

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 12th JUNE 2012**

Question

Would the Minister, in relation to the recent Health and Social Services White Paper, advise –

- (a) what Health capital projects, if any, from the White Paper (totalling £20.4 million in the 3 years to 2015), he recommends should be included in the bids for capital expenditure?
- (b) what explanation there is for the ability of the Council of Ministers to fit between £27 million and £34 million in the States spending envelope with no increases in charges or taxes in phase 1?
- (c) will there be cuts in other department budgets to accommodate this?
- (d) what growth projections in States revenues are built in to this plan?

Answer

(a) The Minister can confirm that the Council of Ministers is proposing to include all the Health capital schemes within the White Paper in the draft Medium Term Financial Plan as follows:

	£'000	£'000	£'000
	2013	2014	2015
Health & Social Services			
Upgrade of Main Theatres	2,100	1,837	-
The Limes Refurbishment	1,700	-	-
Replacement General Hospital - feasibility	350	-	-
Replacement General Hospital - planning	-	2,000	-
Mental Health Facility at Overdale - feasibility	350	-	-
Intermediate Care	-	500	-
Relocation of Ambulance and Fire Station - feasibility	100	-	-
Adult Care Homes	4,000	-	-
Children's Homes	2,000	-	-
Refurbishment of Sandybrook	-	1,700	-
Replacement MRI Scanner	-	-	2,277
Replacement RIS / PACS IT assets	-	-	1,567
Health & Social Services total	10,600	6,037	3,844

The £500,000 funding for Intermediate Care has been brought forward to 2014 in the MTFP from the total included for 2015 in the White Paper.

(b) Commitments were made to growth for the Health and Social Services Department budget in the 2012 Business Plan. For ease of reference these areas for growth are set out in the table below.

	2013 £'000	2014 £'000	2015 £'000
Health Growth @ 2%	3,470	6,920	10,550
Medical Staff Sub Specialisation	300	610	920
Nursing Establishment	1,000	2,030	2,080
Nursing Terms and Conditions	600	620	630
Totals	5,370	10,180	14,180

The current draft of the Medium Term Financial Plan includes these committed growth items from the 2012 Business Plan in the base budget assumptions for 2013 to 2015.

In addition the Health and Social Services Department has made a number of growth bids to be considered alongside bids made by other Departments. These growth bids are listed in the White Paper and for ease of reference are shown below.

Priority Area	Workstream	2013 £'000	2014 £'000	2015 £'000
Services for Children	Services for Children... starting with Early Intervention	623	736	858
Services to encourage Healthy Lifestyles	Healthy Lifestyles... starting with Alcohol	300	435	530
Services for adults with Mental Health issues	Adult Mental Health... starting with Improving Access to Psychological Therapies	344	736	1,132
Services for Older Adults	Older People... starting with Dementia	742	1,813	2,436
	Intermediate Care	1,325	2,338	2,888
	Long Term Conditions... starting with Chronic Obstructive Pulmonary Disease	701	1,344	1,652
	End of Life care	399	806	826
Cross Cutting workstreams	Workforce, Estates, Information Technology, Commissioning & Strategic Partnerships, Informatics, Funding & Policy	590	671	714
Recurring Total Costs		5,024	8,879	11,036

Additionally there are other growth bids that may directly benefit HSSD and these are as follows:-

	2013 £'000	2014 £'000	2015 £'000
Vehicle Replacement	100	200	300
Health Maintenance (JPH)	700	700	700
HR HSS - 2 additional posts arising from Verita report	200	200	200
Totals	1,000	1,100	1,200

The table on page 31 sets out the costs of delivering the service changes proposed in the White Paper. These are new/additional costs required to provide the services outlined. However, if the service changes are not approved, the pressure of the ageing demographic is likely to cause additional unsustainable pressure on, in particular, Hospital services over the period.

Drafting of the MTFP is consistent with the delivery of the business cases produced to plan and deliver the service changes described in the White Paper. This reflects the close working links between the Health and Social Services Ministerial Oversight Group and the drafting process for the MTFP. Subject to the States' approval of both the White Paper and the MTFP there is potential, by 2015, for an extra £28 million a year will be invested in the Island's Health and Social Services, with £25 million of this being additional funds provided within the MTFP. This is a substantial investment in these services and illustrates the Council of Ministers' commitment to delivering the Strategic Priority to "Reform Health and Social Services".

The numbers referred to on page 31 are taken from the proposed capital schemes as set out in the draft MTFP. While these capital projects will support the implementation of the White Paper, with the exception of £500k in 2014 these capital projects are not directly associated with service changes but rather reflect the need to refurbish existing estate in order to meet needs.

Preparation of the MTFP has involved careful balancing of expenditure against projected revenues. The Minister and the Council of Ministers are pleased to be able to present a draft MTFP that does not include any new taxes or increases in the rates of Income Tax or GST.

(c) No department is suffering "cuts" in order to fund growth in Health and Social Services. The amounts available for growth in departmental cash limits have been subject to a prioritisation process which may have meant some departments were unsuccessful in obtaining growth they were seeking. Aside from the planned CSR savings no department has had its cash limit reduced. In fact all departments will now have guaranteed minimum budgets for a three year period once the MTFP is approved.

(d) In the draft MTFP States revenues are forecast to rise from £639 million in 2013 to £700 million in 2015.