care Standards” project have reduced significantly over the next 4 years due to financial pressures arising from the Covid-19 pandemic.

Regulation of Care (Income Deferred)

Regulation of Care – Income deferred			
CSP2-3-04 – Put patients, family and carers at the heart of Jersey’s health and care system			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
➤ No Links	➤ No Links	Chief Minister	

Previous Scrutiny RAG Rating – Green

Summary

R.91/2020 provided limited explanation for the request of £200,000 per year for 2020-2023. However, from the information we were provided during our review of the Government Plan 2020-2023, we know that this funding relates to an MTFP addition (2017-2019) and that £200,000 user pays income was included from 2018 for regulation of carers under the Regulation of Care Law. The funding with the MTFP did not allow for the increased costs of regulation and, subsequently, the funds requested in the Government Plan are to cover the shortfall.

Panel analysis

²³ Letter, Minister for Health and Social Services, 6th November 2020

Funding allocations approved in Government Plan 2020-2023:

Additional Investment Required (£000)

2020	2021	2022	2023
200	200	200	200

Funding allocation requests in Government Plan 2021-2024:

Additional Investment Required (£000)

2021	2022	2023	2024
200	200	200	200

Six Monthly Report Status – On track

According to R.89/2020:

This funding covers the increased costs of regulation associated with The Regulation of Care Law, which were not included within base budgets in the 2017-19 budgets. The Regulation of Care Law, adopted by the States Assembly in 2014, provides a modern framework for the regulation of health and social care in Jersey. Managers from the Health and Community Services department have made submissions for registration, which are under review by the commission. A monthly registered managers meeting has been established to review the standards, identify gaps and establish reporting. Impact and action logs are in place and actively reviewed, and assurance processes have also been established, including internal escalation procedures.²⁴

**FINDING 14**

The funding requested for the “Regulation of Care” project in 2021-2024 is intended to fund a shortfall from the non-receipt of income that was budgeted to be received through the regulation of care legislation in 2018 and is simply a continuation of what was approved in last year’s Government Plan.

Diffuse Mesothelioma Scheme

Diffuse Mesothelioma Scheme			
CSP4-1-01 – Reduce Income Inequality and Improve the Standard of Living			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
<ul style="list-style-type: none"> Permanently fund the Diffuse Mesothelioma Payment Scheme 	<ul style="list-style-type: none"> No Links 	Minister for Social Security	

Previous Scrutiny RAG Rating – Green**Summary**

²⁴ R.89/2020

In 2018, the States Assembly agreed (P.124/2018) to provide one-off payments to individuals (or their dependents) with diffuse mesothelioma, a disease associated with historic exposure to asbestos fibres. The scheme was introduced in 2019 and required permanent funding from 2020 onwards. Funding was approved in the Government Plan 2020-2023 to meet the obligations to provide permanent financial support to asbestos victims and their families.

Panel analysis

Funding allocations approved in Government Plan 2020-2023:

Additional Investment Required (£000)

2020	2021	2022	2023
150	155	159	164

Funding allocation requests in Government Plan 2021-2024:

Additional Investment Required (£000)

2021	2022	2023	2024
100	100	100	100

Six Monthly Report Status – Complete

R.89/2020 confirmed that the work for this programme was complete in 2020. It also confirmed that the diffuse mesothelioma scheme was implemented as planned in 2019.

In 2019 the Government Plan 2020-2023 requested £155,000 to fund this project in 2021. However, this year the Minister for Social Security is requesting a reduced amount for 2021 and thereafter of £100,000. When we queried this with the Department we were advised that the budget for this project was reduced as demand for the scheme had been lower than anticipated.²⁵



FINDING 15

In 2019 the Government Plan 2020-2023 requested £155,000 to fund the “Diffuse Mesothelioma Scheme” project in 2021. However, this year the Minister for Social Security is requesting a reduced amount for 2021 and thereafter of £100,000. The reduction in budget is due to a lower demand for the scheme than previously anticipated.

²⁵ Email Correspondence, Customer and Local Services, 20th November 2020

Financial Independence in Old Age

Financial Independence in Old Age CSP4-1-02 – Income Inequality and Improve the Standard of Living - by improving social inclusion			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
<ul style="list-style-type: none"> Develop proposals to improve financial independence in old age 	<ul style="list-style-type: none"> Preparing for more Islanders living longer 	Minister for Social Security	

Previous Scrutiny RAG Rating – Amber**Summary**

According to the business case that was in the Annex to the Government Plan 2020-2023, in 2020 the Social Security Minister and her Officers were due to investigate ways which the Government could help people maintain their financial independence as they get older, as one of the elements of the wider Social Security Review. It was advised that the work would include investigating a workplace pension scheme which would give every worker access to a second pension on top of their Social Security pension. They would also be looking at other ways “to encourage savings and make the best use of the increasing numbers of older workers in our economy.”⁵⁵

Panel analysis**Funding allocations approved in Government Plan 2020-2023:**

Additional Investment Required (£000)

2020	2021	2022	2023
150	200	200	200

Funding allocation requests in Government Plan 2021-2024:

Additional Investment Required (£000)

2021	2022	2023	2024
50	0	100	100

Six Monthly Report Status – Deferred

According to the 6-month progress review of the Government Plan 2020-2023, this project was deferred in order to re-prioritise officer time to other urgent pandemic related policy work. Furthermore, the project budget had been released in 2020 due to the deferral and a new time frame would be considered as part of the next Government Plan submission.

The funds of £150,000 that were allocated for 2020 were intended to be used for expert advice to identify options, an approach and actions to increase retirement savings and income in retirement.

At the time of our review last year, initial scoping work was being undertaken to identify a number of options for the Minister to consider and was due to be completed by the end of 2019. Within recent correspondence, we queried the Minister for Social Security as to whether this work had been completed at the end of 2019 and whether she had decided which option to take forward. The Minister commented:

D3P Global Pension Consulting (D3P) finished their scoping work at the end of 2019 and wrote a detailed draft report summarising their findings and possible next steps. This year, D3P began to discuss key sections of their draft report with a group of ministers so they could become familiar with the issues and start to look at what comes next. We were making good progress, but unfortunately, we had to put the work on hold to deal with Covid-19.²⁶

The Panel also questioned how much of the £150,000, that was allocated for 2020 had been spent to date. We were told that £27,000 had been spent on this project in 2020. We were advised during the Public Hearing with the Minister for Social Security that the remaining funds, that were approved in last year's Government Plan, had been transferred "back to the centre" to help fund the Government's response to Covid-19.²⁷

At the Hearing the Panel requested an explanation of the work undertaken by D3P and the report that they produced with their conclusions. The Panel did not receive this information.

As noted earlier, R.89/2020 states that a new timeframe for this programme will be considered as part of the next Government Plan submission. We were advised in October that this had not yet been agreed.²⁸ When we queried why £50,000 has been identified for this programme in 2021, despite the fact that it has been deferred, we were advised that the funds were identified as a saving within the Government Plan and that there is no budget for this project in 2021.



FINDING 16

The 'Financial Independence in Old Age' project was deferred in order to re-prioritise officer time to other urgent pandemic related policy work. A new timeframe for this project has yet to be agreed and will be considered as part of the next Government Plan submission.



FINDING 17

Appendix 4 of the Government Plan identifies £50,000 in the revised 2021 budget for the 'Financial Independence in Old Age' project. However, these funds have been identified as a saving within the Government Plan and there is no longer a budget for this project in 2021.



FINDING 18

The Panel can not support the request for any further funding for the "Financial Independence in Old Age" project until the outcome of the investigation is known, and proposals of a way forward are brought to the States Assembly.

²⁶ Letter, Minister for Social Security, 3rd July 2020

²⁷ Public Hearing, Minister for Social Security, 22nd October 2020

²⁸ Public Hearing, Minister for Social Security, 22nd October 2020

**RECOMMENDATION 3**

The Minister for Social Security must provide the Panel with a report detailing the outcome of the scoping work that was undertaken at the end of 2019 in respect of the “Financial Independence in Old Age” project.

Food Costs Bonus

Food Costs Bonus CSP4-1-04 – Income Inequality and Improve the Standard of Living			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
<ul style="list-style-type: none"> Maintain the Food Costs Bonus 	<ul style="list-style-type: none"> No Links 	Minister for Social Security	

Previous Scrutiny RAG Rating – Green

Summary

According to the business case provided in R.91/2019, the Food Costs Bonus (FCB) is an annual benefit provided to households with 5 years Jersey residence, where the household does not receive income support and does not pay income tax. Only one Food Cost Bonus may be claimed per household and applications are accepted from October each year. The benefit was formally named as the GST (Food Costs) Bonus and its original intention was to compensate households with the cost of GST in food items where those families did not benefit from the increase in tax allowances that accompanied the introduction of GST and they did not qualify for the additional support provided through the income support scheme. However, since its introduction, the bonus value has increased substantially to reflect both the cost of GST on food items and some contribution towards overall food costs.

Panel analysis**Funding allocations approved in Government Plan 2020-2023:**

Additional Investment Required (£000)

2020	2021	2022	2023
299	308	317	327

Funding allocation requests in Government Plan 2021-2024:

Additional Investment Required (£000)

2021	2022	2023	2024
340	340	340	340

Six Monthly Report Status – On track

The Food Costs Bonus was approved in the Government Plan 2020-23 as a renewal of an existing scheme. The 6-month progress report on the Government Plan 2020-2023 advised that Regulations would be lodged for debate before the end of this year, reflecting the higher bonus amount agreed.

On 8th September the Minister for Social Security lodged the Draft Community Costs Bonus (Jersey) Regulations 202-. The Regulations replaced the previous Food Costs Bonus (Jersey) Regulations 2016 and the Food Costs Bonus Regulations superseded the previous GST (Bonus) Regulations that were first established in 2008. The bonus originally offered compensation for the cost of GST levied on food among certain household groups.

The continuation of the Food Costs Bonus for a further 3 years was agreed by the Assembly as part of the Government Plan 2020-2023. The previous Regulations expired at the end of June and, following States Approval, the Draft Community Costs Bonus (Jersey) Regulations 202- were introduced. Whilst the new Regulations were very similar to the previous ones, there are two key differences. These are:

- The name of the legislation – this was updated to recognise that the Bonus (having been increased by 13.8% in line with overall RPI for a 5-year period), now assists low income households with more than just food costs.
- The value of the bonus – This was increased to £258.25 following the Assembly's adoption of an amendment to the Government Plan proposed by the Corporate Services Panel.

The additional funding in the Government 2021-2024 therefore reflects the bonus increase and simply extends the funding to 2024.



FINDING 19

The increase in funding requested in this year's Government Plan for the 'Food Costs Bonus' project reflects the States Assembly approval of the Draft Community Costs Bonus (Jersey) Regulations on 9th September 2020. The draft Regulations proposed an increase to the value of the bonus following an amendment to last year's Government Plan by the Corporate Services Panel.

Single Parent Component P.113/2017

Single Parent Component			
CSP4-1-05 – Income Inequality and Improve the Standard of Living			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
<ul style="list-style-type: none"> • Reintroduce permanent funding for the single-parent component of Income Support 	<ul style="list-style-type: none"> • No Links 	Minister for Social Security	

Previous Scrutiny RAG Rating – Green

Summary

The previous States Assembly (via approval of P.113/2017 and P.28/2018) agreed to provide a single-parent component as part of the income support system and identified funding for 2018 and 2019. The component provides an additional £40.39 per week to a single parent receiving income support. There are approximately 1,000 single parents currently receiving this benefit. Last year the Assembly agreed funding for 2020 but to maintain the component, permanent funding is required from the end of 2020 onwards.

Panel analysis

Funding allocations approved in Government Plan 2020-2023:

Additional Investment Required (£000)

2020	2021	2022	2023
2,531	2,539	2,530	2,524

Funding allocation requests in Government Plan 2021-2024:

Additional Investment Required (£000)

2021	2022	2023	2024
2,539	2,530	2,524	2,524

Six Monthly Report Status – Complete

The Panel notes that the funds requested within this year's Government Plan for this Programme are a continuation of what was agreed in the previous Government Plan.



FINDING 20

The funds requested within the Government Plan for the 'Single Parent Component' are simple a continuation of what was agreed within the previous Government Plan.

Support for Home Care and Carers (now named 'Care Needs at Home')

Support for Home Care and Carers CSP4-3-01 – Improve Islanders' wellbeing and mental and physical health – by putting patients' families and cares at the heart of Jersey's health and care system			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
<ul style="list-style-type: none"> Support disabled adults living at home and their informal carers 	<ul style="list-style-type: none"> Preparing for more Islanders living longer 	Minister for Social Security	

Previous Scrutiny RAG Rating – **Amber**

Summary

During its review of the Government Plan 2020-2023, the Panel was told that the funding for this project would be used to develop proposals to support disabled adults living at home and their informal carers. Specifically, the funds in 2020 had been identified to support a pilot project to provide additional financial support to a small number of lower income families, effecting between 100 and 200 families. The experience gained in 2020 would then be used to inform a wider scheme available from 2021. The 2021 budget also included a budget allocated to providing additional support for carers.

Panel analysis

Funding allocations approved in Government Plan 2020-2023:

Additional Investment Required (£000)

2020	2021	2022	2023
150	620	620	620

Funding allocation requests in Government Plan 2021-2024:

Additional Investment Required (£000)

2021	2022	2023	2024
620	620	620	620

Six Monthly Report Status – Delayed

According to the 6-month progress review of the Government Plan 2020-2023, following initial planning of this project, investigations with individual families had to be postponed due to the pandemic, and this project has been deferred until 2021. The project budget has been re-profiled to enable the project to start in 2021.²⁹ In written correspondence to the Minister for Social Security we queried why the decision had been made to delay this project above other projects that were agreed last year. We were told that the care needs at home project was originally planned to start detailed research through home visits to individuals living in their own home with a serious disability and/or long-term health condition. The family would be visited by a health professional and a policy officer to discuss details of their domestic living conditions and their additional domestic costs associated with their health condition. It was further advised that whilst, work had begun early in the year, the project was deferred for two reasons:

- It was inappropriate to continue with home visits as the Covid-19 emergency impacted upon Jersey. It was not considered appropriate to attempt to gather this detailed information using video or telephone calls.
- The staff undertaking the project were redeployed to support urgent Covid-19 activities.³⁰

²⁹ R.89/2020

³⁰ Letter, Minister for Social Security, 4th November 2020.

In written correspondence with the Minister for Social Security in July, she advised that no costs had been incurred on this project in 2020 and that the budgeting profile for 2020-2023 had been moved back by a year to reflect the delay due to Covid-19.³¹ The Panel notes that £400,000 worth of funds that had been allocated to this project for 2021 have been identified as efficiencies.

In November, the Panel was advised by the Minister for Social Security that the full annual Customer and Local Services budget for this project is £550,000. Furthermore, the budget for the first preparatory year is £150,000. The deferral of the project for one year creates a saving of £400,000 in 2021, as this now becomes the preparatory year, rather than the first year of the full scheme. In 2022 the CLS budget will be £550,000.³²

Whilst the Panel understand that the project was deferred for a year, it is still unclear about the 2021 revised allocation figure that is included in the Government plan for “Care Needs at Home”. For instance, ‘Appendix 4: Revenue expenditure initiatives in last year’s Government Plan’ states the revised figure for 2021 as £620,000. Even after subtracting the £400,000 worth of efficiencies from this figure, we are still left with £220,000, which is £70,000 more than the £150,000 originally allocated for the first year of this project. When the Panel sought clarity from CLS regarding this figure, we were told that for 2022 onwards the budget for this project is £550,000 for CLS and £70,000 for Health and Community Services. The £70,000 that is allocated to HCS’s budget provides for extra resource in the adult social work team to support the administration of the new benefit. In respect of the 2021 figure of £220,000, we were advised that £70,000 of HCS’s budget has also been included. It was further advised that whilst the scheme will not be operational in 2021 the budget for HCS will support the Department in developing the new scheme.

The Panel wrote to the Jersey Association of Carers regarding the delay of this programme and its views regarding the proposals. The Chair of the Association confirmed that they had not been contacted, or consulted, with about the programme and was concerned about the burden put on carers this year and the impact this had had on their stress levels and mental health.³³

In our review of the Government Plan 2020-2023, the Panel found that we were content with the proposals contained within the business case for this project and satisfied with the rationale behind the request for additional funds. However, we also found that we were unable to conclude whether the resource allocations for 2021-2023 were appropriate until we could understand the outcome of the pilot scheme. This year, we are in a similar position due to the deferral of the scheme by a year. Until we are provided with more details following the pilot scheme in 2021, we are unable to conclude our thoughts about further funding to this project.



FINDING 21

Following initial planning of the “Care Needs at Home” project, investigations with individual families had to be postponed due to the pandemic, and this project has now been deferred until 2021.

³¹ Letter, Minister for Social Security, 3rd July 2020.

³² Letter, Minister for Social Security, 4th November 2020.

³³ Written Submission, Jersey Association of Carers



FINDING 22

£400,000 worth of funds that had been allocated to the “Care Needs at Home” project for 2021 have been identified as efficiencies.



FINDING 23

Whilst the Panel is content with the proposals that were contained within the business case for the “Care Needs at Home” Project last year, until we understand the outcome of the pilot scheme, that how now has been deferred until 2021, we are unable to conclude whether the resources allocated for 2022-2024 are appropriate.



RECOMMENDATION 4

The Minister for Health and Social Security must ensure that the pilot scheme for the “Care Needs at Home” project recommences as soon as considered appropriate and the current situation allows.



RECOMMENDATION 5

The Minister for Social Security must provide the Panel with regular updates as to how the “Care Needs at Home” Project is progressing throughout 2021 and the outcome of the pilot scheme as soon as it has been completed.

Disability Strategy and Community Support (now called “Disability Social Inclusion”)

Disability Strategy and Community Support CSP4-3-02 – Income Inequality and Improve the Standard of Living – by improving social inclusion			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
<ul style="list-style-type: none"> Deliver the disability strategy, improve community-based services and support diversity 	<ul style="list-style-type: none"> Preparing for more Islanders living longer Nurturing a diverse and inclusive society 	Minister for Social Security	

Previous Scrutiny RAG Rating – Amber

Summary

As stated in the business case within the previous Government Plan, the funding identified for this project was intended to build on the existing Closer to Home project in 2020 and support the roll out of a wide range of projects from 2020 onwards.

Panel analysis

Funding allocations approved in Government Plan 2020-2023:

Additional Investment Required (£000)

2020	2021	2022	2023
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351	571	575	431
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Funding allocation requests in Government Plan 2021-2024:

Additional Investment Required (£000)

2021	2022	2023	2024
481	426	491	491

Six Monthly Report Status – On track

The business case for this programme in R.91/2019, indicated that part of the £351,000 worth of funding allocated for 2020 would support the provision of additional staff. During a hearing in 2019 we were advised:

In 2020 the proposal is there should be 2 staff members who would be based at C.L.S. who would provide overall co-ordination support to the disability sector. They will sit under the Local Services Director and obviously he is doing a lot of work with community groups at the minute so, again, that will be to be determined exactly how those people will work. The first year it is 2 people at C.L.S.³⁴

In email correspondence to the Minister in July 2020, we queried whether the two additional staff members had been recruited like planned. The Panel was told that the recruitment process for the two additional staff members had just been re-commenced following a deferment due to Covid-19. It was further advised that Officers would be interviewing for the posts in late August.³⁵ The Panel received an update at a Public Hearing in October, where we were advised that two Disability Inclusion Officers have now been employed as a job share and further interviews were taking place in November for the Project Manager post.

In a letter to the Minister for Social Security in October we queried how much of the £351,000 that was allocated for 2020 had been spent to date. It was advised that £1,000 had been spent to date and it was forecasted that £88,000 would be spent in total in 2020. We also asked the Minister what had been achieved under this project since funding was approved. We were told that as Jersey moved through the Safe Exit Framework, implementation of the Programme recommenced and during September and October the following progress has been made:

- Two disability Inclusion Officers have been appointed (as discussed above)
- The implementation group has met in person and virtually and agreed to form five working groups around the key priority areas and meet as a whole two or three times a year
- The meeting enabled disabled islanders and providers an opportunity to reflect on the impact of Covid-19
- CLS are in the process of recruiting a project manager to oversee the delivery of the disability strategy
- The Learning Disability Cluster has now joined the disability implementation group
- The disability implementation group are linking with Liberate to form an access panel to advise and train organisations around accessibility

³⁴ Transcript, Minister for Social Security, 26th September 2019, p14

³⁵ Letter, Minister for Social Security, 3rd July 2020

- The disability implementation group are working with Volunteer.je and The Bosdet Foundation to develop a community volunteer driver scheme for both individuals and organisations
- The disability implementation group have agreed next steps and actions.
- Funding has been obtained by organisations from the Jersey Community Foundation to support employment projects for disabled islanders.

It was also advised that the disability implementation group will be focusing on the below actions for the remainder of 2020 and into 2021:

- Ensure that discrimination legislation is provided in accessible formats - incl. BSL
- Establish a reference group of disabled volunteers to advise on accessibility of buildings. Train group to provide advice & guidance and support an island access audit
- Introduce community-based post of volunteer driver co-ordinator to set-up and manage an island-wide volunteer driver scheme
- Promote opportunities for disabled Islanders to be active citizens - For example as jurors, board members, elected representatives
- Establish working group to promote disability awareness island-wide, including work with media outlets
- Co-ordinate an annual event where disabled Islanders can share their experiences with elected members. This may have to be virtual.

At the time of our review of the Government Plan 2020-2023, and in respect of this programme, we found that identification of projects that intended to be rolled out from 2020 onwards was still under discussion and that the list was due to be considered by the Disability Strategy Delivery Group at its meeting last October. During this year's review, it was confirmed that the projects had now been agreed as well as a new way forward in terms of implementation. The Panel was provided with a copy of the "Disability Strategy Implementation Report" in November which contained a list of key priorities and deliverables that were due to be undertaken under this project.

The Panel notes a reduction in the 2021 allocation for this project from £571,000 (agreed last year) to £481,000 (requested this year). When we queried this with the Department we were advised:

The Disability Social Inclusion budget has been re-allocated in the Government Plan 2021. There are two adjustments for 2021 from what was included in the Government Plan 20-23:

- 1) *£60,000 reallocation of budget within CYPES. There is a significant new investment within CYPES in respect of the inclusion agenda as it relates to children and young people. This new budget subsumes the CYPES aspect of the Disability Social Inclusion project budget and will enable CYPES to fully support the work envisaged in the original project business case.*

- 2) £30,000 reduction within the SPPP budget. This reduces the budget available for external advice in 2021. It will have no significant impact on the overall disability strategy.³⁶



FINDING 24

Only £88,000 of the £351,000 that was allocated to the 'Disability Strategy and Community Support' project in 2020 will be spent by the end of this year.

Capital Projects

Mental Health Improvements (Capital)

Mental Health Improvements CSP2-2-02 – Improve the quality of and access to mental health services			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
<ul style="list-style-type: none"> Invest in our mental health environment and building infrastructure 	<ul style="list-style-type: none"> Nurturing a diverse and inclusive society 	Minister for Health and Social Services	

Previous Scrutiny RAG Rating – Amber

Summary

Last year's business case requested £3,950,000 in 2020 in order to:

- Invest in works to “make safe” as far as reasonably practicable Orchard House for the delivery of care to Adults with a Mental Health need who require admission. The need for the relocation of the service provided within Orchard House is primarily driven due to the clinical, operational and environmental risks and the newly implemented mental health Law.
- Prepare Clinique Pinel by undertaking building work to join Cedar Ward and the current Orchard House to be able to deliver high quality safe mental health care. The proposed upgraded environment will accommodate all mental health assessment and treatment beds.
- Prepare Rosewood House to house Beech ward from Clinique Pinel and reduce beds in Maple and Oak wards.

³⁶ Email Correspondence, Customer and Local Services, 20th November 2020

Panel analysis**Funding allocations approved in Government Plan 2020-2023:**

Additional Investment Required (£000)

2020	2021	2022	2023
3,950	-	-	-

Funding allocation requests in Government Plan 2021-2024:

Additional Investment Required (£000)

2021	2022	2023	2024
-	-	-	-

Six Monthly Report Status - On track

According to the 6-month process review on the Government Plan 2020-2023, the essential upgrade and refurbishment works to the existing Orchard House experienced delays as a result of Covid-19. It was further advised that these delays were being mitigated, where possible, through an accelerated programme which aimed to bring the works back on track. Works to create a new dedicated acute mental health facility in Clinique Pinel has received planning permission and is scheduled to start in Q3 2020.

The Panel recalls from its review of the Government Plan 2020-2023 that the previous deadline in which to carry out the immediate health and safety improvement requirements on Orchard House was the end of 2019. Furthermore, we note that the transfer from Orchard House to Clinique Pinel was due to completed by the end of 2020.³⁷

In July this year, we wrote to the Minister requesting an update on the 'Mental Health Improvements' project and on the work that was due to take place in 2020. The Minister for Health and Social Services commented:

The upgrade and refurbishment of the existing Orchard House is progressing well and near completion. The last element of the upgrade works is to swap out the existing sanitaryware / toilet fittings with anti-ligature ones. These works had only just begun when lockdown commenced. The toilets/bathrooms are being replace one/two at a time and at the point of lockdown (20.3.20) only 3 of the 19 bathrooms/toilets had been completed. The contractor estimates that he has 4 to 5 weeks of work to complete.

The relocation of Orchard House to Clinique Pinel (incorporating the relocation of Beech Ward to Rosewood House) is scheduled to commence on Monday 3 September 2020. The project has been delayed due to scope creep, the lockdown and a budget shortfall. The overall programme is 72 weeks; however, it is anticipated that Orchard House will ready to occupy within 52 weeks of commencement.

³⁷ Panels previous report

In addition, the Panel also enquired whether there had been any cost implications for the building work carried out as a result of the outbreak of Covid-19. We were told that, in terms of the upgrade and refurbishment works to Orchard House, there have been no cost increases. However, in terms of the relocation of Orchard House to Clinique Pinel, the contractor included additional labour resources and hygiene facilities to ensure the strict adherence to social distancing/safe 'Covid-19' working practices. The additional allowance equated to £155,000 over the 72-week contract period.

The Panel also wished to determine how the Minister and his Officers intended to mitigate the disruption to the patient and staff experience during the transfer of services from Orchard House to Clinique Pinel. The Minister for Health and Social Services advised the Panel that the final migration plans were yet to be agreed with the individual Department Leads. However, the Minister did acknowledge that the move needed to be undertaken sensitively and in a manner that caused the least disruption/anxiety to both patients and staff.

In a letter to the Minister for Health and Social Services in October, we asked how much of the £3.9m, that was allocated to this project in 2020 had been spent to date. It was advised that *“there has been no spend to date against the £3.9m as the project is still spending against the original £2m allocation due to the stage of the project.”* The Panel recalls from its review of the Government Plan 2020-2023 that £2m had been directed towards the Orchard House project ahead of the previous Government Plan approval to ensure that the timeline of the end of 2019 was met.

The Panel notes that despite this project's status being 'on track', as stated above, the relocation of Orchard House to Clinique Pinel has been delayed. We therefore queried with the Department why it had been given the status it had. We were informed:

The 'Covid Lockdown' and a budget shortfall (identified once the tender process was completed) delayed the target commence date from April 2020 to September 2020. Works eventually commenced (on site) on the 7th September and are currently 'on track'. To complete in January 2022.³⁸

Last year, whilst the Panel was satisfied that the amount of additional funds requested were adequate to undertake the necessary work on mental health facilities, it had concerns regarding the timeframe for the completion of Clinique Pinel. It appears that the Panel's concerns have been validated, as the project is now more than a year behind the original timetable.



FINDING 25

Last year the Panel was advised that the transfer from Orchard House to Clinique Pinel was due to be completed by the end of 2020. The relocation is now not due to be complete until January 2022.



FINDING 26

There has been no spend to date against the £3.9m that was allocated to the "Mental Health Improvements" project last year as the project is still spending

³⁸ Letter, Minister for Health and Social Services, 6th November 2020.

against the original £2m allocation due to the stage of the 'Mental Health Improvements' project.



RECOMMENDATION 6

The Minister for Health and Social Services should update the Panel on a quarterly basis on the relocation of Orchard House to Clinique Pinel and any further delays to the current timeframe.

Health Service Improvements (including vital IT investment) (Capital)

Health Services Improvements			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
<ul style="list-style-type: none"> Support a Programme of upgrade work to the existing General Hospital 	<ul style="list-style-type: none"> No Links 	Minister for Health and Social Services	

Previous Scrutiny RAG Rating – Amber

Summary

The business case for this capital project in the Government Plan 2020-2023 stated that the funding allocation of £5m per annum for 4 years would enable a programme of priorities upgrade works that are necessary to keep the current hospital operating in a compliant manner that ensured patient safety and protected service delivery until a new hospital is delivered.³⁹

Panel analysis

Funding allocations approved in Government Plan 2020-2023:

Additional Investment Required (£000)

2020	2021	2022	2023
5,000	5,000	5,000	5,000

Funding allocation requests in Government Plan 2021-2024:

Additional Investment Required (£000)

2021	2022	2023	2024
5,000	5,000	5,000	5,000

Six Monthly Report Status - On track

³⁹ R.91/2019, P156

In the 6-month update review of the previous Government Plan, it was advised that the programme was currently being revised due to the impact of the pandemic and that 39 projects were planned for 2020.

In a letter to the Minister in July, we asked how much of the £5m that was allocated for 2020 had been spent to date and how much was predicted to be spent in total in 2020. We were told that, due to the Covid-19 outbreak, the planned 2020 works programme was revised in May to omit the majority of inpatient area works. In regard to funding it was further advised:

The revised works package currently sits at £4.825m (expected to be £5m and will be fulfilled) with £2.5m committed to date. Due to the reworking of the programme the majority of spend and future commitment will fall between August and December. £4.135m is currently identified for works on the hospital site.

The Panel was told during its review of the previous Government Plan that the maintenance work had been prioritised according to the Department's current risk register around building work. It was further advised at the time that 25 areas on the priority list had been identified as "catastrophic risks". In a letter to the Minister for Health and Social Services in July, the Panel queried how many of those 25 areas had been addressed to date. It was advised that of those 25 'red' risks that had been identified, only 7 were estate risks. Therefore, HCS provided the following update on the 7 risks that related to the Health estate:

1. Poor Mental Health Estate: ongoing improvement across the Estate. Refurbished Orchard and Le Chasse in 2020. Capital project started on Rosewood and Clinical Pinel, due completion Dec 2021.
2. Medium Temperature Hot Water Infrastructure – mitigation works carried out in 2020, future works Programmed for spring 2021.
3. Loss of Heating to JGH – Boiler works completed, risk mitigated
4. Disruption to the ventilation system @ Overdale Westmount Building – Scheme on hold due to Our Hospital proposed site.
5. Disruption to the ventilation system @ Block E JGH – Feasibility study complete, identified at Aug 2021 project
6. Estates Infrastructure – Rolling Programme. 30 building projects completed, and 9 feasibility studies completed in 2021 to enable 2021 projects. 2021 project list in draft form awaiting Mex signoff @ next QPR meeting.
7. Five Oaks Boiler – Designed in 2020, replacement project due to start on site Jan 2021.

As stated R.89/2020, due to Covid-19, this programme of work had been revised and 39 projects were not due to be completed before the end of 2020. We asked the Minister whether the 39 projects planned for 2020 were part of the backlog maintenance to the health estate. It was confirmed by HCS that this was indeed the case and that all projects and/or feasibility studies had now been sent into action. It was further advised that, due to Covid-19 activities across the HCS estate, certain clinical facing projects (i.e. patient ward compliance projects) were postponed until 2021 and projects that were on standby or scheduled for 2021 had been accelerated. To date, the 39 projects/feasibility studies have either been completed, or will be completed, by the year of the year to the value of £5m.

Last year the Panel found that this project sought to deliver, not only essential maintenance work to the current hospital, but also initial work for the development of digital records. The Panel was therefore concerned that the funding identified for 2020-2023 (£5 million per annum) was insufficient to deliver these priorities. We were therefore reassured to hear this

year that no expenditure has been used from the £5 million Government Plan funding in 2020 for IT services. Rather, the investment has been solely spent on the necessary upgrade works to the current hospital and other health facilities. As we discussed earlier under the “Digital Health and Care Strategy” project, to date £411,000 has been spent on the digital strategy funded from other budgets.



FINDING 27

The “Health Service Improvements” project was revised due to the impact of the pandemic and, as a result, 39 projects were identified for 2020. All of the 39 projects are due to be completed by the end of the year to the value of £5 million.

Learning Difficulties (Capital)

Learning Difficulties			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
➤ Provide Accommodation for people within Learning Disability Services, in order that individuals avoid significant risk of harm	➤ Nurturing a diverse and inclusive society	Minister for Health and Social Services	

Previous Scrutiny RAG Rating – Green

Summary

Last year the Health and Community Services Department requested £250,000 to fund a feasibility study for a long-term solution to providing accommodation for people with learning difficulties. The Department also requested additional funds for the years 2021-2023 (as stated below).

The business case submission addressed accommodation needs for persons with severe learning difficulties who could not be accommodated in adapted mainstream housing and who required specialist placement. According to the business case, there was a pressing priority to relocate four individuals from Aviemore as the establishment was unsafe and non-compliant with fire regulations, causing significant risk to both service users and staff.

Panel analysis

Funding allocations approved in Government Plan 2020-2023:

Additional Investment Required (£000)

2020	2021	2022	2023
-	2,300	2,195	2,350

Funding allocation requests in Government Plan 2021-2024:

Additional Investment Required (£000)

2021	2022	2023	2024
2,000	3,300	4,050	-

Six Monthly Report Status - Partial deferral

The 6-month process review confirmed that the pre-feasibility study was continuing and part of the funding from 2020 was been deferred to 2021.

In a letter to the Minister for Social Services we queried what proportion of the funding (of £250,000) had been partially deferred to 2021. It was advised that of the £250,000 pre-feasibility vote which was included in the Government Plan for 2020, it was anticipated that only £100k would be required in 2020 and £150,000 was therefore deferred to 2021.

The Panel notes that despite £150,000 being deferred to 2021, the money allocated for 2021 has reduced from £2,300,000 in the previous Government Plan to £2,000,000 in this year's Government Plan. When we queried this with HCS we were advised:

Estimates for the phasing of the learning difficulties programme over 2021 to 2023 have been updated to reflect current understanding of the project requirements. These will be further informed when the feasibility work is undertaken.⁴⁰

The same answer was given from the Department when we asked why the funding requests in 2022 and 2023 were considerably more than what was stated in the previous Government Plan. The Panel sought further clarity as to why, overall, the funding for the project has increased by £2.5m over the years of the Government Plan. It was advised that, in essence, the 'replacement facility' has changed and moulded around further discussion with the service department leads. New senior staff and different way of thinking developed a much more detailed and superior solution. It is anticipated that once the pre-feasibility request has been completed, the Officers will be able to drill down even further on the cost, site selection and facility specification.

The Panel was further advised that Health and Community Services is under immense pressure from Jersey Property Holdings to vacate the existing Aviemore by June 2021 and by the Jersey Care Commission to confirm a plan of action to deliver a new facility as soon as possible.

In light of the above, the Panel wanted to ascertain when the pre-feasibility study was due to be completed and if the reduced funds of £100,000 was adequate to undertake this work. It was confirmed that the pre-feasibility study was due to be completed by the end of this year and that it could be delivered within the £100,000.⁴¹

**FINDING 28**

Of the £250,000 that was allocated for 2020 to undertake a feasibility study under the 'Learning Difficulties' project, £150,000 has been deferred to 2021. The pre-

⁴⁰ Letter, Minister for Health and Social Services, 6th November 2020

⁴¹ Email Correspondence, Head of Estates, Health and Community Services Department, November 2020.

feasibility work is due to be completed by the end of this year and we have been assured that it can be delivered within the £100,000.



FINDING 29

The Panel supports the request for additional funds in 2021-2024 to provide alternative accommodation for individuals with severe learning difficulties. However, until the outcome of the feasibility study is known, we are unable to confirm whether we agree that the future funding allocations for this project are sufficient.



RECOMMENDATION 7

The Minister for Health and Social Services must provide the Panel with the outcome of the feasibility work in respect of the “Learning Difficulties” project, as soon as it is complete, and detailed plans for alternative accommodation.

Our Hospital – Pre-Feasibility Vote

Our Hospital			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
➤ No Links	➤ No Links	Minister for Health and Social Services	

Previous Scrutiny RAG Rating – Green

Summary

Last year the Health and Community Services Department requested £5 million in 2020 and £1.6 million in 2021 to fund a feasibility study. In the full business case, which the Panel requested from the Department, it stated that the money allocated to the hospital project in the Government Plan was the continuation of funding requested by the project team to develop an Outline Business Case (OBC). The funding was to be held by Treasury & Exchequer and drawn down as required to enable tighter controls. It also advised that the OBC would provide further detail on what the hospital project outputs and outcomes would be, therefore no further detail could be provided in the (previous) Government Plan.

Panel analysis

Funding allocations approved in Government Plan 2020-2023:

Additional Investment Required (£000)

2020	2021	2022	2023
5,000	1,600	-	-

Six Monthly Report Status - On track

R.89/2020 advised that the 'Our Hospital' project seeks to select a site, design and build a modern, fit for purpose hospital that will meet the health and care needs of Islanders in the context of the overall strategic health and care policies as adopted by the Assembly. The Report provided the following update on this programme:

To date, progress has included the appointment of the Design and Delivery Partner and the drafting of a functional brief and preparations for the site short list. Next steps will include desk-based and physical site appraisal work to further assess the suitability of the shortlisted sites. This should result in a final preferred site which will be debated by the States Assembly in November 2020.

As the funding approved last year was solely for the purpose of conducting a feasibility study, this year's Government Plan includes a new business case for phase two of the hospital project. The Panel has, therefore, reviewed the new business case later on in its report.

1.9 New Programmes and Capital Projects Identified in the Government Plan 2021 – 2024

New Programmes Requiring Additional Revenue Expenditure

The table below identifies the Programmes that will receive first-time investment in 2021 and were therefore not included in the Government Plan 2020-23.

New Additional Revenue Expenditure Programmes: Government Plan 2021 - 2024				
Project	CSP reference	Page number	Scrutiny RAG Status	2021 Allocation (£000)
Jersey Care Model	CSP2-1-05	59		6,600
Air Ambulance Services	CSP2-03-06	61		395
COVID-19 Vaccine	CSP2-C-01	63		5,474
COVID-19 Nightingale Ward	CSP2-C-02 & 03	65		8,380
COVID-19 PPE Warehousing Staffing and Logistics	CSP2-C-05	68		338
COVID-19 Income Support Costs	CSP4-C-02	69		7,498

New Capital Expenditure in the Government Plan 2021 - 2024

The table below identifies the capital projects that will receive first-time investment in 2021 and were therefore not included in the Government Plan 2020-23.

New Capital Expenditure projects: Government Plan 2021 - 2024				
Capital Project	CSP reference	Page number	Scrutiny RAG Status	2021 Allocation (£000)
Jersey Care Model – Digital Systems	6	71		1,300
Digital Care Strategy	6	73		3,400
Our Hospital (Major Project)	2	75		20,000

In-Patient/Support Services Refurbishments	2	77		1,044
Benefits and Payments - System	6	79		250

Reports on New Programmes Requiring Additional Revenue Expenditure

The following section provide the Panel's analysis of each new additional revenue expenditure project.

Jersey Care Model

Jersey Care Model CSP 2: Improve Wellbeing			
Link to Government Plan Action(s)	Link to Sub-Priority	Minister(s)	Scrutiny RAG Status
<ul style="list-style-type: none"> Improve Wellbeing 	<ul style="list-style-type: none"> Support Islanders to live healthier, active and longer lives 	Minister for Health and Social Services	

Business Case: Overview

The Minister for Health and Social Services has requested the following funds in respect of the Jersey Care Model:

Additional Investment Required (£'000)

2021	2022	2023	2024
6,600	8,300	6,100	4,100

The business case for this new Programme provides a summary of the Jersey Care Model and its key proposals, for which the funding is being requested for. It is advised that the Jersey Care Model has three overarching objectives, which are aligned with the Government strategic ambitions. These are:

- To ensure care is person-centred with a focus on prevention and self-care, for both physical and mental health.
- To reduce dependency on secondary care services by expanding primary and community services, working closely with all partners to deliver more care in the community and at home.
- To redesign health and community services so that they are structured to meet the current and future needs of Islanders.

According to the business case, Jersey's population is expected to grow by 13% between 2019 and 2030, with a growing proportion in age groups that have greater health and care needs. As a result, there is a concern, which is widely expected, that these changes will have a significant impact on those accessing services and especially given that half of Islanders aged over 60 have two or more long-term conditions. For these reasons, the Health and Community Services Department (HCS) feel that it is imperative that Jersey adapts to this demographic challenge by ensuring health and care on the Island is co-located and directed to meet the care needs of Islanders.

As the Panel also noted during its own review of the Jersey Care Model, the current care model is overly dependent on secondary services and is hospital focused. According to HCS, this is evidenced by approximately 30,000 visits to Emergency Department in 2018 that were not classified as emergencies requiring hospital care and over 200,000 outpatient appointments per annum. With regards to the new Jersey Care Model and how it may address these issues, the business case states:

The Jersey Care Model offers an opportunity to address these gaps and co-ordinate services across all parts of the system for an improved service user and care experience, and to invest in preventative services which will support Islanders in staying healthier for longer.

Panel analysis

Due to the substantial funding that has been requested under this project, the Panel wanted to understand what the funds would be spent on each year of the Government Plan. We requested a breakdown for the funds of £6.6 million that have been requested in 2021 during a public hearing with the Minister for Health and Social Services. The Group Director for Performance Accounting and Reporting told us:

The money requested by the department was all approved; there were no reductions in that. It consists of some one-off funding, such as programme management, because it is a big change programme, as you will appreciate. It allows the department to resource up to ensure it could deliver. It also allows for additional investment in the service that is required in the community and then it nets off any efficiencies delivered out of that.⁴²

Following the Hearing we were also provided with the following breakdown for 2021-2024:

Description (£000's)	2021	2022	2023	2024
	£000s	£000s	£000s	£000s
Non-recurrent revenue expenditure as below:	2,900	2,900	2,900	2,900
Programme Costs	2,100	2,100	2,100	2,200
Digital non-recurrent investment	300	300	300	300
Contingency	500	500	500	400
Additional recurrent expenditure - alternative services	3,700	9,200	18,000	30,200
Recurrent benefits	0	-3,800	-14,800	-29,000
Net recurrent and non-recurrent impact of the JCM	6,600	8,300	6,100	4,100

⁴² Public Hearing, Minister for Social Services, 26th October 2020

At the Hearing in October we also questioned how HCS would measure the outcomes in relation to the funding for this project against its objectives. The Minister for Health and Social Services commented:

We will develop an implementation plan with specific targets to reach, and the expenditure will be tracked against those, Deputy. Of course, we would involve, as we are in the parallel discussions, the proposed board to review all that expenditure and the benefits that are delivered.

We note that as a result of our [amendment](#) to P.114/2020 – ‘Jersey Care Model’, and the Minister’s subsequent [amendment to our amendment](#), we will have the opportunity to review the progress of the delivery of the Jersey Care Model on a monthly basis and ensure that the funding is being spent in the most appropriate and cost-effective way. This provides the Panel with greater assurances in respect of the funding requested under this project.



FINDING 30

As a result of the Panel’s amendment to P.114/2020 – ‘Jersey Care Model’, it will have an opportunity to review the progress of the delivery of the Jersey Care Model on a monthly basis and closely monitor the spend allocated to the “Jersey Care Model” project in 2021 and subsequent years.

Air Ambulance Service

Air Ambulance Service CSP 2: Improve Wellbeing			
Link to Government Plan Action(s)	Link to Sub-Priority	Minister(s)	Scrutiny RAG Status
Improve Wellbeing	Put patients, families and carers at the heart of Jersey’s health and care system	Minister for Health and Social Services	

Business Case: Overview

The Minister for Health and Social Services has requested the following funds in respect of the Air Ambulance Service:

Additional Investment Required (£000)

2021	2022	2023	2024
395	395	395	395

As stated in the business case for this programme, the air ambulance is a UK/Jersey-based contracted service that provides the Health & Community Services department (HCS) a piloted fixed wing aircraft based in the Island. A critical factor in saving lives and improving a patient’s outcome is the need to rapidly access emergency care and immediately evacuate patients for emergency treatment in the UK that cannot be provided in Jersey. For example, neurosurgery,

cardiac interventional procedures and paediatric intensive care services. This contract is only for the aircraft, clinical teams are provided by HCS and its Jersey Emergency Transfer Service.

It is also advised in the business case that the rationale behind the request for funding is that the previous air ambulance provider to Jersey and Guernsey gave notice in the first half of 2020 with around two years remaining on their current contract. The reason given for this notice to HCS was that the providers felt that their business model was no longer viable due to the impact of Covid-19 and a significant downturn in air travel. This was compounded with the World Health Organisation projecting a global pandemic duration of approximately 12 -18 months.

The Panel notes that through a joint-island procurement process, between Jersey and Guernsey, and as part of the Government's response to Covid-19, an alternative fixed wing Air Ambulance Service was agreed with a new provider. The business case confirms that the new provider is Gama Aviation, a multinational inflight company and its services will be required for a minimum of five years. This business case, therefore, requests additional funding due to the increased costs of providing a fixed wing Air Ambulance Service.

Panel analysis

The Panel notes that the requested funding is in addition to funding that has already been put aside for this project. We therefore asked the Minister for Health and Social Services what the total cost of procuring a fixed wing ambulance service was for the next 4 years of the Government Plan. It was advised that the cost of provision of the service per annum and not including inflation is £1.4 million. Therefore, the cost of the service for 4 years would be a circa £5.6 million. The funding requested in this business case of £395,000 per year is the additional cost incurred following the change of contract in 2020, as the original provider withdrew from the market and there was no choice but to change contracts to provide this essential service.⁴³

The Panel were also advised that the remaining costs of the service of £1,009,000, that are not included within this bid are funded in the Government Plan base allocation per annum.

With regards to value of money of the service, the Minister for Health and Social Services provided the following statement in a Public Hearing in October:

What I do recall is a briefing in the early stages of COVID when the supplier at that time was clearly unable to continue with the service and the excellent work put in by officers to find an alternative, in combination with Guernsey because this is a shared project with Guernsey. Because clearly the Island does need that connectivity to enable us to transfer patients for surgery care wherever needed. I was very satisfied with the work that had gone on and the rigour and the negotiations that had taken place. We could not get in a new supplier at the same cost as the previous, but we were satisfied that we were receiving value for money on this project.⁴⁴



FINDING 31

The funding allocated to the project "Air Ambulance Service" is for additional costs incurred following a change in contract in 2020 after the original provider of the fixed wing Air Ambulance service withdrew from the market.

⁴³ Letter, Minister for Health and Social Services, 13th November 2020

⁴⁴ Public Hearing, Minister for Health and Social Services, 26th October 2020

**FINDING 32**

The Minister for Health and Social Services is satisfied that despite being unable to procure a new supplier for the same costs as the previous, the Government is receiving value for money on the “Air Ambulance Service” project.

Covid-19 Vaccine

Covid-19 Vaccine CSP 2: Improve Wellbeing			
Link to Government Plan Action(s)	Link to Sub Priority	Minister(s)	Scrutiny RAG Status
Improve Wellbeing	Government Plan Covid-19 Response	Minister for Health and Social Services	

Business Case: Overview

The Minister for Health and Social Services has requested the following funds in respect of the Covid-19 Vaccine:

Additional Investment Required (£000)

2021	2022	2023	2024
5,474	0	0	0

The Covid-19 pandemic is a global health emergency that is a real and present danger to the health and wellbeing of Islanders. According to the business case, Covid-19 is likely to continue to pose a serious threat to the health of Islanders and thereby the economy, until a vaccine or suitable treatment can be found. Trials are underway on a number of vaccines and the funding requested under this programme would allow the Government of Jersey to be in a position to purchase a vaccine should one pass clinical trials and become available for distribution to Islanders. The business case also notes that Jersey is part of the UK Covid-19 Vaccination Board to ensure that the Island is able to deliver a vaccine, when available.

Panel analysis

In a letter to the Minister for Health and Social Services in October, the Panel asked for a breakdown of the additional investment of £5.47m that was requested for this project in 2021. We received the following table:

Project Rozel COVID - 19 Vaccine	
Estimated Costs (based on population of 106,340)	£000's
Vaccine and administering costs £5 million	5,000
Injectable consumables and additional PPE	111
Communication campaigns	15
Digital Support	40
Laptops for mobile centres	3
Infrastructure Facilities and Vaccine delivery	10
Storage and consumables	5
Workforce Demand	
Two practice nurses @ three months for 5 day rosters	200
Administration support	30
Additional project lead support	30
Pharmacy support cost £30,000	30
Additional Training	1
Total	5,475

The Panel also asked the following questions:

How may vaccines would these funds allow you to purchase?

Response: The vaccine and administrating costs of £5 million was calculated on the assumption of a population of 106,000 therefore estimate 106,000 vaccines to be purchased.

To date vaccine costs and programme numbers are still to be confirmed therefore uptake and final costs remains volatile.

Do you yet have an idea of who you will be procuring the vaccines from?

Response: All purchases will be made through NHS England.⁴⁵

In addition, at the Public Hearing with the Minister for Health and Social Services in October we also queried why no funding had been allocated to this project for 2022-2024. The Group Director for Performance Accounting and Reporting advised us that there is a sum of funding centrally held that is available in case further pressures arise from Covid-19. If further provision is needed, the Treasurer, Chief Minister and the Minister for Treasury and Resources will ensure the funds are directed appropriately.⁴⁶



FINDING 33

The £5.47m funding requested for 2021 will allow the Government of Jersey to be in a position to purchase a vaccine for Covid-19, should one pass clinical trials and become available for distribution to Islanders.

⁴⁵ Letter, Minister for Health and Social Services, 13th November 2020

⁴⁶ Public Hearing, Minister for Health and Social Services, 26th October 2020

**FINDING 34**

The Covid-19 vaccine and administrating costs of £5.47m was calculated on the assumption of a population of 106,340 and will therefore enable the same number of vaccines to be purchased.

Covid-19 – Nightingale Ward

Covid-19 - Nightingale Wing CSP 2: Improve Wellbeing			
Link to Government Plan Action(s)	Link to Sub Priority	Minister(s)	Scrutiny RAG Status
Improve Wellbeing	Government Plan Covid-19 Response	Minister for Health and Social Services	

Business Case: Overview

The Minister for Health and Social Services has requested the following funds in respect of the Covid-19 – Nightingale Ward:

Additional Investment Required (£000)

2021	2022	2023	2024
8,380	0	0	0

As a result of the recent pandemic, Nightingale Hospital was built in April 2020 in order to meet the projected demand placed on acute health services and provide temporary acute bed capacity. The Nightingale facility provides 180 beds, ancillary spaces and associated staff welfare, decontamination and mortuary facilities.

In regard to the rationale for retaining the temporary hospital during the winter months, the business case states:

The need for Health & Social care undergoes large seasonal fluctuations, peaking in the winter. The Jersey General Hospital typically runs at a high bed occupancy level over the winter season. The existing hospital facilities are limited in terms of maximum bed capacity and oxygen supply. Without the additional acute bed capacity this facility provides, Jersey does not have additional spare bed capacity. The transit times to the UK, even were beds to be available there, would be such that patients would be put at significant risk. A resurgence of Covid-19 activity has the potential to exacerbate approaching winter pressures by increasing demand on usual care as well as limiting surge capacity.

The business case therefore makes the case to keep the facility for the period January to March 2021 in order to be ready for a possible resurgence of Covid-19 activity on the Island. Furthermore, this programme asks for additional funding in 2021 for extended building and plant hire, stripping out the building at the end of March, removal of equipment, buildings and associated plant and remediation of the field at Millbrook.

Panel analysis

The Panel notes that the funding requested under this project is a sizeable sum of money for retaining a facility that may end up not being utilised. In written correspondence to the Minister for Health and Social Services, the Panel therefore requested a breakdown of the £8,380,000 requested for this programme for 2021. We were provided with the following information:

Covid-19 Nightingale Wing	£000's
Building & equipment lease costs	633
Building, equipment & utilities maintenance costs	1,274
Non Pay - Housekeeping, catering & IT	175
Non Pay - Medical supplies & provisions	473
Pay - Clinical & clinical support staff	2,293
Pay - Support service	813
Unit & site decommissioning costs	2,718
Total	8,379

At a Public Hearing, we also queried how much had been spent on the Nightingale Hospital to date. Whilst the Minister and his Officers were unable to confirm the exact figure during the hearing, we were later advised in written correspondence that it is forecast that, at the end of 2020, £11,946,368 would have been spent on the Nightingale Hospital. Of that total amount:

- £10,439,695 will have been spent by Infrastructure, Housing and Environment (IHE) by the end of 2020 (£8,666,538 had been spent as of the end of October)
- £1,206,973 will have been spent by HCS by the end of the year
- £300,000 will be spent in November to provide additional heating to the unit and additional acoustic attenuation.⁴⁷

In a letter to the Minister following the hearing, we questioned how many staff members would be needed to work in Nightingale Hospital if it was fully utilised. We were told that, if fully utilised, it is estimated that there would be a need for 259 members of staff. We note that some of the staff would come from HCS' existing workforce and some of the staff would come from HCS' bank workforce.⁴⁸ We also note that whilst the facility holds capacity for 190 patients, HCS modelled the figures in the Government Plan on the basis that if the Nightingale Hospital was needed then it would only open a small number (30) of beds to begin with. The figure of 30 patients has been included in the total costs for this project.⁴⁹

The business case for this project makes financial provision in 2021 for "extended building and plant hire". We asked the Minister why provision for extending building was necessary. In his response to the Panel he advised:

The costs for the period Jan-Mar 2021 are to allow for the unit to cover the winter period pressures upon the hospital capacity which may be compounded by any continued Covid cases beyond the end of 2020. The 2021 costs also include decommissioning costs that will be incurred at the end of the Jersey Nightingale Wing life such as clearing and dismantling of the building, making good the site etc. These will be incurred regardless of when the building is deemed to be no longer required.

⁴⁷ Email Correspondence, HCS, 27th October 2020

⁴⁸ Letter, Minister for Health and Social Services, 13th November 2020

⁴⁹ Public Hearing, Minister for Health and Social Services, 26th October 2020

We also note that the business case for this project has requests the funds to retain the building facility for the period January-March. We wished to ascertain what would happen in the case that the facility is required for a longer period of time (beyond March next year). We were advised that, should Nightingale Hospital be required beyond 2021, the business case would be reviewed, revised and submitted for consideration, as well as approval for any necessary extension obtained from the landowners. However, we were also informed that the decommissioning costs would not need to be added again as these have already been accounted for (as stated above) in the total funding allocation. If the business case was to be revised, additional costs would encompass:

- Lease costs for the building, equipment and associated maintenance
- Operational costs for both staffing and non-pay costs e.g. consumables, security

**FINDING 35**

It is forecast that, at the end of 2020, £11,946,368 would have been spent on the Nightingale Hospital.

**FINDING 36**

Additional funds of £8.38m have been requested in 2021 under the “Covid-19: Nightingale Wing’ project to keep the facility for the period January to March 2021 to be ready for a possible resurgence of Covid-19 activity on the Island. Furthermore, this programme asks for additional funding in 2021 for extended building and plant hire, stripping out the building at the end of March, removal of equipment, buildings and associated plant and remediation of the field at Millbrook.

**FINDING 37**

Should the Nightingale Hospital be required beyond 2021, the business case would need to be reviewed, revised and submitted for consideration. HCS would also need to seek approval for any necessary extension from the landowners of the Nightingale Hospital site.

**FINDING 38**

Due to the uncertainty of the “Nightingale Ward” project and the extent, and length of time, in which the facility will be required, the Panel is unable to confirm whether the level of funding is appropriate or sufficient.

**RECOMMENDATION 8**

The Minister for Health and Social Services should provide the Panel with monthly updates on the planned spend on the Nightingale Hospital as the pandemic situation progresses.

Covid-19 – PPE Warehousing Solution

Covid-19 – PPE Warehouse Solution CSP 2: Improve Wellbeing			
Link to Government Plan Action(s)	Link to Sub Priority	Minister(s)	Scrutiny RAG Status
Improve Wellbeing	Government Plan Covid-19 Response	Minister for Health and Social Services	

Business Case: Overview

The Minister for Health and Social Services has requested the following funds in respect of the Covid-19 – PPE Warehouse Solution:

Additional Investment Required (£000)

2021	2022	2023	2024
338	0	0	0

According to this Programme's business case, since April this year the supply of Personal Protective Equipment (PPE) has been successfully managed through the Government of Jersey PPE Portal. Furthermore, Jersey Field Squadron has helped with the logistics and warehousing arrangement for the storage, management and distribution of PPE. However, Jersey Field Squadron and their personnel are returning to normal duties and therefore an alternative solution needs to implementation by the end of 2020. The requested additional investment will be used to fund alternative warehousing and logistics arrangements.

Panel analysis

The Panel requested a breakdown of the funds allocated to this project in 2021 and we were provided with the following table:

Covid-19 PPE Warehousing Solution	£000's
Lease costs for warehousing	225
Staffing and logistics costs	113
Total	338

According to the business case for this project, an alternative solution for PPE warehousing would be implemented by the end of 2021. We queried who will be responsible for providing, managing and distributing PPE going forward. We were advised that, along with the current plan which ensures a 90-day PPE stock level in order that supply to the island is secured into 2021, a business case is currently in development setting out a number of options for the next phase in 2021 including:

1. Third party provision of PPE storage, inventory management and logistics
2. Third party partnership with existing HCS stores and medical supplies management
3. Third party provision of all HCS stores and medical supplies management
4. Integration to all or parts of Government of Jersey stores and supplies management and continued provision by the public sector
5. Third party provision of all parts of Government of Jersey stores and supplies management

6. HCS Stores provides the service on behalf of the Government of Jersey.

At the Public Hearing with the Minister for Health and Social Services in October, the Group Managing Director of HCS considered the current arrangements that are in place for 2021:

It is something that has been overseen through the strategic co-ordinating committee group that has been re-established as part of the COVID planning. My understanding is that we have got plans that will remain in place for this year and obviously they will continue to review what will be needed for 2021 on. Just to reassure, in terms of the distribution element, as part of our COVID planning we have a P.P.E. cell that was set up previously in wave one, so that cell is still continuing to meet. It still has the same team supporting the oversight. So when we get requests that come in as a result of COVID escalation or P.P.E. changes, whether that is in a care home or a G.P. (general practitioner) practice, the staff themselves still have the same mechanism for distribution that it previously had. So all of that has continued and we have it also in place as part of our preparedness.⁵⁰

**FINDING 39**

The requested additional investment of £338,000 under the project 'PPE Warehousing Solution' will be used to fund alternative warehousing and logistics arrangements. Of the total amount, £225,000 will be spent on lease costs for warehousing and £113,000 will be spend on staff and logistics costs.

Covid-19 – Income Support Costs

Covid-19 – Income Support Costs CSP 3: Income Inequality			
Link to Government Plan Action(s)	Link to Sub Priority	Minister(s)	Scrutiny RAG Status
Income Inequality	Government Plan Covid-19 Response	Minister for Social Security	

Business Case: Overview

The Minister for Social Security has requested the following funds in respect of the Covid-19 – Income Support Costs:

Additional Investment Required (£000)

2021	2022	2023	2024
7,498	5,249	3,692	4,549

The business case for this Programme seeks additional funding to cover excess income support costs, which have arisen as a result of the Covid-19 pandemic. Funds have been requested for all years, from 2020 through to 2024.

⁵⁰ Public Hearing, Minister for Health and Social Services, 26th October 2020, p14

The pandemic and subsequent lockdown has had a significant impact on trade and business which has resulted in an increase in Income Support claims and costs. As stated in the business case, the increase commenced in late March 2020 and was a result of individuals losing their jobs or suffering reduced hours/pay and income. The number of income support claimants increased from 5,636 in February 2020 to a peak of 6,559 in May 2020. The numbers have slowly declined since then but remain well above the previous pre-Covid-19 baseline level. It is further explained:

The particular challenge is that the increase relates to individuals who are out of work and these now require to be managed appropriately to minimise the risk of long-term unemployment. Therefore, this business case is seeking funding cover for the payment of statutory benefit entitlements and funding to enable the significant spike in cases to be managed appropriately by Customer and Local Services throughout the period of the Government Plan. The additional cost experienced in April 2020 was circa £1.2 million above trend and £1.3 million above the trend in May and has now settled at close to £900k -£1 million above the trend per month.

Panel analysis

The Panel notes that the funding requested under this programme gradually reduces between 2021 to 2023 (from £7.5m to £3.7m) and then increases slightly again in 2024 (to £4.5m). In the Public Hearing with the Minister for Social Security the Panel questioned why this was the case. The Director General advised the Panel that, based on forecasts from the Fiscal Policy Panel, it was anticipated that, all things being equal, the number of people who are unemployed will reduce, which in turn would mean that the number of people claiming income support would also reduce. This was therefore reflected in the funding allocation per year for this programme. Regarding the slight rise again in the allocation for 2024, it was explained:

The reason why 2024 goes up is because in last year's Government Plan forecasts there was no inflation added in anywhere for 2024. In our COVID income support bid we have included inflation in the last year. Inflation was already built in for 2021, 2022 and 2023 but for 2024, there is no inflation built in in 2024. We have added that in in this bid at the same time.⁵¹

The Panel questioned, what seemed to be, a substantial figure for the inflation rate. We were advised that the inflation added to 2024 is for the whole income support budget, which equals a couple of million pounds. If you therefore remove £2 million from the allocated figure for 2024 then it becomes £2.5 million which continues the gradual reduction of requested funds from 2021.

In written correspondence to the Minister for Social Security, we asked for a breakdown of the requested funding of £7.5 million for 2021. We were advised that the funding request is based upon the Customer and Local Services Department's forecast benefits spend for 2021, which utilises data provided by the Fiscal Policy Panel and projects numbers of individuals activity seeking work. We were also told that the business case for this funding recognises that there is a requirement to support the increased numbers of individuals actively seeking work into employment, education or training, which requires the employment of additional staff. The breakdown for the is as follows:

- Additional Benefits Budget = £6.7 million

⁵¹ Public Hearing, Minister for Social Security, 22nd October 2020, p18

- Additional Staffing Budget = £0.8 million

**FINDING 40**

The funding request for the “Covid-19 – Income Support Costs” project is based upon the Customer and Local Services Department’s forecast benefits spend for 2021, which utilises data provided by the Fiscal Policy Panel and projects numbers of individuals activity seeking work.

**FINDING 41**

Forecasts from the Fiscal Policy Panel suggest that the number of people who are unemployed will reduce gradually over the next 4 years, hence the reduction in funding allocated to the “Income Support Costs” from 2021 onwards.

Reports on New Capital Expenditure Projects

The following section provide the Panel’s analysis of each new capital expenditure project.

Jersey Care Model – Digital Systems

Jersey Care Model – Digital Systems CSP O13:			
Link to Government Plan Action(s)	Link to Sub Priority	Minister(s)	Scrutiny RAG Status
Unknown	Unknown	Minister for Health and Social Services	

Business Case: Overview

The Minister for Health and Social Services has requested the following funds in respect of Jersey Care Model – Digital Systems:

Additional Investment Required (£000)

2021	2022	2023	2024
1,300	800	500	400

As we are aware from our review of the Jersey Care Model, PricewaterhouseCoopers (PwC) identified Digital as a key enabler to achieving the ambitions set out in both the Jersey Care Model and the Our Hospital Programme. According to the business case for ‘Jersey Care Model – Digital Systems’:

HCS will use digital advances to improve the way in which services are designed, delivered, and managed in an integrated way – digital is a key enabler to the Jersey Care Model. The JCM will leverage digital capability to improve the way in which services are designed, delivered, and managed in an integrated way, with a clear focus on the

*individual and their experiences, and where health and care professionals can make the best decisions they can because they have the information they need at the point of care.*⁵²

One of the ambitions of the JCM is to shift to an integrated model of health and social care and population health management. The business case proposes that this will be achieved by enabling interoperability between health and care systems supported by the inclusion of a robust data and security management framework. Furthermore, the effective use of digital technologies, including both technologies currently in use within Jersey's health system and introducing new and innovative forms of technology, can support the delivery of sustainable services, improving value through operational efficiencies and driving reductions in avoidable costs.

Panel analysis

The Panel wished to ascertain what the Minister for Health and Social Services was hoping to achieve by the end of 2021, with the funding of £1.3m that has been allocated to this project. We were provided with the following list, which sets out key objectives for 2021:

1. Electronic Patient Record – identify and procure a new EPR for the hospital. The new EPR will provide a new patient centred digital platform that will support digital integration to other health systems, thereby providing a platform of excellence in the management and administration of patient care.
2. Radiology new imaging platform. Procure a new Imaging platform for Radiology and other clinical departments to store and analyse clinical images from CT, MRI, US, X-RAY etc. The new system will provide advanced reporting and imaging processing and will integrate in to the EPR providing an enhanced patient Electronic Health Record (EHR).
3. Primary Care Integration – Pathology requesting and resulting services (otherwise known as GP Order Comms) will provide enhance online ordering and resulting of patient pathology tests. In 2020 we successfully delivered GP Order Comms for Radiology services to Primary Care. In 2021 this service will be extended to include Pathology services providing GPs with a much-enhanced digital service online service.
4. Digitization of patient discharges from Hospital to GP practices. This new digital service will be rolled out in 2021 and provide electronic discharges to GPs from the hospital. The new digital service will replace the existing manual and labour-intensive paper process currently in use.
5. Island wide Choose and Book (Event Management) system. This system (in development) will provide an online patient booking for appointments such as Flu & Covid but can also be extended to other services where patients can choose, amend or book appointments for HCS centred services.

The Panel notes that there are a number of projects (previous and new) in the Government Plan that appear to be requesting funding for similar areas of work; namely the "Digital Health

⁵² Annex

and Care Strategy”, the “Digital Care Strategy (Major Project)” and this project. In a letter to the Minister for Health and Social Services in November we queried how the work, due to be undertaken under this project will differ from the work intended under the “Digital Care Strategy (Major Project)”, which is requesting £3.4m in 2021. The Panel was advised:

The overarching HCS digital strategy incorporates the JCM digital elements which were included in the JCM business case; and the other elements of the HCS digital strategy are included in the digital strategy major projects.

The funding is split for Government Plan purposes, operationally the project will be delivered as one programme. The JCM digital funding supports the aspects of the digital strategy which are enablers for JCM implementation.⁵³



FINDING 42

A number of projects (previous and new) in the Government Plan appear to request funding for similar areas of work; namely the “Digital Health and Care Strategy”, the “Digital Care Strategy (Major Project)” and the “Jersey Care Model – Digital Systems”. It was advised that whilst the funding is split for Government Plan purposes, operationally the HCS digital strategy project will be delivered as one programme.



RECOMMENDATION 9

The Minister for Health and Social Services must provide the Panel with further clarity as to how much in total is due to be spent on each key objective of the HCS Digital Strategy Project in 2021.



RECOMMENDATION 10

The Minister for Health and Social Services must provide the Panel with quarterly updates on the progress of the HCS Digital Strategy Project, including the spend to date.

Digital Care Strategy (Major Project)

Digital Care Strategy CSP O13:			
Link to Government Plan Action(s)	Link to Sub Priority	Minister(s)	Scrutiny RAG Status
Unknown	Unknown	Minister for Health and Social Services	

Business Case: Overview

The Minister for Health and Social Services has requested the following funds in respect of the Digital Care Strategy:

Additional Investment Required (£000)

2021	2022	2023	2024
3,400	3,900	5,560	3,325

⁵³ Letter, Minister for Health and Social Services, 13th November 2020

According to the business case contained in the Annex to the Government Plan, the Digital Health and Care Strategy aims to develop a digitally enabled and co-ordinated health and care solution across the Island, operating at different levels across our services. The Strategy is a modernisation programme designed to promote and enable digital health and care services for the benefits of all citizens, visitors, clinicians and other health and care professionals in the Island.

Furthermore, the programme will be implemented over a number of years with iterative service improvements and a maturing of digital services replacing the incumbent manual and paper processes. The new system will be built on existing systems and those products which support our strategy. Those that do not support an integrated care model will be replaced and modernised.

It is intended that digitalising health and care services will benefit citizens by giving them easy online access to their health data, care plans, medications, clinical results and scheduling management. We are told that it will also assist clinicians and health professionals by allowing them quick and easy access to patient data, which will help support effective decision making. It is also envisaged that this programme will deliver additional economic benefits through improved cost management of repeat prescriptions, reduction in non-attenders, effective running of preventative screening programmes and early diagnosis of illness.

In 2017, the Government launched the Digital Health and Care Strategy. The strategy endorsed the vision to drive the digital maturity of health and care services into the modern era by:

- Replacing paper with digital pathways
- Replacing manual process with digital workflow
- Enabling Islanders to choose and book their appointments online to fit in with their needs
- Enabling Islanders and patients to use digital conferencing tools available as Apps to speak and consult with their care workers, physiotherapist, GPs and clinicians
- Giving Islanders the ability to manage their own health and wellbeing by providing access to their data via online digital Apps

Panel analysis

The Panel requested further information concerning this project, including a breakdown of the funding that is due to be spent in 2021 (£3.4m). We did not receive this information prior to finalising our report. Whilst we support the objectives of the project, without such information we are unable to confirm whether we are content with the amount of money being requested for 2021 and the following years.



FINDING 43

Without further details and a breakdown of the funding being requested for the “Digital Care Strategy (Major Project)” in 2021, the Panel is unable to confirm whether it is content with the amount of funds that are being requested.

**RECOMMENDATION 11**

The Minister for Health and Social Services must provide the Panel with a detailed breakdown of the funding requested for the “Digital Care Strategy (Major Project) in 2021 before the debate of the Government Plan 2021-2024.

Also see finding and Recommendations under “Jersey Care Model - Digital Systems” Project above.

Our Hospital (Phase Two)

Our Hospital CSP 2:			
Link to Government Plan Action(s)	Link to Sub Priority	Minister(s)	Scrutiny RAG Status
Unknown	Unknown	Minister for Health and Social Services	

Business Case: Overview

The Minister for Health and Social Services has requested the following funds in respect of Our Hospital (Phase Two):

Additional Investment Required (£000)

2021	2022	2023	2024
20,000	-	-	-

On 3rd May 2019, the Chief Minister announced proposals to the States Assembly for establishing a new Programme for delivering a new hospital for Jersey (‘New Hospital Project: Next Steps’, R54). The objectives of the Our Hospital (OH) project are:

- To provide high quality, efficient and effective care for all patients and service users that is timely, accessible and delivers the best possible experience for patients, service users, visitors and staff
- To deliver integration of physical and mental health care and services including co-location of an Acute Hospital and Mental Health Services
- To deliver a healthcare estate, including an Acute Hospital that is safe, compliant, flexible and right sized for the future delivery of clinical and other services and enables service transformation
- To deliver a new hospital that ensures the financial sustainability of the health economy
- To deliver a new hospital that contributes to building a thriving community and well-being of staff and patients with positive socio-economic and environmental impacts.

Since the project’s inception, the Covid-19 pandemic occurred and reinforced the requirement for a new hospital that is fit for purpose and flexible to adapt its capacity to deliver future healthcare needs. The project will continue without delay to meet the challenging timeline. According to the business case, the ‘Our Hospital’ team has been established and provides a mix of internal and external team members. The concept of ‘hold points’ has been used to divide the project further into management stages. At each hold point Senior Officers Strategy

Group and Political Oversight Group are asked to confirm continued business justification and that the project is/will deliver its expected benefit.

Panel analysis

The Panel requested a breakdown of the £20m funding that has been requested for the Our Hospital (phase two) project in the Government Plan. In November we were provided with the following information from HCS:

Our Hospital (Phase Two) (Major Project)	£000's
Project Team Costs	521
PMO	603
Subtotal Project Team	1,123
Professional services	703
Specialist services	1,022
Governance & Audit	66
Major Project Contingency	1,287
Total	4,201
Specialist services: Delivery Partner PCSA	9,799
Total GoJ and PCSA	14,000

It was also noted that the Government Plan includes a £6m risk contingency held centrally in relation to costs on the project that would be required prior to the main financing of the project in Spring 2021.

In an earlier hearing, we were advised by the Group Director for Performance Accounting and Reporting that the funding allocated under this programme for 2021 would take the OH project through to spring time next year. At which time, the Minister for Treasury and Resources will have brought forward the overall funding proposals for the Our Hospital Project and any expenditure beyond that period will be wrapped into that. He explained:

The way the process is working is probably around about into May time, there will be an outline business case produced. At the moment we are at a strategic part of the case, we will move into more detail, which is the work around our clinical colleagues and our other experts are working on at the moment. As I say, that should be done by April/May time and at the same time the Minister for Treasury and Resources will bring forward a financing package as to how the expenditure is to be financed, so not just what it will cost but how it proposes for the Government to pay for it as well.⁵⁴

Essentially, the money that is being requested in this year's Government Plan will be used to fund the work undertaken by the delivery partner, the commercial and technical experts, and cost consultants.



FINDING 44

The funding allocated to the "Our Hospital (phase two)" project will be primarily used to pay for the services provided by the delivery partner, commercial and technical experts, and cost consultants.

⁵⁴ Public Hearing, Minister for Health and Social Services, 26th October 2020

**FINDING 45**

The funds requested for phase two of the Our Hospital Project will last up until Spring next year, at which time the Minister for Treasury and Resources will have brought forward a financing package detailing how much the project will cost and how the Government proposes to pay for it.

In Patients/Support Services Refurbishments

In Patients/Support Services Refurbishments CSP 2:			
Link to Government Plan Action(s)	Link to Sub Priority	Minister(s)	Scrutiny RAG Status
Unknown	Unknown	Minister for Health and Social Services	

Business Case: Overview

The Minister for Health and Social Services has requested the following funds in respect of the In-Patients/Support Services Refurbishments:

Additional Investment Required (£000)

2021	2022	2023	2024
1,044	999	-	-

According to the business case for this programme, a six-facet condition survey, that was commissioned as part of the Future Hospital Programme and repeated in 2017/18 re-affirmed a number of significant risks within the existing hospital and the need to commence a substantial backlog and general clinical maintenance programme. It is advised that this would be achieved by a phased programme or relocation then renovation. The areas identified that are in need of immediate attention are, but not limited to:

- Urgent refurbishments of all In-Patient adult & paediatric wards and critical care departments
- Continue installation of the PYXYS Medicines Management System & Medicine rooms
- Generalised Mechanical and Engineering infrastructure projects that will impact clinical services including nursing workstations.
- Where possible, improve patient facing services and access to disabled facilities.

According to the Health and Community Services Department, this bid supports a cost-effective approach and can be completed at minima cost whilst the Future Hospital is determined by 2026.

Panel analysis

At the Public Hearing with the Minister for Health and Social Services on 26th October, the Panel queried why funds had not been requested for this project for 2023 or 2024. The Minister advised the Panel:

I think, Deputy, we are dealing with an old building. We have to see on a regular basis what needs attention. We want to maintain the best standards but of course we do not want to spend unnecessarily if we are moving to a new hospital in 2026. Therefore, the planning is limited to 2 years at the present time. There will need to be expenditure, I am sure, while we are still on this site but in terms of knowing exactly what is needed it is more difficult to project into those further years.⁵⁵

Adding to this, the Group Director reassured the Panel that there will be an opportunity in future Government Plans to revisit the funding for this Programme if it is felt there is a need for further maintenance capital expenditure to keep the hospital running through to 2026.

We note that the business case for this project states: “*This bid through bed realignments and co-location of specialities will provide further efficiencies and savings*”. In a Public Hearing with the Minister we asked for a further explanation for this statement. The Panel was told that recently a new discharge co-ordinator has been appointed and was managing to progress with the timely discharge to prevent bed blockages. It was also advised that HCS was already starting to see the benefits of this work and success going forward will be measured through the reduction of waiting lists in the hospital and keeping more people at home.

In regard to proposals to co-locate specialities, we were informed that in order to facilitate ward moves, some surgical specialities will be combined on wards e.g. General Surgery and Trauma. According to HCS, these changes are already in progress to facilitate flexibility in space requirements due to Covid-19 and winter pressures – medicine wards, for example, are already general practice.

The Panel notes that last year’s Government Plan requested £5m every year for 4 years (2020-2023) for the project “Health Services Improvements”. This year’s Government Plan requests the same amount of funding for 2021-2024. The funding was requested to enable a programme of priority upgrade works to the current hospital. The business case for this project identifies a number of urgent works that need to be undertaken in the General Hospital to maintain existing facilities. In light of this, we queried why the work programmes, identified under this project, were not included under the “Health Services Improvement” project. HCS advised:

The in-patient/support services refurbishments are aligned to the General Hospitals estates backlog maintenance programme that is funded through the Government Plan Health Service Improvements. The Health Service Improvements funding is required to meet the significant backlog maintenance programme. The soft ward refurbishment improvements are important to the patient experience and wellbeing.



FINDING 46

The funding allocation for the “In Patients/Support Services Refurbishments” project has been limited to two years at this time. Whilst the Minister for Health and Social Services wants to ensure best standards within the current hospital, he does not want to spend money unnecessarily if a new hospital is to be in place by 2026.

⁵⁵ Public Hearing, Minister for Health and Social Services, 26th November 2020

Benefits and Payments System - NESSIE

Benefits and Payments System - NESSIE			
CSP Unknown:			
Link to Government Plan Action(s)	Link to Sub Priority	Minister(s)	Scrutiny RAG Status
Unknown	Unknown	Minister for Social Security	

Business Case: Overview

The Minister for Social Security has requested the following funds in respect of the Benefits and Payments System - NESSIE:

Additional Investment Required (£000)

2021	2022	2023	2024
250	5,000	10,000	7,750

According to the business case for this Programme, the primary Social Security support system, NESSIE, was implemented in 2005. NESSIE supports the payment of social benefits, as well as the collection of employment contributions. It goes on to advise:

A wide range of functional enhancements have been implemented to support ongoing developments of benefits and contributions services, but it is now approaching a point where overall system replacements need to be considered. This major systems replacement project offers a significant opportunity to implement a new support system that will support efficient and effective customer service provision for the next ten-to-15-year period. A next generation customer service and benefits management system is required to underpin the provision of responsive, customer-centric Government services.

It is advised that a new support system is necessary to ensure:

- The continuing reliability and availability of Customer and Local Service's primary business support system to ensure it is able to discharge its statutory obligations; and
- The CLS's future ability to develop, flex and enhance its services in a timely way, and to allow the development of business support functionality in new technology to support the outcomes of the current Social Security fund major review.

Panel analysis

During a Public Hearing with the Minister for Social Security on 22nd October, we were advised that the word NESSIE stood for New Employment Social Security Information Exchange. The Director General explained the reasoning behind the request for these funds and the need to update the current benefit payment system. He told the Panel:

...so these are estimated amounts and part of the spend this year is to build out a more detailed business case. We have been wanting to be able to update the benefit payment

systems for a while because the existing system came in in about 2005 and obviously it was planned much earlier than that. One of the things we have been waiting for is the completion of the Revenue Jersey R.M.S. (Revenue Management System) because the last part of that implementation is to start collecting contributions on behalf of the Minister through Revenue Jersey. They will have a system that collects income and, therefore, we will have a system that will pay money out in simple terms. We have been waiting for that. We would not want to develop both systems at the same time. Many of the same people would be involved and it just would not be good prudent business practice to have 2 major systems in a state of change. We have talked about this before but the R.M.S. is being implemented, Revenue Jersey are making good progress and the last bit is that contributions collection, which should go live in the start of 2022, which gives us the confidence now that we can start planning the replacement or updating of our benefit payment systems.⁵⁶

We were also advised that the new system would most likely be very different to the existing system. For instance, whilst the existing system is bespoke and hard-wired, the new system will be flexible, more modular and more in tune with the current technology of today. It was also the intention that the new system would support more online options for customers who want to access support online.

The Panel requested a breakdown of the funding that has been allocated to this project for each year of the Government Plan. It was advised that the funding of £250,000 for 2021 would facilitate the development of detailed benefits and customer service system replacement requirements. A phased delivery plan will be agreed, and procurement will be completed. Furthermore, the spend will be a mixture of staff costs and potentially some specialist external consultancy to ensure the systems specification meets future demand and CLS's customer service strategy. For the funding requested in 2022 (£5m), 2023 (£10m) and 2024 (£7.75m) we were told that it was not possible to provide a detailed breakdown of the total costs at this stage. However, we were advised that these costs relate to developing, building and testing the new benefits and customer service system and that the majority of this spend will provide resources to the partner/supplier of the new system to fund its development and acquisition. It was further advised that there will be substantial staff costs allocated to this project to assist with its design, testing communications and implementation.⁵⁷

⁵⁶ Government Plan, p21

⁵⁷ Letter, Minister for Social Security, 4th November 2020

1.10 Efficiencies

The Government Plan 2020-2023 set out the ambition to achieve £100 million of efficiencies, with the first £40 million to be achieved in 2020. The plan for £40 million in 2020 was published in October 2019 and a performance update was included in the Government 6-month report, published in August 2020.

The Government Plan 2021 – 2024 sets out the 2021 plan to deliver £20 million of efficiencies and other rebalancing measures.

Rebalancing and Efficiencies

The Government Plan 2021 – 2024 provides a table which shows the £20 million of efficiencies and rebalancing measures in 2021, subtotallied against each Minister or the Council of Ministers.

The table below shows the efficiencies and rebalancing totals for each Minister under the Panel's remit:

Summary Table 1 Efficiencies and Rebalancing Measures 2021 – allocation by Minister	
	2021 (£000)
Council of Ministers	5,418,000
Minister for Health & Social Services	5,000,000
Minister for Social Security	442,000

The summary description of proposals reviewed by the Panel for each Minister are set out in the table below:

Efficiencies and rebalancing summary descriptions					
Minister	Department	Summary description	Recurring or One-Off	Budget Impact	2021 Value (£)
Chief Minister	SPPP	Defer the development of policy for Financial independence in old age by one year	One Off	Spend reduction	50,000
Minister for Health & Social Services	HCS	Implement proposals from the HCS Zero Based Budget exercise once approved by the Minister	Reduction	Spend reduction	5,000,000
Minister for Social Security	CLS	Defer the implementation of the Care needs at home project by one year	One Off	Spend Reduction	400,000

Minister for Social Security	CLS	Defer Continued review of, and improvement, to customer services	One Off	Spend Reduction	61,000
Minister for Social Security	JHA	Restructuring advisor posts	One Off	Spend Increase	(19,000)

Panel analysis

Minister for Health and Social Services

Last year, the Minister for Health and Social Services was asked to make £9 million worth of efficiencies in 2020. At a Public Hearing in October, we were advised that, of that £9 million, £5 million worth of efficiencies had been delivered. The Minister told the Panel that the impact of Covid-19 has meant that HCS were unable to continue delivering further efficiencies. Regarding the efficiencies that have been made, the Minister assured the Panel that they were delivered after a clinical assessment was undertaken to ensure that there would be no impact on the health of patients. When the Panel asked for further details as to the savings that had been made this year it was advised:

The areas that we have had some continued success this year building on last year, particularly around procurement, we have been able to get some real benefits in different ways of working around our procurement close and we have seen some better efficiency in our supply chain by working differently. We have had some particular return in terms of pharmacy expenditure, so our chief pharmacist has been working on a plan around how we can get better supply at better value price and is taking different initiatives with his pharmacist team. We have seen some good progress around starting to tackle some of our areas where we have had reliance on agency, and that has been quite expensive and where we have converted those roles into substantive staff; that has been better for us and is less costly. Then there are other areas of general efficiencies, so things like off-Island activity that can be very costly, our off-Island placements that we target yearly, that all those things have continued; they are well-established schemes that we do year on year on year.⁵⁸

Following the hearing, we asked for a further breakdown of the £5m efficiencies that have been made this year. It was advised that £3.5 million of savings have been realised through the offset of 2020 growth and £1.5 million resulted from direct efficiency savings across all business units following a budget review.



FINDING 47

In 2020, the Minister for Health and Social Services was asked to make £9 million worth of efficiencies. Due to the impact of Covid-19, HCS was only able to deliver £5 million worth of efficiencies this year. Of the £5 million worth of efficiencies made, £3.5 million have been realised through the offset of 2020 growth and £1.5 million resulted from direct efficiency savings across all business units following a budget review.

⁵⁸ Public Hearing, Minister for Health and Social Services, 26 October 2020, p28

This year, the Minister for Health and Social Services has been asked to deliver £5 million worth of savings through a Zero-Based Budget (ZBB) exercise. According to the Annex of the Government Plan, the ZBB exercise first commenced in July 2020 with the aim of ensuring pay and non-pay benefits align to clinical activity through a blank page approach.⁵⁹ The Group Managing Director for Health and Social Services advised the Panel that HCS had completed the ZBB exercise across all Care Groups to see what efficiency opportunities were available. The Panel queried whether this meant a loss of posts within HCS. We were told that if, in 2021, a project manager determines that their team is able to work in a different way or that they might not need a vacancy because a process has been replaced then they will pursue that as part of their efficiency. However, it was assured that this does not equate to front line services but rather it means identifying different ways of working and departmental processes, particularly admin-type processes.

To date, the exercise has identified approximately £2 million in re-balancing efficiencies based directly on the ZBB build. This is now being clinically validated by the Care Groups prior to ratification by the HCS Executive Triumvirate. The ZBB exercise has also identified further potential opportunities of £3 million, which are subject to action or decisions by the service. For example:

- A review of off-island pathways
- Strategies to reduce the use of overtime or contingent workforce

The Panel notes that a report by Deloitte from 2015 on Zero-Based Budgeting concluded that ZBB cycles are “*not a cost-effective option for most organisations in either the public or private sectors*”, albeit conceding that they were useful in “*specific sectors under specific circumstances*”. When we queried this at a Public Hearing, the Group Director of Performance Accounting and Reporting advised that the rationale for undertaking a ZBB exercise was the experience of a number of colleagues across both service and finance and across a number of public sector organisations. According to the Group Director, the exercise has proven in many cases to be not just a simple savings exercise, but a transformation exercise that encourages service colleagues to look at things differently, as well as generating efficiencies.

The Panel also queried whether any alternative strategies had been considered before proceeding with ZBB, such as outcome-based budgeting. According to the Group Director, outcome-based budgeting tends to be a lot more challenging than ZBB, as ZBB is a more established process. However, he did advise the Panel that whilst the Government did not formally consider an outcome-based budgeting exercise this year, the Group Director would recommend such a review in the future, once the ZBB process was fully established.⁶⁰

The Panel notes that Table 8 of the Government Plan’s Annex (as below) identifies changes to departmental heads of expenditure from 2020 to 2021. In that table it states that HCS is due to save £5,227,000 in 2021 through rebalancing. However, as stated above, Part 5 of the Annex only identifies £5 million of efficiencies for the Minister for Health and Social Services through the implementation of proposals from the HCS ZBB exercise. We queried these two figures in written correspondence with the Minister in October. We were advised that the additional £227,000 would be achieved by reductions in HCS’ non-staff budget:

A rebalancing opportunity has been identified to continue the best practice of reviewing and securing recurring reductions in non-staff budget with the value of £750,000 across

⁵⁹ Annex, p127

⁶⁰ Public Hearing, Minister for Health and Social Services, 26th October 2020

*all departments in 2021. £227,000 is to be achieved by HCS and, HCS are in the process of identifying recurring reductions in the 2021 non-staff budget.*⁶¹



FINDING 48

In total, the Minister for Health and Social Services has been asked to make £5,227,000 worth of efficiencies in 2021. £5 million is due to be made through the implementation of proposals from a Zero-Based Budgeting exercise and £227,000 through recurring reductions in the non-staff budget.

Minister for Social Security

The Panel notes that the Minister for Social Security has been asked to make £442,000 worth of efficiencies in 2021. As set out in Table 2 in the Government Plan (and the table directly above), £19,000 of those ‘efficiencies’ is a one-off payment with regards to “restructuring advisor posts” and is described as a ‘spend increase’ rather than a ‘spend reduction’. In a Public Hearing with the Minister for Social Security in October, the Panel queried about this particular ‘efficiency’ and the reasoning behind it. The Director General for Customer and Local Services advised the Panel:

*Yes, as the Minister mentioned, it is a bit unusual to be on a list of efficiency savings, it is giving more money to Justice and Home Affairs and the Health and Safety Inspectorate, which is why the total for the Minister is £442,000 because it nets off against the £461,000 of savings and then they get an additional £19,000, which will go to the Health and Safety Inspectorate. The Health and Safety Inspectorate will use that to employ and support further Health and Safety Inspectorate resources. Obviously looking ahead, there is a significant plan of building work expected, for example, and that is why that money has been allocated to them. It is unusual because it is in a list of savings but it is more money for the Health and Safety Inspectorate.*⁶²

The Panel also notes that £400,000 worth of efficiencies will be made in 2021 as a result of the proposed deferral of the implementation of the Care Needs at Home project. According to the Government Plan, this saving will mean that it will take a year longer than originally planned to develop and implement effective measures to support disabled individuals to live at home. This will have an impact on the individuals concerned (approximately 100-200 households) and other health and care services as the benefits envisaged through the implementation of the project will materialise one year later than originally intended.⁶³

The final efficiency target, which falls under the Minister for Social Security, involves consistently reviewing and improving Customer and Local Services. The Panel asked the Minister how confident she was that a £61,000 efficiency could be generated year-on-year from such a review. She commented:

The £61k efficiency from making improvements to service is recurring. By reviewing our services and making it easier for customers we can improve processes and remove unnecessary steps, releasing financial savings.

⁶¹ Letter, Minister for Health and Social Services, 13th November 2020

⁶² Public Hearing, Minister for Social Security, 22nd October 2020

⁶³ Annex, p137

The Panel also questioned whether we could expect to see any public-facing changes to be delivered in 2021, as a result of this target. We were told that the OneGov model set out that there would be a benefit to customers in having all customer facing activity under a single department e.g. Library Services and the Office of the Superintendent Registrar. Both of which have been moved to CLS. Furthermore, there are also additional customer facing parts of government that will be joining CLS (none of which are the responsibility of the Minister for Social Security) and it is hoped that these changes will also lead to improvements in the service the public receives.

**FINDING 49**

In total, the Minister for Social Security has been asked to make £442,000 worth of efficiencies in 2021. £400,000 is due to be made from deferring the implementation of the care needs at home project by one year and £61,000 will be made through regularly reviewing and improving customer services. Furthermore, £19,000 is due to be deducted from the Minister's budget and paid to Justice and Home Affairs to support Health and Safety Inspectorate resources.

1.11 Conclusion

Since the Government Plan 2021-2024 was lodged on 12th October 2020 the Panel has reviewed the various projects and capital projects that were allocated to it by the Government Plan Review Panel this year and last year. The Panel had to undertake its review within a short timeframe and, whilst this has been challenging, we have endeavoured to undertake a thorough and in-depth analysis of the projects. This work has allowed us to determine a number of things. Firstly, the status of projects approved last year and whether the money has been spent as planned and appropriately. Secondly, whether the investment sought for new projects was both suitable and sufficient.

Overall the Panel is satisfied with the majority of projects and capital projects it reviewed (old and new) with regard to either their current status or the rationale for the request for additional funds and the breakdown of how the funds would be allocated. However, the Panel also holds a number of concerns following its evidence gathering, which are summarised below:

Programme/Capital Project	Reason	Scrutiny RAG Status 2021
<i>Previous Programmes and Capital Projects</i>		
Mental Health	The Panel has designated this project amber due to the delay of recruiting new staff to support individuals with complex trauma due to Covid-19 and the impact this delay could have on the backlog of individuals currently waiting for specialist psychological interventions. Whilst the Panel understands the reasons for the delay, we have asked the Minister for Health and Social Services to ensure that the recruitment process recommences as soon as possible.	
Financial Independence in Old Age	This project has been deferred in order to re-prioritise officer time to other urgent pandemic related policy work. The Panel cannot support the request for any further funding for this project until the outcome of the investigation is known, and proposals of a way forward are brought to the States Assembly. We have therefore designated this business case amber until further information can be provided.	
Support for Home Care and Carers (Care Needs at Home)	Following initial planning of this project, the pilot scheme had to be postponed due to the pandemic, and this project has now been deferred until 2021. We have designated this project amber because until we understand the outcome of the pilot scheme we are unable to conclude whether the resources allocated for 2022-2024 are appropriate. The Panel has requested that the Minister for Social Security ensures that the pilot scheme recommences as soon as appropriate. We will also ask that the Minister provides us with regular updates as to how the project is progressing throughout 2021 and the conclusion of the pilot scheme as soon as it has been finalised.	

Mental Health Improvements (Capital)	The Panel has designated this project amber due to concerns regarding the timetable for the delivery of work, specifically the relocation of Orchard House to Clinique Pinel. Despite being advised last year, during our review of the previous Government Plan, that the transfer from one facility to the other was due to be completed by the end of 2020, it is now not due to be finalised until January 2022. We have requested quarterly updates from the Minister for Health and Social Services on the relocation and on any further delays to the current timeframe.	
Learning Difficulties – Specialist Accommodation (now a Major Project)	Of the £250,000 that was allocated for 2020 to undertake a feasibility study under the ‘Learning Difficulties’ project, £150,000 has been deferred to 2021. The pre-feasibility work is due to be completed by the end of this year and we have been assured that it can be delivered within the £100,000. The Panel supports the request for funding in 2021-2024 to provide alternative accommodation for individuals with severe learning difficulties. However, we have designated this project amber because until we know the outcome of feasibility study we are unable to confirm whether we agree that the funding allocations for this project are sufficient. We have requested that the Minister for Health and Social Services provides us with the outcome of the feasibility work as soon as it has been completed and the detailed plans for alternative accommodation.	
<i>New Programmes and Capital Projects</i>		
Covid-19 – Nightingale Ward	The Panel has designated this project amber due to the current uncertainty as to the extent, and length of time, in which the facility will be required in the future. As a result, we are unable to confirm whether the level of funding is appropriate or sufficient. The Panel has therefore requested that the Minister for Health and Social Services provides us with monthly updates on the planned spend on the Nightingale Hospital as the pandemic situation progresses.	
Jersey Care Model – Digital Systems	The Panel is content with the rationale for the requested funds under this project and the amount of money allocated. However, it is concerned that a number of digital projects in the Government Plan appear to request funding for similar areas of work. Whilst we understand that the funding has been split for Government Plan purposes and that, operationally, the HCS digital strategy project will be delivered as one programme, we do not believe that this provides enough transparency regarding the overall funding levels. The Panel has therefore asked the Minister for Health and Social Services to provide the Panel with further clarity as to how much in total is due to be spent on each key objective of the HCS Digital Strategy Project in 2021. We have also requested that the Minister provides us with	

	quarterly updates on the progress of the HCS Digital Strategy Project and the spend to date. For these reasons, the Panel has designated this project amber.	
Digital Care Strategy (Major Project)	The Panel was not provided with a breakdown of the requested funding for this project. Without these details we are unable to confirm whether we are content with the amount of funds that have been requested. As a result, we have asked the Minister for Health and Social Services to provide us with a detailed breakdown of the funding requested for this project in 2021, before the debate of the Government Plan. We have designated this project amber until we are provided with further information.	

In addition to the above, the Panel also found that there is a commitment in this year's Government Plan to design and implement a sustainable funding model for primary care costs in 2021, for approval by the 2022-2025 Government Plan. This work will be informed by a review of the Health Insurance Fund, its structure and use, which is due to take place early next year. We have therefore requested that the Minister for Social Security keeps the Panel informed of any progress made in respect of a new funding model for primary care and the review of the Health Insurance Fund and to allow the Panel sufficient time to scrutinise the outcomes of both pieces of work, if required.

1.12 Witnesses and Evidence Gathered

Public hearings were held with the following Ministers:

- Minister for Social Security on 22nd November 2020
- Minister for Health and Social Services on 26th November 2020

Responses to written questions were received from the following Ministers:

- Minister for Social Security (x2)
- Minister for Health and Social Services (x3)

Requests for written submissions were sent to 13 stakeholders and responses were received from the following:

- Autism Jersey
- Jersey Care Commission
- Jersey Carers Association
- Primary Care Board

To view all the submissions, responses to written questions and public hearing transcripts, please visit the [Government Plan Review: Health and Social Security Review Page](#) on the States Assembly website.

Appendix 1

Terms of Reference

Government Plan 2021 - 2024 Terms of Reference

1. To coordinate detailed scrutiny of the Government Plan 2021- 2024, including allocating cross-cutting Sections/projects of the Government Plan to the standing Scrutiny Panels and Review Panels, based on a 'best fit' approach⁶⁴.
2. To undertake an overarching review of the Government Plan 2021 – 2024 in order to determine whether, overall, funded projects meet Ongoing Initiatives, Common Themes and, ultimately, Common Strategic Priorities;
3. To consider overall levels of resourcing, of all forms, allocated to projects and whether this is sufficient or excessive to enable the Government Plan to meet its stated aims.
4. To facilitate consistency of approach across standing Panels, including that any proposed amendments to be lodged are consistent with the requirements of the Public Finances (Jersey) Law 2019.⁶⁵

⁶⁴ Projects will not directly align with Scrutiny Panels and most will involve multiple ministerial portfolios. Rather than split out projects into elements amongst various Panels, each project will be scrutinised in its entirety by a single Panel.

⁶⁵ Article 13(2) of the Public Finances (Jersey) Law 2019: A person, committee or panel who intends to propose an amendment to any element of a lodged government plan referred to in Article 9(2) must, in preparing the amendment, take into account the impact of the amendment on –

- (a) the States' finances;
- (b) the medium-term and long-term sustainability of the States' finances and the outlook for the economy in Jersey; and
- (c) the sustainable well-being of the inhabitants of Jersey over successive generations