

States of Jersey Group 2023

# Annual Report and Accounts

R.73/2024

States   
of Jersey



# Our purpose

Our purpose as the Government of Jersey is to serve and represent the best interests of the Island and its citizens. In order to do this, we must:

- Provide strong, fair and trusted leadership for the Island and its people
- Deliver positive, sustainable economic, social and environmental outcomes for Jersey
- Ensure effective, efficient and sustainable management and use of public resources
- Ensure the provision of modern and highly valued services for the public



# Structure of the Annual Report and Accounts

The Annual Report and Accounts is made up of the following Parts:

## **Minister for Treasury and Resources Foreword** **4**

## **In Brief** **6**

Sets out a summary of key points.

## **Part 1: Performance Report** **12**

Sets out a summary of the financial performance of the States of Jersey Group and the performance of the Government of Jersey. Also included are a number of highlights from the three wholly-owned entities and Non-Ministerial Departments.

## **Part 2: Accountability Report** **112**

Sets out information on the composition and organisation of the States of Jersey Group and its governance structures, and how they support the achievement of the States' strategic objectives. It also includes the Remuneration and Staff Report and a breakdown of actual spend against the budgets approved by the States Assembly in the Government Plan.

## **Part 3: Financial Statements** **205**

Are the audited statutory financial statements for the States of Jersey Group. The accompanying notes in Part 4 provide further breakdowns and explanation of the income, expenditure and asset and liabilities reported in the financial statements.

## **Part 4: Notes to the Accounts** **210**

Further detailed information on the performance of Government Departments can be found in the separate [Annex: Government Department Annual Reports](#) and at [Performance measures and indicators \(gov.je\)](#).



## Minister for Treasury and Resources Foreword

**Deputy Elaine Millar**

Minister for Treasury and Resources

I am pleased to present the States of Jersey Annual Report and Accounts 2023. The Accounts not only reflect the financial activities of our government but also our commitment to accountability in serving the interests of Islanders.

In 2023, we saw notable developments, amidst continued global geopolitical and financial challenges. While our Group Income increased by £89 million (6%), this was lower than the inflation levels experienced during the year. This is not unexpected, as the measures set out in the mini budget in 2022, designed to put money back into Islanders' pockets came into effect and impacted our tax yield.

At the same time, Group expenditure grew by £177 million (11%), mostly in the form of spending by departments to deliver services to Islanders. In addition to the £59 million relating to inflation, this increase also reflects the States Assembly decisions in the Government Plan to invest £53 million into those services.

The ongoing challenges to our Health Service have been evident, leading to the establishment of a Financial Recovery plan. It was necessary to allocate additional funding of £32 million in the year to meet the financial pressures whilst the plan is implemented.

As a result, before investment returns, the Accounts show a larger deficit in 2023 at a Group level than in previous years. This is to be expected, as we continue to return to balanced finances after the impacts of the COVID-19 pandemic and remain committed to supporting Islanders with the ongoing cost-of-living.

Our investments performed well in 2023, however, with returns of £350 million, more than recouping unrealised reductions in value in 2022. The balance sheet remains strong, with growth in both the Strategic Reserve (to £1.1 billion) and Social Security Reserve (to £2.1 billion).

Throughout 2023, both Government and our group companies continued to invest in the Island's infrastructure, with £255 million spent on vital projects including New Healthcare Facilities, Social Housing (through Andium Homes), the completion of the sewage treatment works, and other key infrastructure.

Looking ahead, the Government Plan 2024-2027 anticipates deficits amid inflationary pressures, but also outlines a path towards balanced budgets, with a targeted return to a surplus in the latter years of the plan. This strategy stresses the importance of sustainable public finances, emphasising tax funded day-to-day expenditure, allowing investment returns to be reinvested to strengthen our reserves and invest in infrastructure.

The 2023 Accounts show the strong position we find ourselves in relative to other jurisdictions. Our finances are moving back into balance following the impacts of COVID and the continued cost-of-living crises.

This strength, combined with prudent stewardship and an ongoing regard for long-term financial sustainability and stability, will be key to retaining and attracting businesses to the Island as well as safeguarding the wellbeing of Islanders into our future.



**Deputy Elaine Millar**

Minister for Treasury and Resources

Date: 30 April 2024

# Annual Report and Accounts 2023

## In Brief

The Annual Report and Accounts is the Government of Jersey's document setting out the financial performance of the States of Jersey Group and the performance of the Government of Jersey including on sustainability. It includes information on what makes up the States of Jersey Group and how it is organised and governed to support achievement of the States' strategic objectives.

The report also includes the Remuneration and Staff Report and a breakdown of actual spend against the budgets approved by the States Assembly in the Government Plan.

The Financial Statements are the audited statutory financial statements for the States of Jersey Group. The accompanying notes provide further breakdowns and explanation of the income, expenditure and asset and liabilities reported in the financial statements.

This Annual Report and Accounts covers the calendar year 2023.

## Summary of the financial performance of the States of Jersey Group

For detailed information please see the Financial Review.

### Consolidated Fund

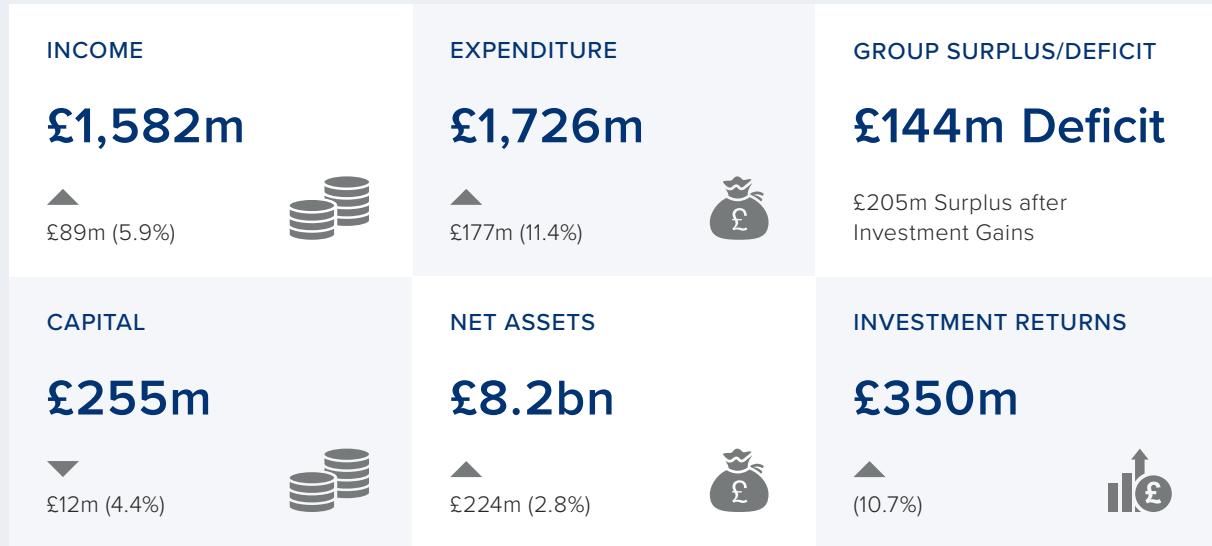
Whilst General Revenues were broadly in line with the Government Plan 2023-2026, additional spending on Health and Major Incidents resulted in a smaller operating surplus than predicted.



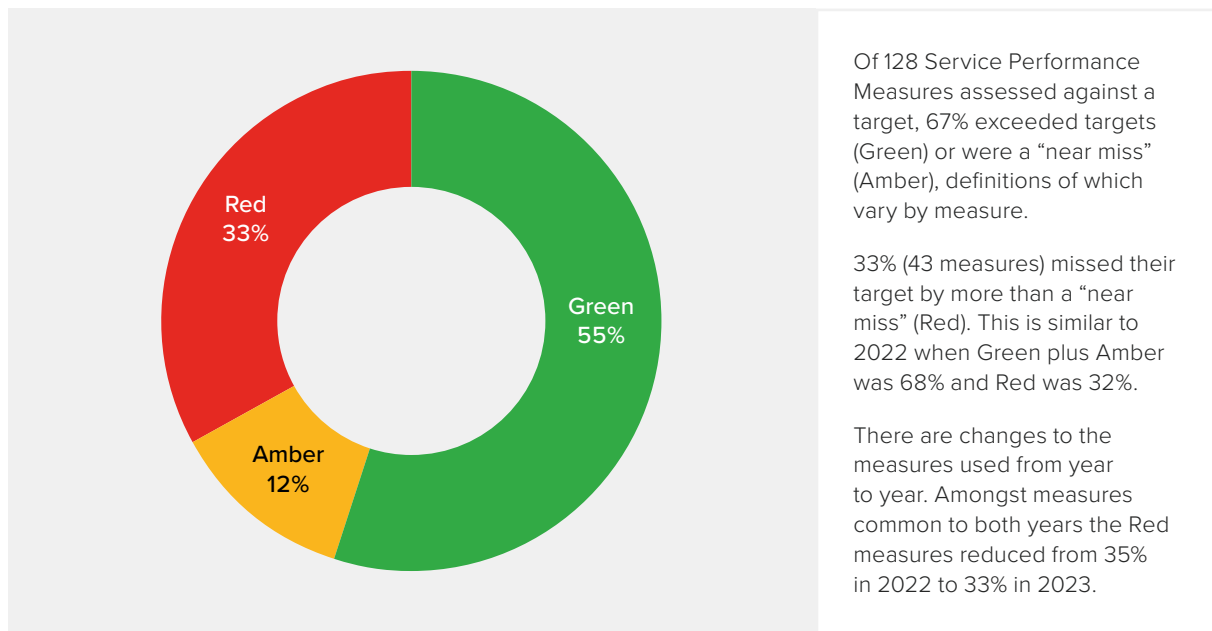


## States of Jersey Group

The group continues to run deficits as it recovers from the impacts of the COVID pandemic on public finances. Strong Investment returns in the year helped balance sheet growth.



## Service Performance Measures vs 2023 Targets



Details of all Service Performance measures are available on gov.je at [Annual Service Performance Measures](#)

Further information on delivery against objectives and service performance targets is available in [Annex – Government Department Annual Reports](#)

## Performance highlights

### Responding to Incidents

- Extensive support was provided to Islanders affected by incidents ranging from floods in January to Storm Ciarán in November and support continues to be offered to those affected by the Major Incidents in December 2022

### The New Healthcare Facilities Programme

- The Enid Quenault Health and Wellbeing Centre was completed, with clinical services transferring from Overdale
- Demolition work started at Overdale to enable development of the site

### Health and wellbeing

- Cultural Improvement Programme started and good progress made
- HCS Advisory Board established
- **200+** More HCS staff in post

<b>2.5 days</b>	<b>57%</b>
Average Length of Stay for Acute Elective admissions, beating target 3 days, indicating timely discharges, reduced bed-blocking and improved clinical outcomes	Patients waiting more than 90 days for Elective Admission. Extra sessions took place in Urology, General Surgery and Ophthalmology to reduce waiting however challenges remained across several specialties
<b>Improved to 204.6</b>	<b>48%</b>
The rate of Acute admissions to mental health units per 100k registered population per quarter was improved by early intervention in the community	Patients waiting more than 90 days for their First Outpatient Appointment. Plans are in development to reduce waiting lists by building on specific specialty improvements, such as the Commissioned Dental Scheme

### Children and education

- **8,000** celebrated Jersey’s Children’s Day
- **19** School reviews completed and published
- **10** Primary schools now accessing hot lunches
- **70+** teaching assistants recruited

### Measures

<b>9.3% points better</b>	<b>30 days</b>	<b>38 weeks</b>
Persistent absence in academic year 2022/3 was 16.9%, lower than 26.2% in 2021/22 *Government schools	Average wait for CAMHS assessment, better than target 36	Average wait for CAMHS neurodevelopmental assessments, worse than target 13 weeks

\*CAMHS - Child and Adolescent Mental Health Services



## Performance highlights (continued)

### Future Economy Programme

- The [Future Economy Programme](#) was launched to address the principal economic challenges which face Jersey

### Cost of Living

- Measures passed by the States Assembly as part of the Mini Budget in September 2022 took effect in January 2023
- + **10.9%** October agreement to increase the minimum wage from 1 January 2024
- The Annual Report of the Fiscal Policy Panel (November 2023) commented that Jersey’s tight labour market could result in **upward pressures on wage increases**, which would keep inflation higher for longer
- £20 reduction** in the cost of GP appointments for all Islanders
- Other measures to help Islanders cope with cost of living pressures included **free GP appointments for children** and expansion of support for lower income pensioners with dental, optical and chiropody costs through the pension plus scheme

### Housing

- Adoption of the Public Health and Safety (Rented Dwellings) (Licensing) Regulations 2023
- Key changes made to the [First Time Buyer](#) and [Assisted Purchase](#) policies
- [Empty Homes Service \(gov.je\)](#) launched in January
- 232** new affordable homes provided by **Andium**
- Publication of the ‘**Roadmap for Improved Access to Social Housing**’
- [First Step scheme](#) developed and announced in September
- The [Bridging Liquid Waste Strategy](#) published in May
- 280** new waterfront homes provided by **Jersey Development Company’s** Horizon development

### MONEYVAL

- Two-week visit by international assessors, part of an 18-month evaluation to test how effectively Jersey combats financial crime
- The report will be published in 2024
- Assessors spoke to all relevant island agencies, as well as almost 30 private sector entities, including banks, trust companies, accountants and lawyers

### Measures

<b>56</b>	<b>9% above ambition</b>	<b>80% recovery</b>
Jersey Business Net Promoter Score reflects excellent client feedback on business services provided	130,549 non-resident visitors to heritage sites annually	The number of non-resident visitors to heritage sites annually remains below the 2019 level

## Performance highlights (continued)



### Climate Emergency

- Equal 2nd warmest, and the wettest, year since records began
- Further changes in native and invasive species. **26 invasive species were controlled during the year**



### Investing in the built environment

- New Sewage Treatment Works completed
- Major works at the mental healthcare facility at Clinique Pinel were completed. Launch is planned for the first half of 2024
- Public sport facilities continued to be decanted from Fort Regent into new premises
- **Ports of Jersey** submitted plans for the Harbour Master Plan project and began work to establish an Airport Operations Centre
- **Jersey Development Company** completed IFC 6, the third office building at the International Finance Centre



### Measures

<b>16%</b>	<b>68% reduction</b>	<b>0.28% of Gross Added Value</b>
Reduction in core Government emissions versus target 15%	In Government fleet emissions to meet its 2030 target	Jersey met its Overseas Aid target for giving official development assistance
<b>0%</b>	<b>Level 3</b>	
Andium Homes use of Domestic Fossil Fuels	Ports of Jersey achieved Airport Carbon Accreditation and also received international 'Clean Marinas' accreditation	
<b>74%</b>	<b>1</b>	
of the Government vehicle fleet using low-carbon fuel solutions	planning application awaiting and requiring validation and requiring action at the end of 2023. However, process improvements are required in this area, being delivered via the Planning Services Improvement Plan	

## Performance highlights (continued)



### Connect - new systems and ways of working

- Last stages of the IT programme were delivered to enable change across finance, HR, assets, health and safety, procurement and inventory functions
- There were significant challenges at start of year paying invoices during system transition. Across the year 81% of invoices were paid within 30 days



### Listening to staff - 'Be Heard' Survey

- **One-star accreditation** - Law Officers' Department became the first public service entity to achieve the one-star accreditation
- Further work to embed a performance culture is a core tenet to support continuous improvement. Areas of development include leadership capability; provision of a 'Fair Deal' for all public servants; and wellbeing

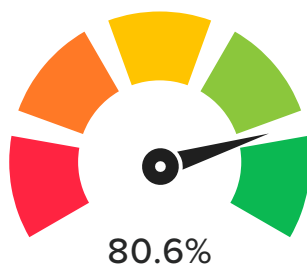


### Measures

100%	8%	59%
All Freedom of Information requests were answered within the statutory 20 working days, or with a prescribed extension period	Employee Turnover within the Ministerial and Non-Ministerial Departments was better than the 9.5% target	of data for the current Island Outcome Indicators was updated on gov.je within a quarter of the availability of the data

## Customer feedback

### Customer Satisfaction



Customer Satisfaction bettered the 2022 score of 79.9% to beat the 80% target. The measure is the proportion of customers saying they were 'very satisfied' or 'satisfied' with the service they had received.

Government excluding HCS and schools, records for which are not held centrally

### Complaints

Eight themes account for 80%

How I access your services, 492	Mistake was made, 196
Attitude and behaviour, 319	Care, 189
Consistency of information, 206	Appointment / admissions / transfers / discharge procedure, 136
Time taken, 198	Property and assets, 100
Other themes, 424	

When things go wrong teams endeavour to identify shortcomings and put things right quickly and to the satisfaction of the person complaining.

Feedback is used to help improve services and the Government has started to publish online what has been done with feedback received.

Government excluding schools, records for which are not held centrally.

# Performance Report

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## Introduction

The Performance Report includes the following:

- The Chief Executive Officer's Report
- How Islanders' Money Is Used
- Summary of performance
- Financial Review
- Sustainability Report

Further information at department level can be found at:

- [Annex - Government Department Annual Reports](#)
- [Annual Service Performance Measures](#)



# Performance in 2023

**Dr Andrew McLaughlin**  
Interim Chief Executive

## Introduction

It is a privilege to serve the public sector as Interim Chief Executive even for a short period.

I arrived in post in September 2023, and I am grateful for the work Suzanne Wylie had started. I thank Suzanne for her professional and supportive handover.

In my first few days, I attended an awards ceremony celebrating the work of our public servants, which was informative and gave me a quick insight into our public services. It was uplifting and inspirational to see how dedicated they are to serving islanders, especially for someone new to the public sector.

My objectives for the final quarter of 2023 included visible leadership inside the organisation, setting a good tone from the top, and effective prioritisation of Government projects. The former Chief Minister also had significant input into the big issues facing Jersey and the opportunities available to tackle them, which is reflected in the Common Strategic Policy, Government Plan, and departmental business plans.

At the same time, we dealt with a series of significant Island-wide incidents, most notably the gas outage and Storm Ciarán. The dedication and professionalism of Government teams to ensure Islanders were supported during these difficult situations must be commended, especially as they were still dealing with the recovery phases of previous major incidents.

In terms of overall performance of the public service, we are improving year-on-year in setting targets, measuring progress, and demonstrating change. In 2023, the Government achieved or only narrowly missed two thirds of its service performance measure targets.

We regularly seek feedback from service users and received almost 6,000 responses to our surveys in 2023. Customer satisfaction scores were once again up from the previous year at almost 81%, beating our target, whilst four out of five people surveyed said their interaction with government was 'easy' or 'fairly easy'. We, of course, strive to do better.

The highlights are summarised in the following pages. I would also encourage you to read the short departmental reports contained in the [Annex – Government Department Annual Reports](#). They detail the breadth and depth of the work that is undertaken, achievements made, the standard of service delivered, and the improvements we are making.

Performance in 2023

Further information on the Island Outcome Indicators and Service Performance Measures for each Department is published on the Government website (gov.je) on the [Performance measures and indicators](#) page.

I commend the performance report to all interested parties.

Yours



**Dr Andrew McLaughlin**  
Interim Chief Executive

Date: 30 April 2024

## Scope of the Annual Report and Accounts

The Annual Report and Accounts contains a wide variety of information on the performance and finances within the States of Jersey Group.

Similar to other national governmental structures, the States of Jersey Group comprises a large, complex and diverse group of structures and entities which provide a very broad array of public services and vary widely in size, scope, budget, roles, and responsibilities. Some entities may also have their own constitutional and/or legal identity, inter-relationships, governance and accountability arrangements.

This constitutional and structural complexity, together with the breadth of public services provided, presents a challenge when compiling an Annual Report and Accounts that is understandable, meaningful and proportionate in terms of scope, length and detail.

So, in order to help make sense of this complexity:

- Many matters within the Annual Report and Accounts are the responsibility of the Government of Jersey. Where that is the case reference is made to 'Government of Jersey', which refers to the Ministers and the Ministerial Departments.
- Where this publication also covers the wider States of Jersey Group, or other entities or groups within the States of Jersey Group, references are made to the States of Jersey Group, the group of entities within the States of Jersey Group, or the entity itself.
- Many of the States of Jersey Group entities, organisations and bodies publish their own individual Annual Reports. Links to relevant websites can be found at [States of Jersey Group entities and other organisations and bodies \(gov.je\)](https://www.gov.je/States-of-Jersey-Group/entities-and-other-organisations-and-bodies).

## The States of Jersey Group and the Accounting Boundary

The requirements for the Annual Report and Accounts are set by the Jersey Financial Reporting Manual (JFRoM), the technical accounting guide to the preparation of the financial statements for the States of Jersey Group.

Under accounting standards other entities fall within the Accounting Boundary as defined in the JFRoM which is based on evidence of direct control of the entities by the States, Council of Ministers, a Minister, Corporate Strategy Board or any other state body. The accounts presented in this report include all the entities within the Accounting Boundary.

The States of Jersey Group has several layers:

### Consolidated Fund

The Consolidated Fund is the main fund through which the States collects taxes, other income, and spends money in providing services. Income received or due is accounted for in the Consolidated Fund, except where specified in Law. Expenditure from the Consolidated Fund is made via Ministerial and Non-Ministerial departments, and is approved by the States Assembly in the Government Plan.



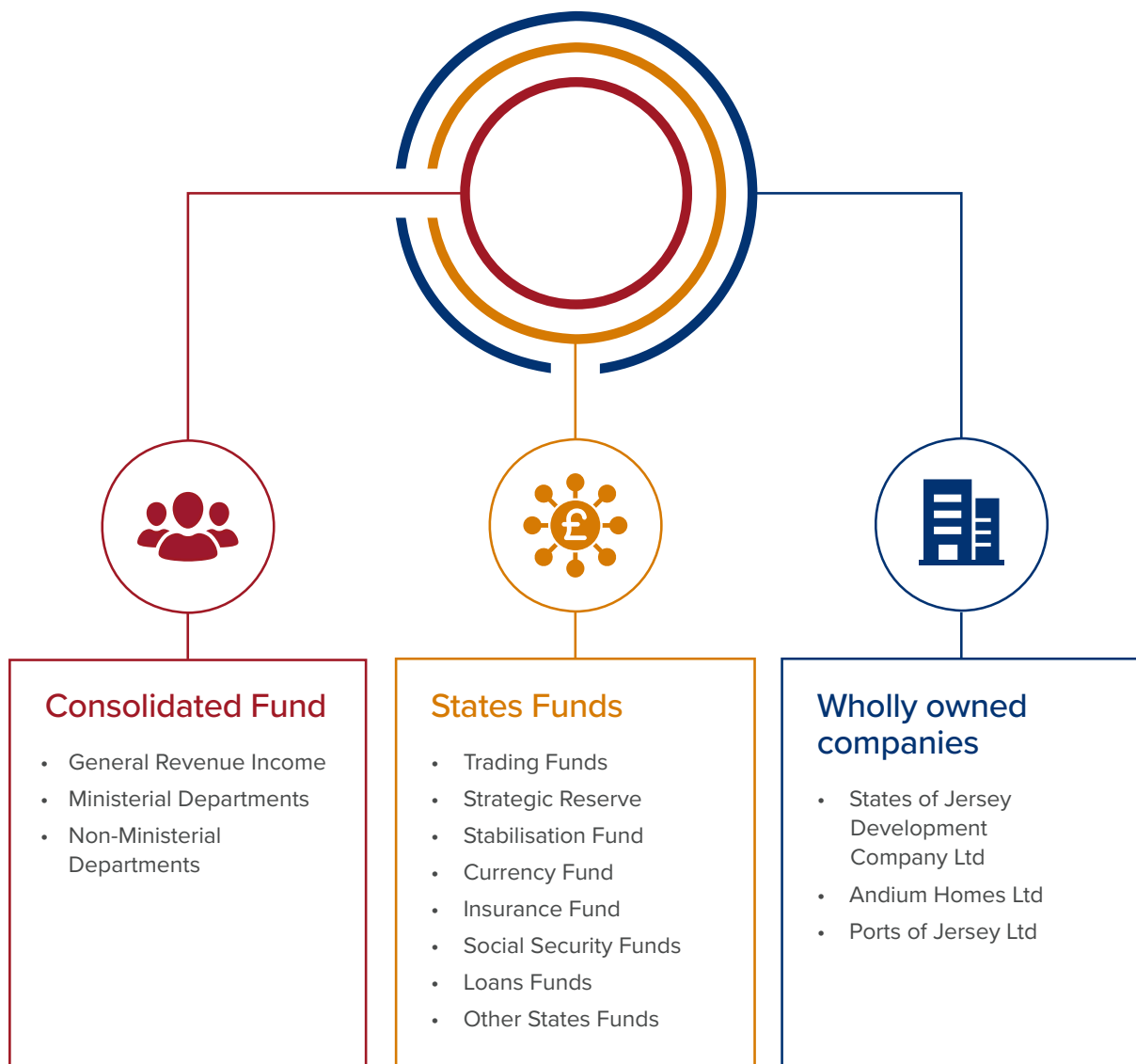
Performance in 2023

### Core Entities (Consolidated Fund plus States Funds)

In addition to the Consolidated Fund, other States Funds have been established for specific purposes under the Public Finances Law. Together these form the “Core Entities” of the States of Jersey.

### SOJ Group (Core Entities plus Wholly-Owned Companies)

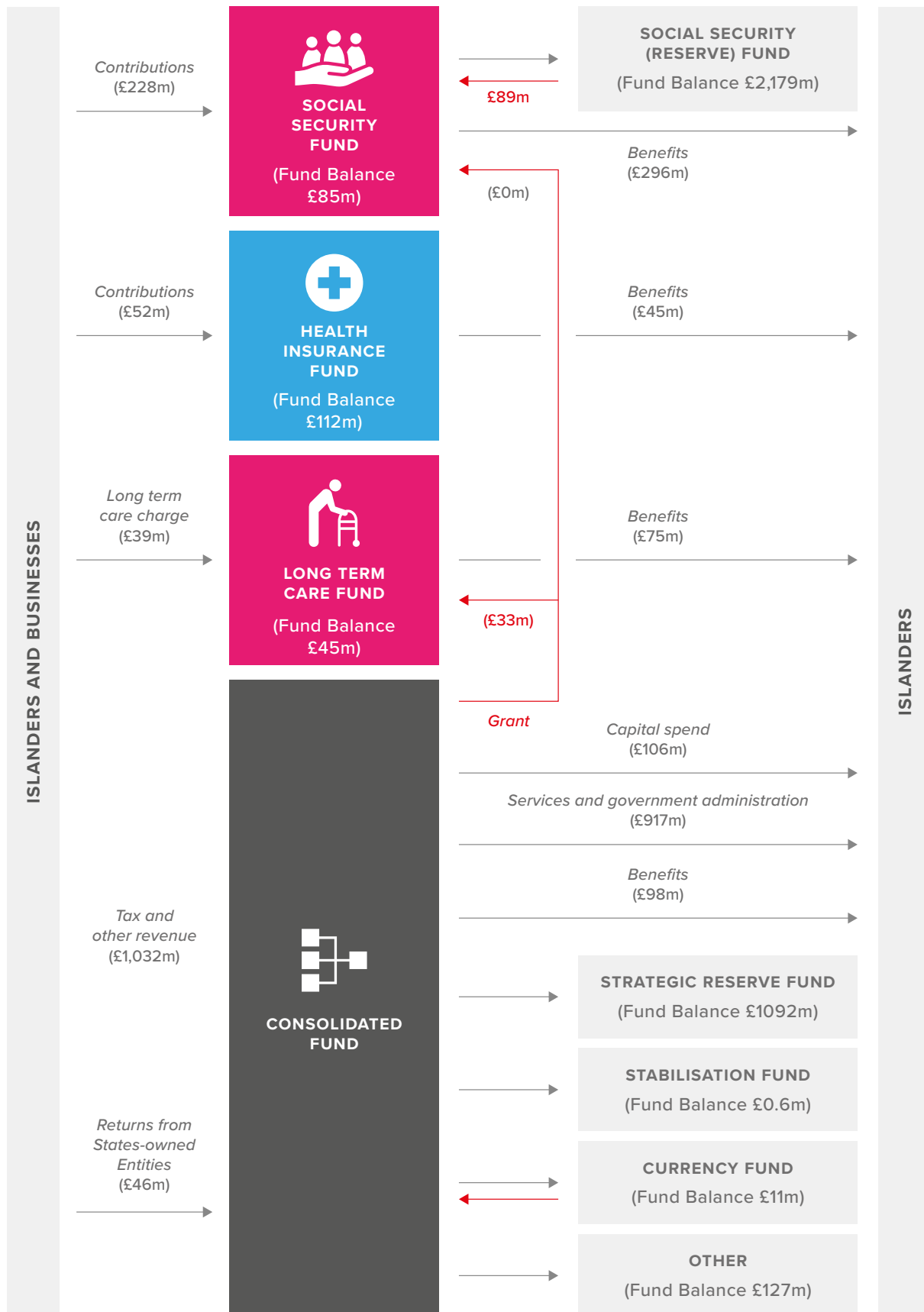
Three wholly-owned companies are also included in the Accounting Boundary and Consolidated into the Accounts. It is planned that the boundary is expanded in the future to include other wholly owned entities and those in which the States holds a controlling interest to more closely align with International Financial Reporting Standards.



Note 4.25 provides further information on the Accounting Boundary.

Performance in 2023

# How Islanders' Money Is Used



# Summary of performance

## Introduction

### The States Assembly and the Council of Ministers

The States Assembly, also known as the States of Jersey<sup>1</sup>, is the parliament of Jersey. The States Assembly is responsible for: making new laws and regulations, approving the amount of public money to be spent every year, approving the amount of tax to be raised, and holding Ministers to account<sup>2</sup>.

The States Assembly appoints the Council of Ministers. The Council of Ministers comprises the Chief Minister and, in 2023, eleven Ministers, and is supported by Assistant Chief Ministers who are appointed by the Chief Minister.

The purpose of the Council of Ministers is to serve and represent the best interests of the Island and its citizens. In order to do this, the Council of Ministers must:

- Provide strong, fair and trusted leadership for the Island and its people
- Deliver positive, sustainable economic, community and environmental outcomes for Jersey
- Ensure effective, efficient and sustainable management and use of public resources
- Ensure the provision of modern and highly valued services for the public.

The functions of the Council of Ministers collectively include co-ordinating the policies and administration for which they are responsible as Ministers, discussing and agreeing policy which affects two or more of them and prioritising executive and legislative proposals<sup>3</sup>.

Each Minister is a corporation sole<sup>4</sup>. Their functions include carrying out their legislative responsibilities and, for the purpose of reaching policy decisions, providing policy direction to officers, having given fair consideration and due weight to informed and impartial advice from such officers<sup>5</sup>. The senior officer in any administration of the States for which a Minister is assigned responsibility (usually the Chief Officer of a Government Department) is accountable to that Minister in respect of policy direction<sup>6</sup>.

More information on the membership of the Council of Ministers during 2023 can be found in the Accountability Report.

The Chief Executive Officer is the Chief Executive to the Council of Ministers and Head of the Public Service. In this context, they are the principal advisor to the Council of Ministers and are accountable for the administration and general management of the public services and implementation of corporate and strategic priorities. As Principal Accounting Officer, the CEO must also ensure the probity and regularity of the finances and that resources are used economically, efficiently and effectively.

<sup>1</sup> Also known as the 'Assembly of the States of Jersey', the 'States of Jersey' or sometimes just 'the States'

<sup>2</sup> [What is the States Assembly? \(gov.je\)](https://www.gov.je/What-is-the-States-Assembly/)

<sup>3</sup> Art. 18 SOJL

<sup>4</sup> Art. 26 SOJL

<sup>5</sup> Art. 18(3A) SOJL

<sup>6</sup> Art. 26(6) SOJL

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## Summary of performance

Chief Executive Officer Suzanne Wylie left on 31 July 2023 and on 5 September 2023 Dr Andrew McLaughlin took office as Interim Chief Executive Officer and Head of the Public Service. Between these dates temporary leadership arrangements were in place with Tom Walker, one of the Assistant Chief Executives, being designated as the acting Principal Accountable Officer.

### Service delivery

In 2023 there were nine Ministerial Departments (collectively known as the “Government of Jersey”) and nine Non-Ministerial Departments (which are responsible for areas such as the States Assembly and the Courts). These [departments](#) collectively employ approximately 14% of the Island’s working age population (8,834 at 31 December 2023). Staff are a mixture of full-time and part-time, and permanent and fixed-term contract, with flexibility very much at the forefront of workforce planning. These staff are supplemented by agency and locum staff, particularly in Health and Community Services, where necessary. The Government also spends money on consultants, either where it is struggling to recruit or where the need is for specialist expertise which it would not be cost-effective to employ directly. Difficulty in recruitment is a risk to service delivery, not just in “front-line” service areas like Health and Education, but also in “backroom” functions like Treasury and Exchequer. The staffing complement is a mix of civil servants (with roles ranging widely from Occupational Therapists, Biomedical Scientists and Social Workers to Waste Engineers, Customer Services Advisors and Policy Officers), Doctors and Consultants, nurses and midwives, uniformed services (like the Ambulance, Police and Fire Services), teachers and lecturers, Crown Appointments (like the Bailiff and Attorney General) and other pay groups.

The Ministerial Departments work closely with their respective ministers to deliver Government policy. Ministers are responsible for policy decisions, departments deliver those decisions, with each department having an Accountable Officer who ensures spending is proper, regular and good value for money. Typically those [Accountable Officers](#) will have regular meetings with their Minister, and take proposals to the Minister where formal decisions are needed. On the rare occasions when Minister and Accountable Officer disagree on a proposed course of action, there is a process by which the Minister can direct the Accountable Officer, provided that the proposed action is legal.

Departments also work with many other bodies to deliver services to Islanders. Some of these are included within the “accounting boundary”, which means their results are presented as part of this Annual Report and Accounts. Some are outside of that boundary and are paid by the States through grants or contracts for services. Bodies may be States Owned Entities or “Arm’s Length Organisations”.

Many of the States of Jersey Group entities publish their own individual Annual Reports. Links to States of Jersey Group entities and other organisations and bodies can be found at [States of Jersey Group entities and other organisations and bodies \(gov.je\)](#)

The Government also works closely with many other organisations that are not States-established or controlled, though which serve Islanders. This group includes the twelve Parishes and further information can be found at [Jersey's 12 Parishes | Comité des Connétables \(comite.je\)](#).

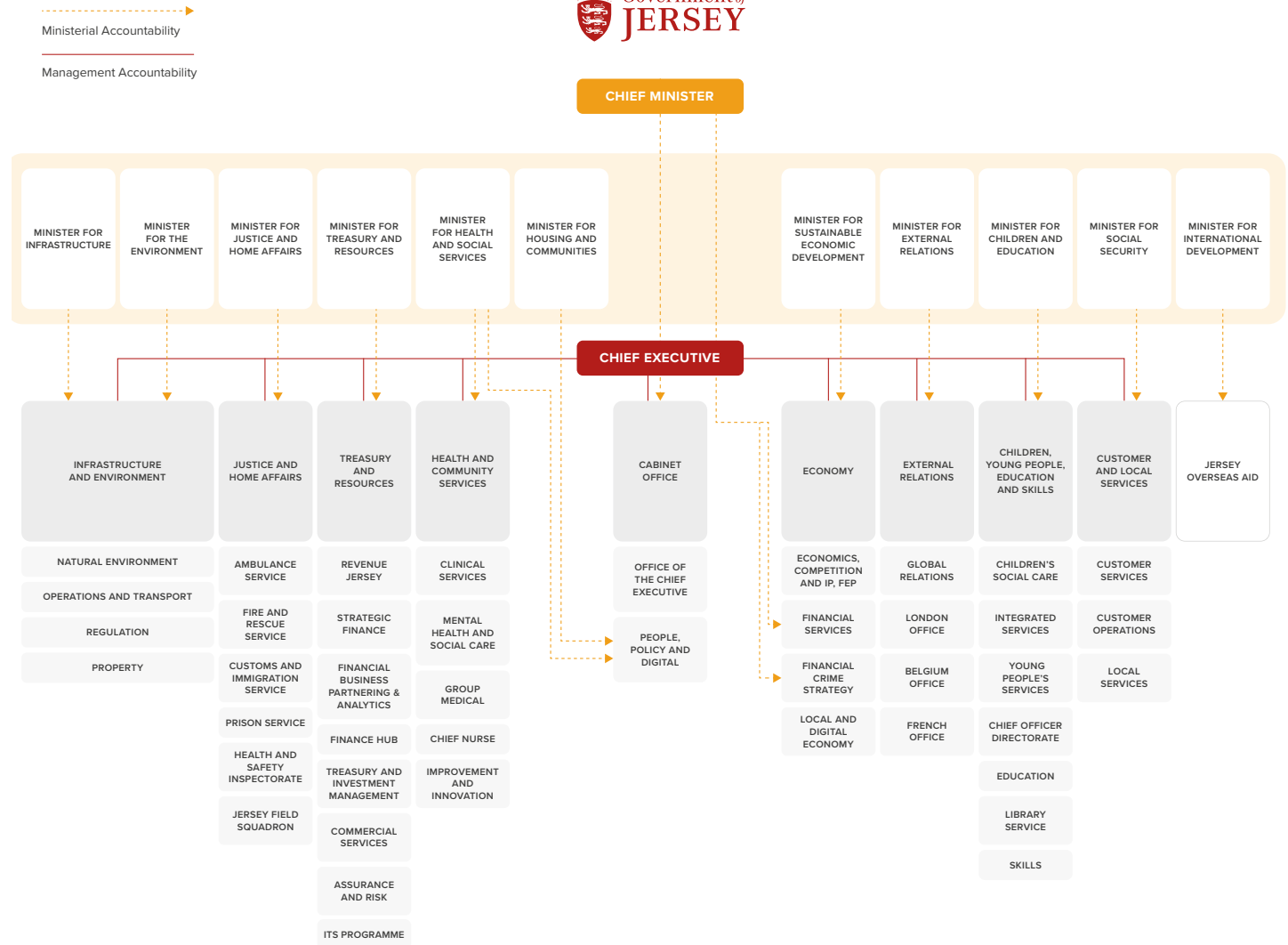
Summary of performance

# The Government of Jersey

The Council of Ministers and ministerial departments are collectively referred to as the [Government of Jersey](#).



As at 31 Dec 2023



Notes:

- The States of Jersey Police does not report to the Chief Executive Officer and is not included in this structure chart.
- The Cabinet Office comprises teams previously identified as separate departments.

Summary of performance

# The Common Strategic Policy

Each new Council of Ministers is required, at the beginning of its term of office, to lodge with the States Assembly ‘a statement of its common strategic policy’. The Common Strategic Policy sets out the shared strategic policy of the Council of Ministers and is debated and approved by the States Assembly.

## Common Strategic Policy 2023-2026

Following the 2022 election the new Council of Ministers published, in October 2022, the [Common Strategic Policy 2023-2026](#) (CSP23-26). It was approved by the States Assembly in November 2022 and focused on the following Priorities:

**2023-26 Ambition: for Jersey to be a place where everyone can thrive**

**Improving outcomes for Islanders**



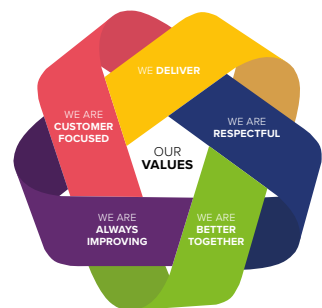
- Housing and Cost of Living**  
Improve access to, and supply of, good-quality affordable housing, and help people to achieve a decent standard of living.
- Economy and Skills**  
Develop a more sustainable, innovative, outward-facing and prosperous economy and help people acquire the right skills throughout their lives; we want Jersey to be an attractive place for everyone to achieve their potential.
- Children and Families**  
Help all children and young people to have the best start in life, recognising that the early years have a lasting impact, and that being loved, being listened to, and receiving a good, rounded education are essential to future life chances.
- Ageing Population**  
Enable people to live active, independent, healthy lives as they live longer.
- Health and Wellbeing**  
Provide and regulate good quality healthcare and social services, promoting better health and wellbeing underpinned by improvements in public health.
- Environment**  
Protect and enhance our environment so that everyone can continue to enjoy its benefits, moving purposefully on a path to net zero emissions.
- Community**  
Create a more inclusive, vibrant community where people feel respected and able to flourish, as well as safe and protected.

**Improving how we deliver**



- Building trust**  
We will uphold the highest standards of conduct, enhancing trust in Government by being responsive, compassionate, accessible, and inclusive, harnessing the expertise of those in Government, the States Assembly, and the public of Jersey. This includes being serious about and responsive to the Scrutiny process.
- Accountability**  
We will lead in a professional way. This includes being accountable, promoting good governance and democracy, and operating in an open and transparent way with clear communication. We will work with the Privileges and Procedures Committee, the Scrutiny Liaison Committee, and the Comité de Connétables in seeking to increase civic engagement and understanding.
- Being prudent**  
We are serious about sound financial management. We will use taxpayers’ money wisely, ensuring that our stewardship of the public finances supports a stable economic outlook for Jersey. The Island’s strong reputation for financial management has been hard won and our approach to income and expenditure, and our restraint when it comes to borrowing, will bolster this reputation.
- Focusing on delivery**  
We will drive effective and efficient delivery of public services by identifying where performance needs to improve, as well as recognising and learning from good practice, so that we can provide the services people deserve.
- Being evidence-based**  
We will take decisions based on the collection and rigorous analysis of evidence and data. We will look outward to learn from elsewhere, while delivering solutions tailored for Jersey.
- Our workforce**  
We rely on the people who work for us, and will forge a motivated and productive workforce, addressing skills and labour gaps, especially in critical front-line services such as health and social care.
- A commitment to partnership**  
We maximise our impact when we work together across the whole of government and with the private sector, voluntary and community organisations, as well as maintaining strong relationships with international partners.

**Our Values**



- WE ARE RESPECTFUL**
- We care about people as individuals and show respect for their rights, views and feelings
- WE ARE BETTER TOGETHER**
- We share knowledge and expertise, valuing the benefits of working together
- WE ARE ALWAYS IMPROVING**
- We are continuously developing ourselves and our services to be the best they can be for Jersey
- WE ARE CUSTOMER FOCUSED**
- We are passionate about making Jersey a better place to live and work for everyone
- WE DELIVER**
- We are proud of Jersey as a place and are passionate about shaping and delivering great public services

**Contributes towards**

Long-term Island Outcomes

and the

Future Jersey Vision

Summary of performance

## Government Programme 2023-26: From vision to action

The Council of Ministers set out how it would deliver the Common Strategic Policy 2023-26 in 2023 through the [Government Programme](#):

Note: CSP23-26 is applicable to this Annual Report and Accounts though it will be superseded by a new CSP in 2024 following the formation of a new Council of Ministers in February 2024.



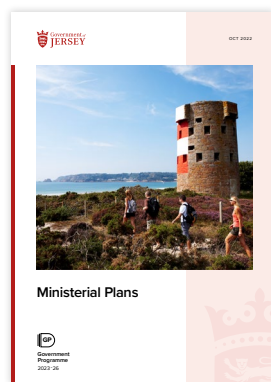
## Government Programme 2023-26



### Common Strategic Policy

The shared policy of the Council of Ministers.

**Approved by States Assembly on 23 November 2022**



### Ministerial Plans

Sets out individual Minister’s priorities and the legislative programme for the coming year.

Provides a clear focus for action and helps the Assembly hold each Minister to account for their delivery.

**Presented to States Assembly on 11 October 2022 and then updated for 2023**



### Government Plan

Sets out the funding position for the Government, including income, and capital and revenue expenditure.

Prepared, debated and approved annually.

**Adopted by the States Assembly on 16 December 2022 for 2023**



### Delivery Plans

Sets out detailed plans to support the delivery of the Government Programme.

Aids Ministers and the CEO in holding Chief Officers to account for their delivery.

**Published early 2023**



## The Jersey Performance Framework

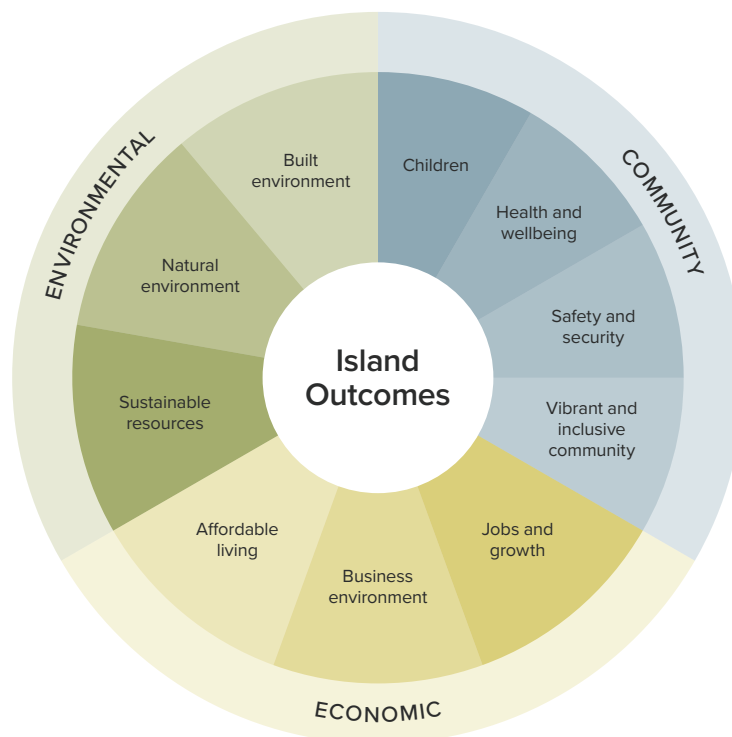
The [Jersey Performance Framework](#) is used to manage the Government of Jersey’s performance. It is underpinned by a shared ambition for the sustainable wellbeing of current and future Islanders.

The Jersey Performance Framework comprises:

- The Island Outcomes and Indicators; and
- The Service Performance Measures

## Island Outcomes and Sustainable Wellbeing

In the Common Strategic Policy 2023-26, the States Assembly endorsed the Island Outcomes identified by the 2018 [Future Jersey](#) consultation. It commits the Council of Ministers to continue to strive to achieve the long-term vision of [Future Jersey](#) and work towards delivering the ten Island Outcomes arising from it.



### The Future Jersey Vision

*An Island loved for its beautiful coast and countryside, rich heritage, diverse wildlife and clean air, land and water. An Island where a sense of community really matters - a safe place to grow up and enjoy life. An Island that offers everyone the opportunity to contribute to, and share in, the success of a strong, sustainable economy.*

## Summary of performance

## Island Outcomes

The ten Island Outcomes are grouped in three 'Wellbeing Aspects' (Community Wellbeing, Economic Wellbeing and Environmental Wellbeing) and are:

Wellbeing Aspect	Theme	Island Outcome
Community (Social and Cultural) wellbeing	Children	Children enjoy the best start in life
	Health and Wellbeing	Islanders enjoy long, healthy and active lives
	Safety and Security	Islanders feel safe and protected at home, work and in public
	Vibrant and Inclusive Society	Islanders enjoy living in a vibrant and inclusive community
Economic wellbeing	Affordable Living	Islanders are able to afford a decent standard of living
	Business Environment	Jersey is an attractive place to do business
	Jobs and Growth	Islanders benefit from a strong economy and rewarding job opportunities
Environmental wellbeing	Built Environment	Jersey's built and historic environment is valued and enjoyed
	Natural Environment	Jersey's unique natural environment is protected for future generations
	Sustainable Resources	Jersey's natural resources are managed and used responsibly

Similarly, the [Public Finances \(Jersey\) Law 2019](#) commits the Council of Ministers to take into account the sustainable wellbeing (including the economic, social, environmental and cultural wellbeing) of the inhabitants of Jersey ("Islanders") over successive generations when preparing the Government Plan each year.

Progress over time towards the Island Outcomes and the sustainable wellbeing of Islanders over successive generations is monitored using the Island Indicators which are updated over time and published on the [Jersey Performance Framework](#).

For further information on Island Outcomes and Indicators please go to [Island Outcome Indicators \(gov.je\)](#) and [Island Outcome Indicators - New Chart \(gov.je\)](#). Please note that the Island Outcome Indicators are currently undergoing an update to their presentation and the set of indicators is being reviewed. The [Island Outcome Indicators - New Chart \(gov.je\)](#) is a prototype model which will continue to be developed in the coming months with an aim to be finalised later in 2024.

## Service Performance Measures

The Jersey Performance Framework also includes Service Performance Measures for each Government Department. Service Performance Measures were first included in the 2020 Departmental Operational Business Plans and were reported on for the first time in the 2020 Annual Report and Accounts.

During 2021, [online reporting against the Service Performance Measures](#) was introduced, to provide Islanders with better access to information on the performance of Government Departments.

From 2022 links to the [annual measures for each Department](#) have been included in the Annual Report and Accounts with Departmental commentary published separately in the [Annex – Government Department Annual Reports](#).

The Government has moved to make these performance measures more meaningful. To this end the Chief Statistician has continued working with departments during 2022 and 2023 to review their measures to ensure that they are relevant to users and Islanders rather than just being of relevance internally.

## Government of Jersey Performance Summary

The Government of Jersey performance summary is structured using the Sustainable Wellbeing Aspects: Community Wellbeing; Economic Wellbeing; and Environmental Wellbeing.

For each Wellbeing Aspect we have grouped:

- The Island Outcomes
- The Common Strategic Policy 2023-26 Priorities which are most closely aligned with the Island Outcomes
- The Ministers – the Key Ministers in respect of the Common Strategic Policy Priorities. For more detailed information on Ministerial priorities for 2023 see the links to the [Ministerial Plans for 2023](#) and the [Delivery Plans for 2023](#)
- The Departments – the Key Departments which support Ministers in respect of the Common Strategic Policy Priorities. Departmental performance is described in the [Service Performance Measures for 2023](#) and the [Annex – Government Department Annual Reports for 2023](#) and the
- Key Themes and Risks in 2023

A separate section focuses on the ‘Corporate Performance’ of the Government of Jersey. This is because not every activity of Government contributes directly to the Island Outcomes, although they may have an indirect impact (for example, efforts to improve the customer experience, the efficiency and effectiveness of public services, the delivery of Projects or Programmes or efforts to improve the social and environmental sustainability of the Government of Jersey itself).

A final section contains highlights from Non-Ministerial Departments. These are [non-executive and legal departments](#) that form part of the public service though sit outside of the government department structure. They are a range of individual bodies that vary in size, have diverse, distinct and important roles and operate under different legislation. Their common feature is that accountability does not lie to Ministers. Accountable Officers for Non-Ministerial Departments, usually the Chief Officers, are accountable directly to the States Assembly (through the Public Accounts Committee).

References to the three wholly-owned entities are also included in the Performance Report at relevant points, noting that these entities produce their own Annual Report and Accounts that can be found through [States of Jersey Group entities and other organisations and bodies \(gov.je\)](#).

# Community Wellbeing

## Island Outcomes

<b>Children</b> Children enjoy the best start in life	<b>Health and Wellbeing</b> Islanders enjoy long, healthy, active lives	<b>Safety and Security</b> Islanders feel safe and protected at home, work and in public	<b>Vibrant and Inclusive Community</b> Islanders enjoy living in a vibrant and inclusive community
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## CSP Priorities for 2023-26

<b>Children and Families</b> Help all children and young people to have the best start in life, recognising that the early years have a lasting impact, and that being loved, being listened to, and receiving a good, rounded education are essential to future life chances	<b>Health and Wellbeing</b> Provide and regulate good quality healthcare and social services, promoting better health and wellbeing underpinned by improvements in public health	<b>Ageing Population</b> Enable people to live active, independent, healthy lives as they live longer	<b>Community</b> Create a more inclusive, vibrant community where people feel respected and able to flourish, as well as safe and protected
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### Key Ministers

Chief Minister

Minister for Children and Education

Minister for Sustainable Economic Development

Minister for External Relations

Minister for Health and Social Services

Minister for International Development

Minister for Justice and Home Affairs

Minister for Social Security

### Key Departments

Cabinet Office

Children, Young People, Education and Skills

Department for the Economy

External Relations

Health and Community Services

[Jersey Overseas Aid](#)

Justice and Home Affairs

Customer and Local Services

### Useful links to further information

[Ministerial Plans 2023](#)  
[Delivery Plans 2023](#)

[Government Departments Performance Measures](#)  
[Annex - Government Department Annual Reports](#)

## Responding to incidents

**2023 started and ended with weather-related major incidents. In January, there was Island-wide flooding with a concentration of the impact felt in the Grands Vaux area. In November, the Island experienced Storm Ciarán. Throughout the year there has been ongoing support for Islanders affected by the Haut du Mont and L'Ecume II tragedies in December 2022**

### Flooding at Grands Vaux

In January, 59 Andium residents were evacuated from Grands Vaux due to devastating flooding. All residents were provided with temporary accommodation. Most households were able to return to their residence within a few weeks. 18 households were displaced for a longer period whilst alternative permanent homes were found, or as extensive refurbishments were completed on their homes. Flood defences in the area have improved significantly. There are now much earlier warnings of any flood risks to help prepare and communicate with Islanders to keep them safe and prepared.

### Storm Ciarán

A wide range of Government departments and external organisations worked together to support the preparation, emergency response and recovery. This included consideration of governance, logistics, emergency planning, travel and wellbeing.

Ahead of the storm the Jersey Meteorological Office, part of Infrastructure and Environment, confirmed Red wind warnings and a further Red warning for coastal flooding. Jersey's Strategic Coordination Group (SCG) escalated the event to a 'Major Incident' and the Communications team, part of the Cabinet Office, delivered a consistent and comprehensive communications campaign that informed Islanders of the impending event and precautions to take. A multi-agency Situation Room was set-up at States of Jersey Police Headquarters to co-ordinate the response.

During the storm the emergency services, part of Justice and Home Affairs, and the Infrastructure and Environment teams provided an emergency response. The Health and Wellbeing Cell, including the Customer and Local Services ('CLS') Major Incident Response Team provided support to Islanders displaced by the storm and those who responded to the Incident. The Communications team continued to lead on providing the latest information and guidance to keep Islanders safe.

In the aftermath of the storm the Government set-up a Recovery Co-ordination Group, which included officials from emergency services, Government departments, utilities, and partner agencies. The Group helped co-ordinate the clean-up operation to roads, homes, and infrastructure, as well as supporting the community and vulnerable and displaced residents

16 Andium households were re-housed and approximately 1,000 repairs to homes were required. The initial priority was to make sure homes were wind and watertight. The Andium team continues to deal with roofing, fencing, window, and other repairs into 2024. The works are being undertaken at pace whilst ongoing weather conditions continue to cause challenges.

## Community Wellbeing

**Enabling recovery**

Following two critical incidents at the end of 2022 the Business Hub, part CLS, (operational) and the Cabinet Office (policy) worked with the Chief Minister to add a new 'critical incident' exemption to the Control of Housing and Work (Exemptions) Order 2013. This came into force in February 2023 to ensure that if there were any future emergencies or unforeseen events threatening serious damage to human welfare or the environment in Jersey that specialised personnel could be brought to the island without undue delay. This promoted good government, removed an unnecessary bureaucratic barrier at a time of an emergency response, and removed the requirement to apply and pay for a licence fee in these circumstances.

In response to Storm Ciarán the 'critical incident' exemption was utilised to give extra capacity of personnel to reconnect and make safe services, repair damaged buildings, remove or cut back hundreds of fallen trees and to assess insurance claims. CLS worked with off island businesses (Non Resident Undertakings), and attended ferries to ensure that businesses using the exemption were aware of an obligation not to go 'door to door'. A cross departmental task force (including representatives from CLS, States of Jersey Police, Trading Standards and Jersey Customs and Immigration Service) was also established to respond to calls from the public to give reassurance where required and to react to reports of 'rogue traders'. Support to fast-track applications for additional staffing permissions for resident businesses was also provided by CLS. In the lead up to the expiry of the exemption CLS liaised with those businesses who wished to remain on island to regularise their position ensuring a smooth transfer out of the critical incident, whilst maintaining an increased number of workers on island to assist with the continued recovery.

**Support for health and wellbeing**

A multi agency Health and Wellbeing Cell was instigated as part of the response and recovery work for the Major Incidents in December 2022 and January 2023. During 2023, the Cell led the design and planning, and the oversight of delivery and communications for health and wellbeing support. This continues to be available for those who were involved or affected by major incidents. The services were informed by learning from other jurisdictions and based on evidence, and include:

- The Major Incident Support team, who co-ordinate a range of health, wellbeing and practical support for those affected by Major Incidents – including Storm Ciarán in November 2023
- Psychological support - for any Islander, and for bereaved relatives living overseas. This incorporates self-help, signposting, bereavement counselling, talking therapies and specialist psychology, depending on the individuals' need
- Lectures, lessons and group support, delivered by the Centre for Anxiety, Stress and Trauma (CAST) in November 2023
- A free health check – for responders, displaced residents and those living within 200m of Haut Du Mont or Grands Vaux

Trauma Risk Management (TRiM) and ongoing wellbeing support continues to be offered to those who respond to any traumatic incident in the course of their work.



## The New Healthcare Facilities Programme

The New Healthcare Facilities Programme began in 2023 with a renewed focus on proof of concept and feasibility following the Our Hospital review in late 2022. By May 2023, extensive studies were undertaken to assess the potential capacity on each of the available sites. A programme functional brief was written to reflect providing care over these sites.

The vision to deliver a phased programme of works across multiple sites – particularly to manage affordability of the scheme was agreed by the Council of Ministers in June, following completion of a strategic outline business case for the programme. The first phase was agreed to deliver an overnight and emergency hospital facility at Overdale with meaningful progress on design and physical works on mental health, rehabilitation, day surgery and outpatient facilities. These would be delivered at Kensington Place (including parts of the current Jersey General Hospital), as well as a Health Village at St Saviours. It was also agreed that the Enid Quenault Health and Wellbeing Centre will remain as a permanent facility at the former Les Quennevais School.

The ambition of the programme is to commence construction of the new facility at Overdale in 2025. To achieve this, the Overdale healthcare site will need to be vacant and cleared ahead of that time.

In mid-2023, the Enid Quenault Health and Wellbeing Centre was completed, with clinical services transferring from Overdale by September. This enabled the commencement of demolition at Overdale, with most dilapidated buildings having now been cleared.

An alternative location needed to be identified to accommodate rehabilitation services currently delivered from Overdale. Following discussions with the Parish of St Helier, agreement has been reached to lease a refurbished area of the St Ewolds facility, which will open in 2024.

For the remainder of 2023, the programme team has worked with clinicians on design requirements, diligently translating these to update design work initially started as part of the Our Hospital Project. The objective of this work has been to design a fit-for-purpose facility for an overnight and emergency hospital at Overdale that is more affordable with less visual and environmental impact than the previous scheme. The aim is to have a public consultation and submission of a planning application in 2024.

## Health and wellbeing

In 2023, Health and Community Services (HCS) started a cultural improvement programme. Cultural change is not something that can happen overnight, we have made good progress with various initiatives, such as the appointment of a permanent 'Freedom to Speak-Up Guardian', holding monthly HCS-wide 'Team Talks' and 'Schwartz Rounds'. We have continued to take action on addressing behaviours that do not align with our values, to help improve health outcomes and quality of care. This programme of work remains a focus across HCS for 2024 and beyond.

2023 saw two major developments for HCS, with the establishment of the HCS Advisory Board (the Board) being agreed by the States Assembly, and the introduction of a 'Change Team' to oversee the department's turnaround. The Board met three times in 2023 and has begun to drive collaboration, with the aim of solving problems and ensuring the provision of safe, effective, accessible, compassionate, and well governed patient care. The Board has so far received papers from HCS on a variety of areas such as Maternity Improvement, Medical Staff Job Planning, and Quality and Safety. The Board will continue to drive improvements within HCS during 2024 and is scheduled to meet 10 times in the year.

## Health and wellbeing (continued)

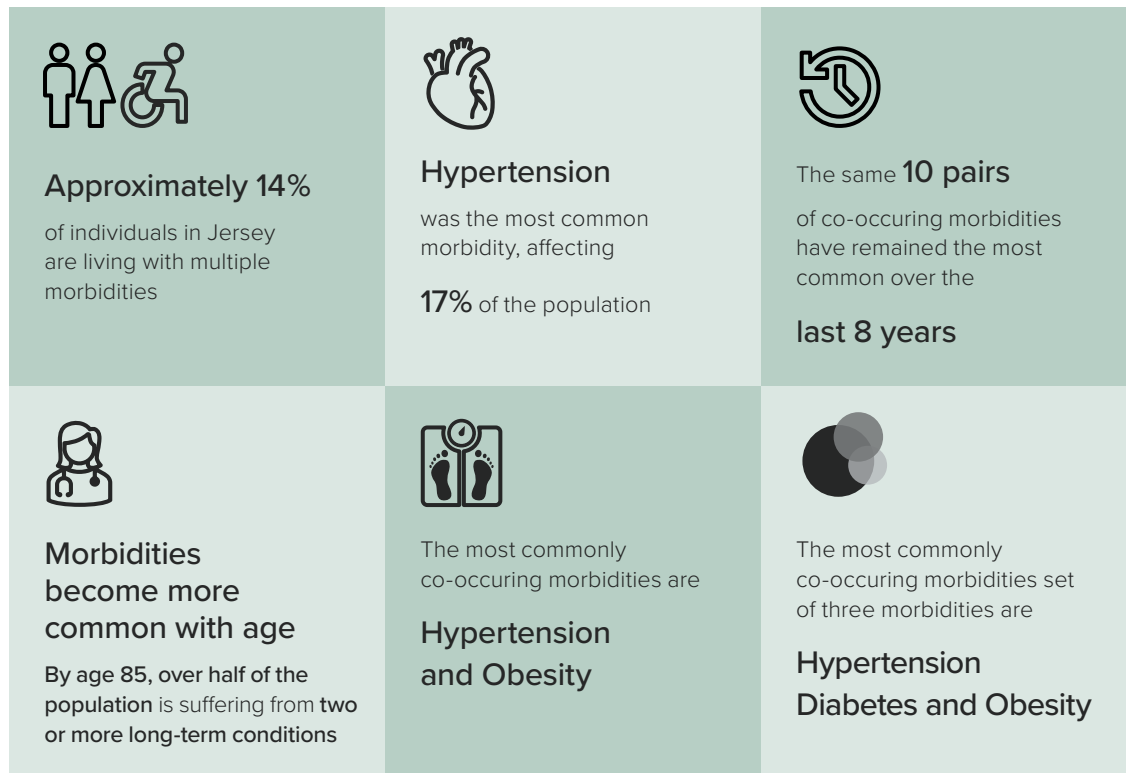
Recruitment activity in 2023 successfully increased the staff in post in HCS by over 200 across all staff groups. Throughout the year, the voluntary turnover rate stayed constant at just 4% which is the equivalent to approximately 110 people on a rolling 12-month basis. From a workforce perspective, this is very low turnover rate. It is recognised that the time to recruit is currently too long and reducing this timeline remains a focus for 2024. To attract more permanent nurse staff, a mass recruitment campaign is in development. In addition, we continued to utilise specialist agencies and web sites for the recruitment of experienced colleagues such as nurses, Allied Health Professionals, and doctors.

An ongoing focus of HCS is the improvement of the quality and safety of services. The Quality and Safety team significantly strengthened in 2023, to support the ongoing programmes of work that will ensure safe and high-quality services for all patients, such as the response to Professor Mascie-Taylor’s report into Clinical Governance. The Maternity Improvement Plan (MIP) was established in 2023 and is being delivered to drive improvements to address recommendations which have been received from internal and external reports. Good progress has been made during the year, with a total of 87 out of 127 recommendations identified by the Women and Children’s Senior Leadership Team as complete. The MIP will continue into 2024.

Following a concern being raised by a Junior Doctor in 2022 on HCS’ rheumatology service, HCS’ Medical Director commissioned the Royal College of Physicians (RCP) to conduct a review on HCS’ rheumatology service. This led to wider audit of rheumatology patients which showed significant service quality issues and an action plan has been implemented.

### Public Health

The [Multimorbidity Report 2023.pdf \(gov.je\)](#) published in February 2024 identified



‘[Seizing the Opportunity: A population health prevention strategy for Jersey 2023 – 2027](#)’ was produced in June with the accompanying [Population health action plan 2023 to 2027.pdf \(gov.je\)](#) that sets out the practical steps that will be taken to improve the health of Islanders through better prevention.

## Children and Education

Around 8,000 children, young people and families attended a free family fun day on Sunday 2 July to celebrate Jersey's Children's Day. The event was supported by almost 50 charities, community organisations and businesses, who provided free entertainment, activities, information, and advice. A team of 30 volunteers from across Government supported the delivery of the event. Around 100 young people provided six hours of live entertainment during the event – organised by Youth Arts Jersey – including performances from the Jersey Scout Association, and Love Theatre. Families also visited a community art project featuring dreamcatchers created by school children and young people. The art project was supported by ArtHouse Jersey. Children's Day is held annually, in early July, following a recommendation made by a Citizen's Panel set up after the Independent Jersey Care Inquiry.

The primary school food programme roll-out has entered its next phase by incorporating a new supplier to Jersey. This includes the addition of two new primary schools meaning a total of ten primary schools are now accessing hot lunches.

The Jersey School Review Framework introduced its Independent School Inspection and managed to complete and publish reviews on 18 Government of Jersey Schools and one independent Jersey school.

In January 2023 a new recruitment process was started to employ teaching assistants for both primary and secondary phases. To date over 70 new teaching assistants have been recruited trained and employed to support young people. In addition, all schools now have a fully qualified Special Educational Needs Coordinator (SENCo) following the completion of the Special Educational Needs Coordination (NASENCo) qualification at Winchester university.

## Service Performance Measures

Full details of Service Performance Measures are available on gov.je at [Annual Service Performance Measures](#) and [Annex – Government Department Annual Reports](#) provides more information on delivery against objectives and service performance targets.

### Successes include

#### Health

##### *Acute Elective Length of Stay*

The end of year figure was 2.5 days, beating the target of 3. Shorter lengths of stay are associated with improved clinical outcomes. Monitoring length of stay gives an indication of timely discharges and reduced bed blocking.

##### *Mental Health Acute admissions per 100,000 registered population (rolling 12 months average)*

Improved over 2023, starting at 233.1 in Q1 and finishing on 204.6 in Q4. The year ended in a better position than the baseline of 258.9 and the target of less than 240. The rates of admission to mental health units have been reduced through early intervention in the community.

#### Children

##### *Persistent absence*

Persistent absence in the academic year 2022/23 reduced to 16.9% from 26.2% in 2021/22. This reflected interventions including targeted support from the Education Welfare Team; an additional Special Educational Needs and Disabilities (SEND) officer appointed to support the Secondary schools; and the implementation of a new part-time timetable policy. Average waiting time for Child and Adolescent Mental Health Services (CAMHS) assessment was 30 days, better than the target of 36 days. Children with more urgent mental health needs continue to be seen quickly, and are not included in this measure.

### Challenges include

#### Health

##### *% patients waiting more than 90 days for Elective Admission*

HCS remains challenged across several specialties including Trauma and Orthopaedics, General Surgery, Ophthalmology, ENT and Gynaecology in relation to the % of patients waiting more than 90 days. The target is less than 25%, with a baseline of 45.1%. The Q1 figure was 56.1% and the end of year figure was 56.7%. HCS is funded to complete additional ad-hoc activity through a variety of initiatives across all specialties, which will work to improve this position. Extra sessions have taken place in Urology, General Surgery and Ophthalmology as a part of the 2023 Government Plan funding 'Waiting List Initiative' business case.

##### *% patients waiting more than 90 days for First Outpatient Appointment*

The measure includes all types of outpatient appointments within HCS. As such it provides an overview position though doesn't recognise specific specialty improvements like the commissioned Dental scheme which has been successful in reducing the waiting lists in this area. Areas with challenges are Ophthalmology, Clinical Genetics, Trauma and Orthopaedics and Dermatology and plans are in place for each of these services. The target is less than 25% and the end of year position was 48.2%.

#### Children

##### *CAMHS neurodevelopmental assessments*

A significant increase in demand for CAMHS neurodevelopmental assessments resulted in an average wait of 38 weeks, worse than target 13. Additional capacity to manage demand was created and plans are in place to develop this area of the service in 2024.

## Principal Risks and Issues

For further information on areas of focus and mitigations in respect of risks and issues see Part 2 Accountability Report

### Assurance on the quality and safety of HCS care

The Hugo Mascie-Taylor report in 2022 revealed that, despite the hard work of staff, there was no effective assurance system in place, data quality was poor and serious longstanding cultural issues remained unresolved. The report identified 61 recommendations to be addressed. These recommendations have been incorporated into a significant improvement programme. The current risk should reduce as the recommendations set out in recent reports and other mitigations are implemented.

# Economic Wellbeing

## Island Outcomes

### Affordable Living

Islanders are able to afford a decent standard of living

### Business Environment

Jersey is an attractive place to do business

### Jobs and Growth

Islanders benefit from a strong economy and rewarding job opportunities

## CSP Priorities for 2023-26

### Housing and the Cost of Living

Improve access to, and supply of, good-quality affordable housing, and helping people to achieve a decent standard of living

### Economy and Skills

Develop a more sustainable, innovative, outward-facing and prosperous economy and help people acquire the right skills throughout their lives; we want Jersey to be a place for everyone to achieve their potential

### Ageing Population

Enable people to live active, independent, healthy lives as they live longer

## Key Ministers

Minister for Sustainable Economic Development

Minister for External Relations

Minister for Housing and Communities

Minister for Social Security

Minister for Treasury and Resources

## Key Departments

Department for the Economy

External Relations

Cabinet Office

Customer and Local Services

Treasury and Exchequer

## Useful links to further information

[Ministerial Plans 2023 Delivery Plans 2023](#)

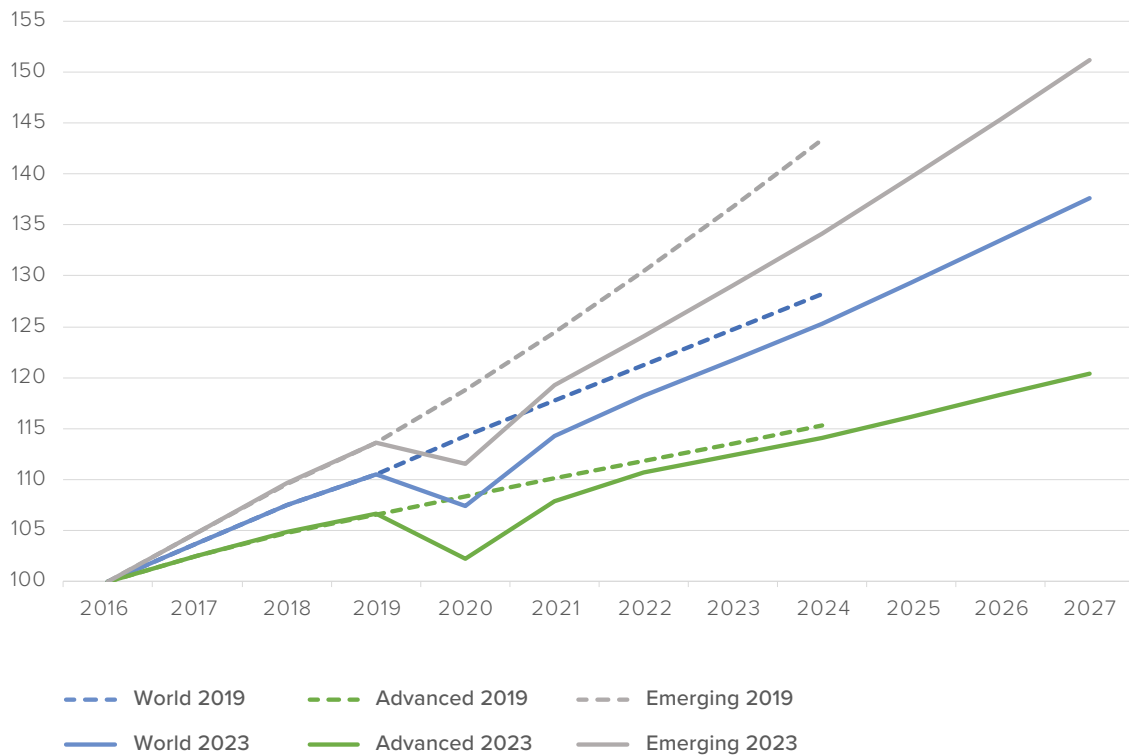
[Government Departments Performance Measures Annex - Government Department Annual Reports](#)

## Economic context

### The international economic outlook

The global economy has proven resilient to the economic shocks that have affected it in recent years. Nonetheless, the outlook for global growth in the medium term remains below the pre-pandemic projected path.

#### Real Gross Domestic Product, 2016-2027



2016 = 100; Index of real GDP, October 2019 (dotted line) and October 2023 (solid line) estimates/forecasts

Sources: International Monetary Fund World Economic Outlook

The slowdown in the Chinese economy and the exposed fragility of its financial markets from the real estate crisis there pose a risk for global growth. There are, however, upside risks to global growth from strong growth in the US economy.

Whilst inflation is past its peak, it remains elevated in many countries and the International Monetary Fund has advised central banks to continue to work to bring it down to target levels. Fiscal resources in many countries are depleted as government support has been used to mitigate recent economic shocks leaving many governments in a vulnerable position in managing future shocks. Other developing risks to the global economy include increased geopolitical tensions in the Middle East which could lead to price volatility in energy and commodities.



## Economic context (continued)

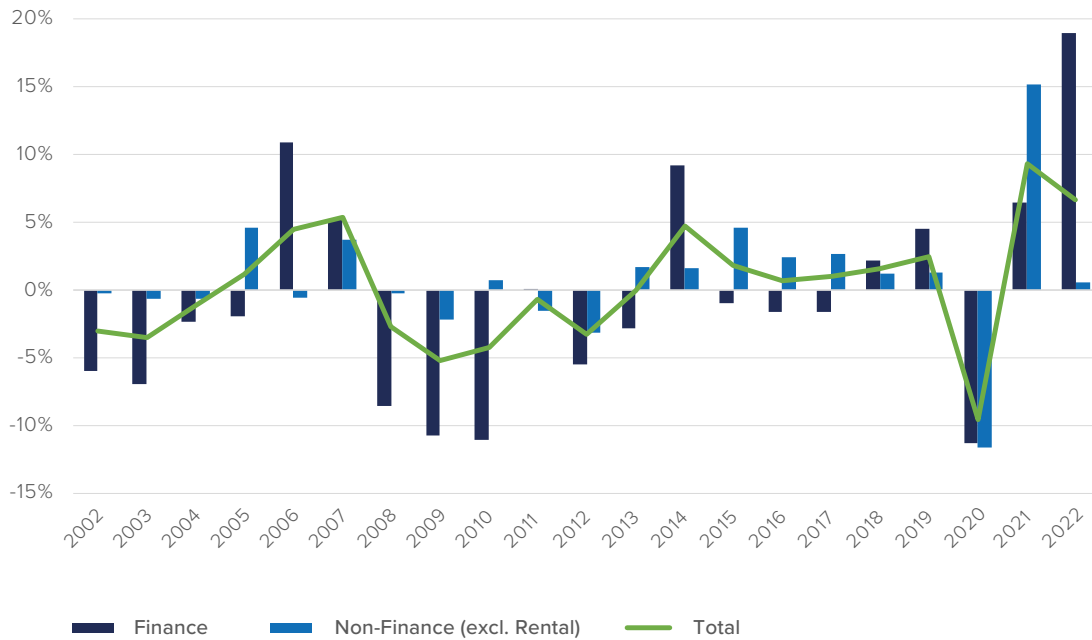
### Jersey’s economic outlook

Jersey’s economy grew by 6.7% in 2022 in real terms and at basic prices. This was faster than other advanced economies. The driver of growth was profits in the financial services sector, specifically in the banking sub-sector, due to the increases in interest rates throughout 2022.

Following strong growth in 2021, hotel, restaurants and bars continued their recovery from Covid-19 and the sector grew by 20% in 2022, above the 19% growth from the Financial Services sector. The rest of the economy saw more mixed results.

### Jersey Gross Value Added Growth (Annual percentage real terms, 2002-2022)

Source: Statistics Jersey



### Jersey's Standard & Poor credit rating unchanged

In January 2023 Standard & Poor’s (S&P) credit rating for Jersey was unchanged at AA-/A-1+ and this was affirmed again in January 2024. In its latest review, S&P confirmed that there is no change to the long and short-term sovereign credit rating for Jersey. In its report S&P noted that its rating is based on a stable outlook for the Island, which is supported by the strong and flexible institutions, a wealthy economy, and considerable fiscal buffers.

## Future Economy Programme

The Future Economy Programme was launched to address the principal economic challenges which face Jersey, as well as other developed economies:

- **Demographic Shifts** - without net positive inward migration, the number of people over 65 would increase 50% by 2040, while the working-age population would fall by 10%.
- **Weak Productivity** - since 1998, productivity in Jersey has fallen by around 30% in real terms.

Fortunately, Jersey is in a strong position to respond but action needs to be taken now to maintain the Island's future prosperity and living standards, and the Future Economy Programme sets out the framework for long-term, sustainable economic development.

Key Government actions in 2023 included:

- Over 30 workshops were held across Government, the States Assembly, Arm's Length Organisations, businesses and students to discuss economic challenges and generate ideas to sustainably grow our economy.
- Publication of the [Strategy for Sustainable Economic Development](#) which set out the vision to be a "consistently high-performing, environmentally sustainable and technologically advanced small island economy by 2040" supported by the five guiding themes of: Resilient, Innovative, Skilled, Fair and International.
- Publication of the [Delivery Framework for Sustainable Economic Development](#) which set out over 90 short, medium and long term actions, to build towards the vision. These actions are split into three pillars: Develop Growth Enablers, Increase Existing Sector Productivity, and Support from an Effective Public Service.
- The Ministerial title for Economy was formally changed to the Minister for Sustainable Economic Development to reflect the importance of long-term economic growth.
- Progressing the options for an Offshore Windfarm which build on [economic analysis](#) carried out in June 2023 on the potential benefits.
- Beginning to deliver the £20m Impact Jersey Fund, which saw the first awards made to five local businesses receiving a total of £368,672.
- Publication of the ministerially commissioned [Barriers to Business](#) report on 4 December which sets out 38 recommendations from industry.

**Ports of Jersey** is investing in critical Island infrastructure and working towards sustainable travel by air and sea. The plans will see the regeneration of St Helier Harbour, and the development of a new and future-proofed airport. Building connectivity will help support a sustainable future for Jersey, both for business and for Islanders. According to Oxford Economics, the five-year deal to operate the London Heathrow route will increase the Island's GDP by £123m per annum by 2025, supporting 1,200 Island jobs. Ports of Jersey is working closely with Government to ensure that growth in connectivity, in particular into Europe, is a key tenet of the Future Economy Programme.

## Cost of Living

To support households with the cost-of-living crisis, in September 2022 the States Assembly passed an extensive package of measures as part of the then Chief Minister's 100 day plan (The '[Mini Budget](#)'). A number of these measures were implemented from the start of 2023 or continued into 2023, including:

- Income Tax thresholds and allowances increased by 12%
- Tax threshold for a single person increased from £16,550 to £18,550
- Income Support components increased in January 2023 by a total of at least 10.4% above the 2022 levels with extra support for carers and private renters
- Families with registered status and less than five years residency helped through the Parental Support Payment
- Increased cold weather payments of £70 a month until March 2023 regardless of the temperature
- Free period products provided through a pilot scheme
- Continuation of the increased Community Costs Bonus (which was doubled in September 2022 through the mini budget).

During 2023, Ministers announced other measures to help Islanders with cost-of-living pressures. These included a £20 reduction in the cost of GP appointments for all Islanders ([Minister reduces cost of a General Practitioner \(GP\) appointment by £20 \(gov.je\)](#)), free GP appointments for children ([Free GP appointments for children \(gov.je\)](#)), and expansion of support for lower income pensioners with dental, optical and chiropody costs through the pension plus scheme ([Expansion of the Pension Plus scheme \(gov.je\)](#)).

In addition, in October 2023 it was agreed to increase the minimum wage by 10.9%, to come into effect from 1 January 2024.

## Housing

There are a number of different challenges in Jersey's housing market, centred on affordability, but linked also to supply, standards and security of tenure.

2023 saw a marked shift in housing market activity, with the lowest number of house sale transactions taking place since at least 2002, which has largely been as a result of higher bank interest rates that have significantly increased the cost of servicing a mortgage.

Housing was the price group that made the largest contribution to the annual rate of inflation, contributing +3.8 percentage points to the rate, driven by increases in the cost of mortgage interest payments. The overall price change in this group was lower over the twelve months to December 2023 compared with the twelve months to September 2023, hence its contribution to the change in rate of the RPI was -1.9 percentage points.

Key Government activities in 2023:

- The development and successful adoption of the Public Health and Safety (Rented Dwellings) (Licensing) Regulations 2023, that will lead to the implementation of a rented dwellings licensing scheme and publication of associated Codes of Practice in 2024.
- Progress towards the development of a modernised Residential Tenancy Law, including a public consultation on the Minister for Housing and Communities' 'Improving Residential Tenancies in Jersey' white paper. Work to deliver a revised Law had been delayed as a result of the outcome of the consultation, and work in Q1 2024 focused on re-scoping to enable an expedited delivery of the new Law.
- Publication of the 'Roadmap for Improved Access to Social Housing', setting out a series of access to widen, manage and promote access to social housing in Jersey. The first of a number of key changes were implemented in September 2023. This means a greater number of Islanders are now able to access the benefits of social housing.
- Key changes were made to both the [First Time Buyer](#) and [Assisted Purchase](#) policies in 2023. These changes have resulted in greater emphasis on prioritising genuine first-time buyers and have significantly increased eligibility to access assisted purchase properties through increases to household income limits.
- The [First Step scheme](#) was developed and announced in September 2023. The scheme will provide an equity loan of up to 40% to help eligible Islanders purchase an open market home. The scheme will utilise £10m of funding that had been secured in the Government Plan, with the first loans to be issued by the end of Q2 2024.
- In January 2023, the Empty Homes Service was launched in response to the then Minister for Housing and Communities' [Action on Vacant Properties plan](#), published in the autumn of 2022. Over 300 empty homes have been reported and assessed in the first year and the Minister for Housing and Communities published an [update report](#) outlining the work of the Empty Homes Service and progress against the Action on Vacant Properties plan commitments.
- The [Bridging Liquid Waste Strategy](#) was published in May 2023, helping to secure vital improvements to the Island's drainage network, supporting the development of new homes including sites allocated in the Bridging Island Plan.

Andium provided 232 new affordable homes. 51 clients were housed through the partnership pathway and there were 43 Andium Homebuy sales.

Jersey Development Company's Horizon development was successfully completed, providing 280 new waterfront homes. 270 have been sold and 76 of which were purchased by first time buyers. South Hill freehold land ownership was also acquired, paving the way for the development of more homes for Islanders.

## MONEYVAL

The Island is currently going through an international evaluation looking at how effective Jersey is, as a jurisdiction, in combatting financial crime. Almost all jurisdictions globally go through a similar process every 5-10 years, and ours is conducted by a body called MONEYVAL. The importance of this review to Jersey's global standing as an International Finance Centre cannot be understated, as the Mutual Evaluation Report will provide a thorough review of how the island deals with illicit finance. Financial crime includes money laundering, the financing of terrorism and proliferation financing (financing the proliferation of weapons of mass destruction).

The evaluation takes place over a total period of around 18 months and has involved over 20 island agencies and bodies, including the Jersey Financial Services Commission, Financial Intelligence Unit, Law Officers' Department, Police and Customs. Preparations were co-ordinated by the Financial Crime Strategy Team (FCST), a small group that sits within the Economy Department. They reported in turn to a Political Steering Group, chaired by the Minister with responsibility for financial services, which included heads of agencies and relevant Ministers.

The evaluation itself is in two parts, the technical compliance which looks at whether we have the relevant laws and systems in place to combat financial crime, and the assessment team then goes on to see how effective these measures have been over the past five years. Thousands of pages of data, compiled by the FCST together with relevant agencies, had been sent out prior to the on-site visit in September 2023. The assessment team were here for two weeks and spoke to all relevant island agencies, as well as almost 30 private sector entities, including banks, trust companies, accountants and lawyers. There were significant preparatory exercises both from the side of the logistics for the on-site evaluation and for preparing both agencies and the private sector to complete the on-site meetings and provide any necessary follow up material.

The drafting of the mutual evaluation report is a complex process between the Island and the assessment team and is currently ongoing. The draft goes through multiple iterations of comments between the Island authorities and the assessment team and during that process, all MONEYVAL members will provide comment on the draft report for discussion in the MONEYVAL Working Groups/Plenary. The Report will eventually be adopted by the MONEYVAL Plenary in May 2024 with publication in July 2024, which will be accompanied by a Government event and further outreach from all agencies. Until that point, the contents of the report remain confidential.

## Service Performance Measures

Full details of Service Performance Measures are available on gov.je at [Annual Service Performance Measures](#) and [Annex – Government Department Annual Reports](#) provides more information on delivery against objectives and service performance targets.

### Successes include

Jersey Business provides free, confidential advice and support to the business community in Jersey, across all industries at any stage of their business lifecycle. An excellent [Net Promoter Score \(NPS\)](#) score of 56 for 2023 reflects the clients feedback on the hands-on business services Jersey Business deliver via their business information service, 1:1 advisory support, industry support, website and events.

The number of non-resident visitors to heritage sites annually exceeded ambition by nearly 9% to 130,549

### Challenges include

The number of non-resident visitors to heritage sites annually is only 80% recovery of the 2019 level

## Principal Risks and Issues

For further information on areas of focus and mitigations in respect of risks and issues see Part 2 Accountability Report

### Inflationary pressure and impact on economy/population

Global and UK inflationary pressures are feeding through to the Jersey economy and are particularly impacting on the most disadvantaged in society. The Government has put mitigations in place including the Cost of Living Temporary Scheme (COLTS) for income support; Minister-led Inflation Strategy Board; Project Officers Inflation Group; and the Government Plan 2024-27.

### Threats to long-term financial sustainability

Macroeconomic and geopolitical issues continue to impact on Jersey. The government mitigates the risks and reacts to current economic uncertainty including through its fiscal policy. The Executive Leadership Team considers key performance indicators and value for money whilst balancing competing spending pressures and the Government Plan (budget) includes associated income estimates.

# Environmental Wellbeing

## Island Outcomes

### Built Environment

Jersey’s built and historic environment is valued and enjoyed

### Natural Environment

Jersey’s unique natural environment is protected for future generations

### Sustainable Resources

Jersey’s natural resources are managed and used responsibly

## CSP Priorities for 2023-26

### Environment

Protect and enhance our environment so that everyone can continue to enjoy its benefits, moving purposefully on a path to net zero emissions

### Housing and the Cost of Living

Improve access to, and supply of, good-quality affordable housing, and helping people to achieve a decent standard of living

### Key Ministers

- Minister for the Environment
- Minister for Infrastructure
- Minister for Housing and Communities

### Key Departments

- Infrastructure and Environment
- Infrastructure and Environment
- Cabinet Office

### Useful links to further information

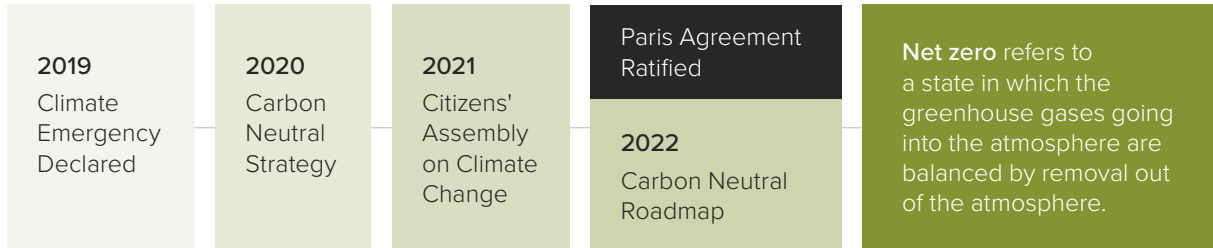
[Ministerial Plans 2023](#)  
[Delivery Plans 2023](#)

[Government Departments Performance Measures Annex - Government Department Annual Reports](#)

## Climate Emergency

On the 2 May 2019, 40 elected members in the States Assembly voted to declare, “that there exists a climate emergency likely to have profound effects in Jersey”<sup>1</sup>.

Since then, the UK’s ratification of the Paris Agreement has been extended to the Island<sup>2</sup>, and the Carbon Neutral Roadmap was approved in April 2022.



The Carbon Neutral Roadmap sets out a suite of policies that aim to help the Government achieve an Island target of net zero by 2050. These policies were compiled from ideas gathered from Islanders, along with detailed technical studies and the recommendations of the Citizens Assembly on Climate Change.

Only a tiny fraction of the planet’s total warming is felt by us in the air, most of it being absorbed by the world’s oceans<sup>3</sup>, which are heating rapidly<sup>4</sup>. This destabilisation of planetary balances due to greenhouse gases means the climate and environment are changing, creating a global emergency. Previously once-in-a-generation weather events, and their fallout, are now increasingly regular occurrences, forming an overarching context for human activity for the foreseeable future.

However, this warming occurs unevenly. In Jersey, the average (mean) temperature for the 2010s was 12.5°C. This is 1.5°C higher than for the 1900s, which had an average temperature of 11.0°C<sup>5</sup>. 2023 was the second warmest year since records began in 1894. There were also increased changes to rainfall patterns, extreme weather events and further sea level rise.

1 [Votes \(gov.je\)](#)

2 [Paris Agreement extended to Jersey \(gov.je\)](#)

3 [Q13 – Excess heat in oceans | Gapminder](#)

4 [State of the Global Climate 2023 | World Meteorological Organization \(wmo.int\)](#)

5 <https://www.gov.je/Government/JerseyInFigures/Environment/pages/climate.aspx#anchor-1>



Environmental Wellbeing

Top 3 Hottest Years		1. 2022	2. 2023	3. 2014
<b>8/10</b> of hottest years on record occur post-2000	<b>19 days</b> of 30°C or more during the 2020s, already the equal highest total for any decade. (equal to 1990s)	<b>37.9°C</b> Set a new record for hottest air temperature in July 2022	<b>25.2°C</b> Set a new record for warmest night in July 2022	
<b>2023</b> Equal 2 <sup>nd</sup> warmest year since records began	<b>9 Oct</b> Latest date in the year to record >25°C	<b>19</b> Ground frosts in 2023, compared to 30-year average of 45.8	<b>2</b> Air frosts in 2023, compared to the 30-year average of 6.6	
Changes to rainfall patterns		Wetter Winters	Drier Summers	
<b>6/10</b> of most recent years have been wetter than average	<b>+17%</b> Wetter in 2023 than the 30-year average period from 1991 to 2020	<b>-45%</b> drop in summer rainfall predicted by 2080	<b>+24%</b> increase in winter rainfall predicted by 2080	
<b>5th Wettest</b> year on record at the Maison St. Louis Observatory since records began in 1894	<b>Wettest</b> year on record at the Howard Davis Farm site since records began in 1932	<b>25 Day</b> long drought period from 15 May to 8 June 2023	<b>38.7mm</b> Wettest day during 2023 was 1 August	

## Changes in local species, as well as a rise in invasive species:

**-78%**

Reduction in brown crab since 2012, previously a key target for Jersey fishers

**339**

Asian hornet nests recorded in 2023

**+94%**

Increase from 2022 in the number of Asian hornet nests recorded

**+20**

New sites of Japanese Knotweed totaling 321

**119**

Non-native species risk assessed for ecological impacts

**26**

Invasive species were controlled during the year

Confronting the challenge of a climate emergency will require global coordination and effort. 195 parties have ratified the Paris Agreement<sup>6</sup>, committing their governments to tackling this situation. The United Nations Climate Change Conferences (COPs) are annual global conferences aimed at assessing progress on climate change and agreeing on legally binding protocol to reduce emissions.

In November 2023, a delegation from Jersey attended the COP28 in Dubai as part of the UK delegation. The invitation to attend acknowledged Jersey's efforts to reduce its emissions, and allowed opportunity to share, collaborate and learn from other international jurisdictions.

Progress made during the COP28:

- The final agreement from COP28 is the first ever agreement to directly mention the transition away from fossil fuels.
- Countries committed to treble the world's renewable energy capacity by 2030.
- Pledges are starting to be made to the Loss and Damage fund – which aims to provide funding for vulnerable countries that require financial assistance.

For further detail on the Government's Island decarbonisation strategy, see: the Carbon Neutral Roadmap<sup>7</sup>. For further detail on the Government's organisational decarbonisation strategy, see the Sustainability Report.

<sup>6</sup> [UNCC](#)

<sup>7</sup> [Carbon Neutral Roadmap \(gov.je\)](#)

## Investing in the built environment

The **new Sewage Treatment Works** was a significant success in 2023, with completion being achieved, on time and within budget. This is one of the most significant pieces of Island infrastructure. Work has now commenced on liquid waste capacity projects feeding into the STW, which will in turn unlock rezoned housing sites.

Completion of the original building contract for the **new mental healthcare facility at Clinique Pinel in St Saviour** was achieved in September 2023. The new facility will replace the service currently provided at Orchard House and will provide 26 new ensuite bedrooms and an article 36 Place of Safety. Additional post-contract works are nearing completion and launch is scheduled for the first-half of 2024.

**Public sport facilities** continued to be decanted from Fort Regent into new premises including refurbished gym facilities at Springfield, which also benefited from enhancements to the Stadium spectator experience. The Infrastructure and Environment Department is working in partnership with the Jersey Development Company in assessing the future direction of this facility. The delivery of the Oakfield Sports Centre is also now moving forward again following a re-tendering exercise after the collapse of the original contractor. The new Skatepark at Les Quennevais opened in early 2023 and provides a much-needed and well-used facility for all Islanders.

The **new Government Office** project is on track to be completed in the Summer of 2024.

**Jersey Development Company** supports the Government and the Island by delivering critical infrastructure that will serve the local community for many decades to come. IFC 6, the third office building at the International Finance Centre has been completed and the office space is fully occupied by two leading local financial services businesses. The building includes a 46% expansion of Trenton Square which provides additional public areas for both office occupants and visitors to enjoy.

**Ports of Jersey** is awaiting a decision on detailed plans for the Harbour Master Plan project that were submitted for planning approval in January 2023. These plans will ensure the port's long-term viability, improve customer experience, create new commercial opportunities, and realise the area's potential as a leisure, cultural and tourism destination.

The scoping and designs for the Airport Master Plan have been completed and work is due to begin on the Departure Hall in 2024.

Expansion of the Marine Services business continued in 2023 with the purchase of the workboat Elisa. Revenue from the three vessels exceeded expectations for 2023, amounting to £4.5 million (Elisa joined the fleet in April 2023).

Ports of Jersey's investment in Jersey's marinas continued with the installation of new pontoons in St Helier Marina. The new L-shaped pontoons near the Lifeboat Café make use of a shallow area to provide berthing options for small leisure vessels. They will also provide space for accommodation pods now that planning permission has been granted.

Ports of Jersey work to establish an Airport Operations Centre began in 2023. This central hub will enable Ports of Jersey and its business partners to share up-to-date information in real time, providing a faster, easier, and friendlier travel experience for passengers. The Airport Operations Centre came into effect in March 2024.

Passenger volumes have continued to recover and Ports of Jersey anticipates reaching pre-pandemic levels by 2025. Full year aviation passengers were 1.46 million in 2023, which is 11% more than 2022 but 22% below 2019 levels.

## Service Performance Measures

Full details of Service Performance Measures are available on gov.je at [Annual Service Performance Measures](#) and [Annex – Government Department Annual Reports](#) provides more information on delivery against objectives and service performance targets.

### Successes include

74% of the Government vehicle fleet is now using low-carbon fuel solutions, with further electric vehicles on order

### Challenges include

The Planning Services Improvement Plan that followed the Mackinnon Report identifies the need for enhancement in the planning application process

## Principal Risks and Issues

For further information on areas of focus and mitigations in respect of risks and issues see Part 2 Accountability Report

### Potential lack of capacity for waste disposal and management

There is a need to ensure sufficient storage availability and waste management service levels for a range of waste materials. The risk of insufficient capacity is due to reduce following States Assembly meeting and Planning agreement in 2023. Infrastructure and Environment continue to seek funding to meet operational needs and develop infrastructure improvement plans to mitigate risks, including engaging with industry and planning to reduce incoming waste volumes; logging events for Inclusion in the Island Plan; and reviewing sites for waste capacity.

# Corporate Performance

## CSP 2023-26




### How we will deliver

We will achieve our priorities through: Building Trust; Accountability; Being Prudent; Focusing on Delivery; Being Evidence-Based; Our Workforce; A Commitment to Partnership

Making better decisions having regard to: Affordability; Quality Life; Sustainability

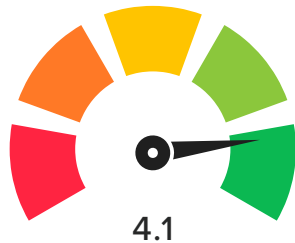
Key Ministers	Key Departments
Chief Minister	Cabinet Office Customer and Local Services
Minister for Treasury and Resources	Treasury and Exchequer

### Key Theme: Customer Feedback

 <p><b>5,719</b> rate our service surveys submitted by customers in 2023 Was 8,012 in 2022</p>	 <p><b>Communication and training undertaken</b></p>	 <p><b>3,714</b> pieces of feedback received in 2023.</p>
<p>One of the reasons for the year-on-year decrease in volumes relates to the COVID Helpline being closed down in early 2023.</p>	<p>Internal communication and education was undertaken in 2023 to raise awareness of the importance of recording feedback.</p> <p>This has impacted positively on the volume of feedback logged.</p>	<p><b>1,639 complaints,</b> <b>257 comments,</b> <b>1,490 compliments,</b> <b>328 suggestions.</b></p> <p>There has been a significant increase in compliments recorded in 2023.</p>

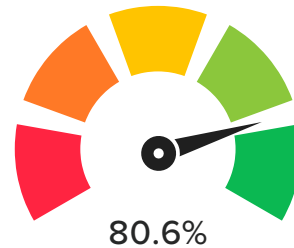
## Key Theme: Customer Feedback (continued)

### Customer effort score



The Customer Effort Score once again beat the target of 4 out of 5 customers who complete the surveys scoring the interaction they had as ‘easy’ or ‘fairly easy’

### Customer Satisfaction



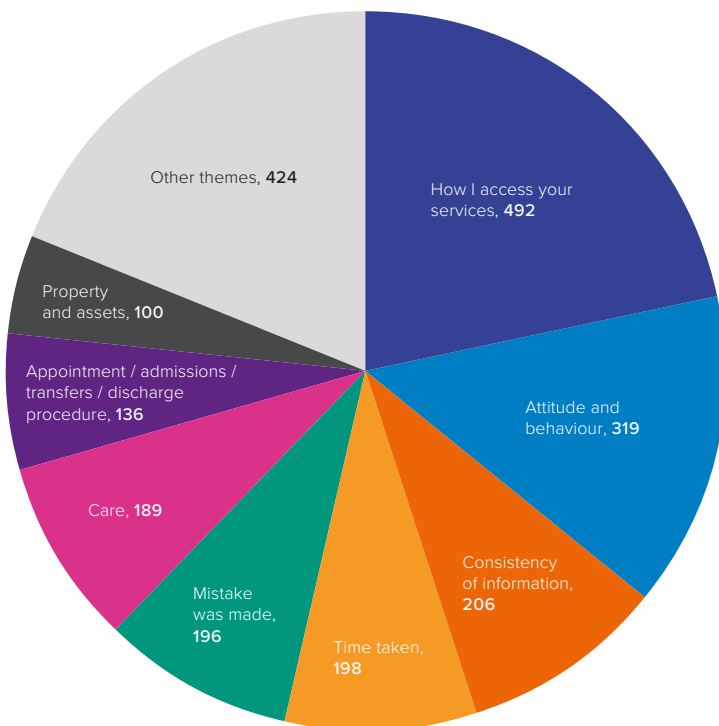
Customer Satisfaction bettered the 2022 score of 79.9% and beat the target of 80% of customers saying that they were ‘very satisfied’ or ‘satisfied’ with the service they had received.

Both Customer Effort and Customer Satisfaction achieved quarterly targets from Q2 onwards.

Government excluding HCS and schools, records for which are not held centrally

## Complaints

When a complaint is received it is handled according to [Customer feedback policy \(gov.je\)](https://www.gov.je/customer-feedback-policy).



### Eight themes account for 80%

When things go wrong teams endeavour to identify shortcomings and put things right quickly and to the satisfaction of the person complaining.

Feedback is also used to help improve services and the Government has started to publish online what has been done with feedback received. [What we do with your feedback \(you said, we did\) \(gov.je\)](https://www.gov.je/what-we-do-with-your-feedback)

Of all the complaints received in 2023 less than 1% (12 complaints) were referred to the States Complaint Board. This demonstrates that the Government’s customer feedback policy is handling complaints effectively.

Further information on [customer feedback](https://www.gov.je/customer-feedback) is available online on gov.je.

Government excluding schools, records for which are not held centrally.

## Key Theme: Projects and Programmes

This section provides a view of progress on the most significant projects and programmes for Government. These projects have been categorised as either 'Major' or 'Strategic' as per the definitions below.

A Major project is defined in the Public Finances (Jersey) Law 2019 as:

- a capital project (defined as a project which results in the creation of an asset which will be held on the States of Jersey's balance sheet) the duration of which, from start to finish, is planned to be of more than one year and the total cost of which is planned to be of more than £5 million; or
- a project that has been designated as a major project under an approved government plan

A Strategic project is defined as a project which satisfies two or more of the following criteria:

- is of significant strategic value, in that it will deliver transformative outcomes for, or mitigate significant risks to the States of Jersey and/or the Island's economy or community
- has a total estimated cost of more than £2 million, is highly complex to deliver due to operational, technical, stakeholder or other delivery complexities, carries risks of a community or corporate risk level (as defined by Enterprise Risk Management).

<b>Red</b>	Successful delivery of the project appears to be unachievable. There are major issues with project definition, schedule, budget, quality and/or benefits delivery, which at this stage do not appear to be manageable or resolvable. The project may need re-scoping and/or its overall viability reassessed.
<b>Red/Amber</b>	Successful delivery of the project is in doubt, with major risks or issues apparent in a number of key areas. Urgent action is needed to address these problems and/or assess whether resolution is feasible.
<b>Amber</b>	Successful delivery appears feasible but significant issues already exist requiring management attention. These appear resolvable at this stage and if addressed promptly, should not present a cost/schedule overrun.
<b>Amber/ Green</b>	Successful delivery appears probable; however, constant attention will be needed to ensure risks do not materialise into major issues threatening delivery.
<b>Green</b>	Successful delivery of the project on time, budget and quality appears highly likely and there are no major outstanding issues that at this stage appear to threaten delivery significantly.
<b>Completed</b>	Initiative has been delivered or in the case of business as usual funding, the funding has been assigned.
<b>Reset</b>	The project has been put 'on hold' during the year due to a significant change to the project's baseline which requires a business case refresh or change.

## Key Theme: Projects and Programmes (continued)

### Major and Strategic projects and programmes:

Summary of status at the end of 2023

	Red	Red/Amber	Amber	Amber/Green	Green	Completed	Reset	Totals
<b>Major</b>								
Cabinet Office	-	-	1	-	2	-	-	3
Children, Young People, Education and Skills	-	-	-	-	-	-	1	1
Customer and Local Services	-	-	1	-	1	-	-	2
Department for the Economy	-	-	-	-	1	-	-	1
Health and Community Services	-	-	-	-	3	-	1	4
Infrastructure and Environment	-	1	-	-	2	1	-	4
Justice and Home Affairs	-	-	1	-	-	1	-	2
Treasury and Exchequer	-	-	2	-	-	-	-	2
<b>Strategic</b>								
Cabinet Office	-	-	1	1	4	-	-	6
Children, Young People, Education and Skills	-	-	-	-	-	2	4	6
Customer and Local Services	-	-	1	-	-	-	-	1
Department for the Economy	-	-	1	-	1	-	-	2
Health and Community Services	-	-	1	-	3	-	-	4
Infrastructure and Environment	-	-	1	-	4	1	-	6
Justice and Home Affairs	-	-	1	-	1	-	-	2
Treasury and Exchequer	-	-	2	-	4	-	-	6
<b>Grand Totals</b>	<b>0</b>	<b>1</b>	<b>13</b>	<b>1</b>	<b>26</b>	<b>5</b>	<b>6</b>	<b>52</b>

The project with a Red/Amber status is Infrastructure and Environment's "Inspiring Active Places". Detail on this and other major and strategic projects can be found at [Status of Strategic and Major projects at 2023 year end](#).



## Key Project: Connect – enabling new ways of working

This significant change for all parts of the government began in 2019 and over the last four years has developed the systems and ways of working we now refer to as Connect. The work started when a historical lack of investment in capability, and a shortfall in capacity to handle the current demand for digital and technology services were identified as a substantial 'technology debt'.

2023 saw the implementation of the SAP suite of products and new business processes into our finance, HR, assets, health and safety, procurement and inventory functions. This will ultimately all work to give us better control of our data and standard, documented, processes and operating procedures. It has involved significant, and at times challenging, change for the organisation as we adapt to new technology and standard ways of working. Challenges during implementation have also required us to make changes so that the system better serves the organisation, our people and suppliers. Further improvements are required and are in train. We will now receive regular updates to our systems and new features as they become available from the software vendors.

Connect Finance, based on SAP S4/Hana software, was implemented at the start of 2023 with full switch over of the finance systems at year end. At the start of the year we faced significant challenges working to pay invoices that were raised in the previous systems alongside the new invoices, and we worked closely with a number of suppliers to help them through the transition and making improvements to the system. During 2023, 81% of invoices were paid within 30 days.

We changed the way we manage inventory in our stores to give us better control and introduced a new learning platform for our staff to continue their professional development. A few months later we added Connect Assets and Connect Health and Safety and in the last quarter we moved all our HR master records to Connect People.

Connect Assets provides a single solution for all departments who maintain government assets and provides the government with 'one version of the truth'. Connect Assets will begin to develop a deeper understanding of the costs to maintain our assets and allow us to monitor trends such as failures vs costs, which will help asset managers to start long term capital planning for the future. The aim is to have a more accurate view of the costs to maintain our assets, so we can make more data led decisions. We have already raised 4,000 reactive maintenance orders and 3,000 planned maintenance work orders, managing over £3.5m of maintenance activities of public assets.

Connect People comprises five separate functional areas that use SAP Success Factors technology and include Connected Performance – the performance management system, and Connected Learning, the learning management system which both went live across the organisation with Connect Finance in January 2023. There were inevitably some initial technical system and access issues. Largely these have been overcome and the utilisation and embedding of Connected Performance and Connected Learning grew steadily throughout the year, as evidenced by the use of the system for recording performance management activities and undertaking digital learning.

Employee Central – the new single source of employee data, and Ask HR, a new ticketing system for the asking and answering of HR /People related questions were added to Connect People in November 2023. Traction is being made in making best use of these areas of functionality with extensive bite size training, videos, webinars and help guides provided. Talent Acquisition, the new recruitment and onboarding functionality, started a phased roll-out in January 2024.

The Modernisation and Digital team is building its support capability for the new platform in parallel with the work across the organisation to continually improve the system and ways of working.

## Listening to staff: 'Be Heard' survey

The Be Heard employee engagement survey was undertaken as planned in 2023 and the overall results as well as departmental results were shared with and cascaded to all staff. The results showed that we achieved our 'stretch benchmark' from the last survey and improvements of over 10% points were achieved in four of the engagement factors: importantly all overall scores were above a score of four which means they are in the positive zone.

This is testimony to the positive effects of the Our People Strategy and the prioritised effort and investment put into manager development through the World Class Manager programme and improving the approach and offer to Wellbeing. Progress made in all except for 'My Company' that had a slight drop to 2020, and this may be in part attributable to the 2023 surveys being more departmentally targeted. The Law Officers' Department became the first public service entity to achieve the one-star accreditation in 2023. Two other departments (Customer and Local Services and Cabinet Office:SPPP) achieved a one-star rating, which if maintained will lead to formal accreditation at the next survey.

Continued commitment to delivering continuous improvement across all eight factors is required if we are to demonstrate sustained change. Performance management and embedding a performance culture is a core tenet that will help to anchor improvements. Areas identified for future focus are developing our leadership cadre and capability; further work on developing and providing a 'Fair Deal' for all public servants; and to continue developing and honing our Wellbeing offer.

## Sustainability

Please see Sustainability Report for further details

**The government met its 2023 target of 15% reductions in core emissions**, with an overall 16% reduction against the 2019-21 baseline of 12.5ktCO<sub>2</sub>e, despite increases in some categories. The fleet now includes 80 zero emissions vehicles (EVs), up from 74 in 2022, and 391 biofuel assets (biodiesel and red biodiesel), up from 251 at the end of 2022.

**76% of procurement strategies in 2023 included social value considerations**, an increase of 38% from 2022. Furthermore, there has been an increase of 55% in commitments to deliver additional benefits to the Island made by our suppliers from 2022 to 2023.

**Jersey met its 2023 target for official development assistance** by giving 0.28% of its Gross Added Value to Jersey Overseas Aid.

### Andium Homes

0% Domestic Fossil Fuels Used (from 1.7M litres of oil burnt in 2006)

### Ports of Jersey

Achieved Airport Carbon Accreditation Level 3  
Received international 'Clean Marinas' accreditation

### Jersey Development Company

Carbon intensity assessment for embodied carbon and carbon in use completed and verified on IFC 6, to be used as the baseline for carbon reduction on all future JDC developments.

## Service Performance Measures

Full details of Service Performance Measures are available on gov.je at [Annual Service Performance Measures](#) and [Annex – Government Department Annual Reports](#) provides more information on delivery against objectives and service performance targets.

### Successes include

100% of Freedom Of Information requests were answered within the statutory timeframe of 20 working days, or with a prescribed extension period.

Employee Turnover within the Ministerial and Non-Ministerial Departments has remained between 8% and 8.5% through the year. This is consistently better than the target of 9.5%.

### Challenges include

59% of the current Island Outcome Indicators were updated on the Clear Impact system within a quarter of the availability of data. A major project is underway to update the presentation of the indicators, and to re-appraise which indicators should be included, with a proposal to reduce the current 193 measures to a more focused set.

## Principal Risks and Issues

For further information on areas of focus and mitigations in respect of risks and issues see Part 2 Accountability Report

# Non-Ministerial Departments

A number of non-executive and legal departments form part of the public service though sit outside of the Government Department structure. They comprise a range of individual bodies described collectively as Non-Ministerial Departments. They vary in size, have diverse, distinct and important roles and operate under different legislation. The common feature is that accountability does not lie with Ministers. Accountable Officers for Non-Ministerial Departments are accountable directly to the States Assembly (through the Public Accounts Committee). Below are highlights from 2023.

## States Greffe

A number of specific objectives were identified for 2023 in the [States Greffe Annual Business Plan](#). Furthermore, the States Greffe continued to perform a large number of 'business as usual' functions to support the work of the States Assembly (including its Committees and Panels and individual States Members); to engage the public in the work of the Assembly; and to provide a specialist Secretariat service to States and Government bodies.

The States Assembly met on 32 separate occasions in 2023; whilst 104 Public Hearings were held by the Public Accounts Committee, Scrutiny Panels and Review Panels. The department administered the lodging of 105 propositions and 46 amendments; and the presentation of 182 Reports, 39 Comments, 4 Scrutiny Reports and 1 PAC Report. 251 Oral Questions and 489 Written Questions were submitted by elected States Members and also administered by the department.

In addition:

- The department continued to support the Privileges and Procedures Committee (PPC) in implementing recommendations for reform to electoral administration. A growth bid was successfully included in the 2024 Government Plan for the establishment of an automatic voter registration project; but work on legislative amendments to make other changes were carried into 2024.
- PPC considered a programme of training and development for elected States Members; and a specific course entitled 'Negotiating for Better Success in Politics' was launched during the year. Access to coaching and counselling services for elected States Members was also introduced.
- Significant progress was made in the development of the new States Assembly website, although the complexity of the site and resourcing issues in the agency developing the site meant that work was ongoing into 2024, with the site expected to launch during Quarter 2.
- Challenges in recruitment impacted on the development of an Outreach Strategy and continued work on the development of a CPD programme for Island teachers. Nevertheless, Digital engagement via the States Assembly's social media channels grew significantly as a result of new content formats, tailored to each platform; and in Quarter 3, a podcast channel was launched – with four episodes released over a three-month period, covering a range of topics and receiving 477 downloads by the end of the year.

## Non-Ministerial Departments

- Facilities for elected States Members were enhanced in 2023, with 23 Hill Street opened as an office specifically for elected Members and the existing facilities in the States Building were improved. The department supported the work of the PPC Constituency Office Sub-Committee and growth funding was agreed in the 2024 Government Plan for the establishment of a dedicated function within the department to help Members with their constituency work.
- The fourth annual Democracy Week offered a range of on and offline activities, catering for various age-groups and levels of knowledge and engagement; reaching over 6,000 Islanders and receiving positive feedback.
- The department had undertaken to publish a procedural guide. Work was undertaken on consolidating the department's procedural knowledge of Standing Orders into a single document, but other work demands meant the document was not published on the States Assembly website during the year.
- The department organised the first ever meeting in Jersey of the British-Irish Parliamentary Assembly.

Further information on the work of the department is published in the States Assembly's Annual Report for 2023.

## Judicial Greffe

2023 saw new senior appointments at the Judicial Greffe. Following the retirement of Advocate Peter Harris, Advocate Adam Clarke was appointed as Assistant Magistrate and, in September 2023, Advocate Rebecca Morley-Kirk took up the post of Judicial Greffier becoming Jersey's first female Judicial Greffier.

The department's performance was recognised in the Our Stars Awards – the Magistrate's Court Team won the award for Customer Service Excellence and the Family Court team were voted Innovation champions for the introduction of a new alternative dispute resolution scheme, the ['Family Foundation'](#).

Work has continued on the Courts Digital Programme including commissioning the development of a new 'Court Service' website.

The **Probate and Protection** team saw a continued increase in the number of Lasting Powers of Attorney registered - up 20% in 2023 from 2022. The number of Probate grants issued in December 2023 was 1,625 compared with 1,550 issued in 2022.

Amendments to the Probate (Jersey) Law 1998 came into force on 27 October 2023. These changes provide new arrangements for the management of movable assets situated in Jersey, where the value of moveable estate does not exceed £30,000, subject to certain conditions. The Judicial Greffe worked closely with policy leads and the Law Officers' Department in bringing about these amendments which are anticipated to be a real help to local estates.

In the **Public Registry** there was a sharp decline in the amount of stamp duty received (a percentage change of -37% between 2022 and 2023). The value of property transactions registered also fell sharply from £1,309,282,000 in 2022 to £687,333,000 in 2023.

The **Magistrate's Court** sat on 323 occasions to consider criminal matters including trials, legal argument, directions hearings, sentencings and parking matters.

## Non-Ministerial Departments

- 1,374 defendants appeared and the average time from first appearance to disposal was 32 days.
- There was a significant increase in the number of cases sent to the Royal Court (123 in 2023 compared to 74 in 2022)
- The Youth Court sat on 51 occasions and the Petty Debts Court sat on 50 occasions.

In the **Family Court 2023** there were 77 applications to the Family Foundation. 32 of these proceeded to joint session and 91% of those reached and signed agreement at the joint session.

## Viscount's Department

Department highlights included:

- Advocate Mark Harris was appointed Viscount in November 2023
- A major upgrade of a key piece of software
- Coroner and Court Services Team were Highly Commended in the Our Stars Awards for the Working in Partnership Award

Team highlights included:

- The coroner dealt with an increase in the total number of deaths. Approximately 50% of all deaths in Jersey in 2023 involved the Viscount as coroner
- Court Services completed 21 Assize trials, lasting 113 days with 1,575 jury summonses issued
- Insolvency and Delegates saw double the number of delegate appointments in 2023 from 2022
- The Enforcement team had more than £5billion worth of seized assets under management

## Law Officers' Department

Following an external review of the department and the Be Heard staff engagement survey, the Law Officers' Department achieved both Lexcel and Best Companies independent accreditation in 2023.

The Lexcel assessor identified 20 areas of good practice and five suggestions for best practice. Seven minor non-compliances were addressed during the assessment in October 2023. The assessor noted 'excellent communication within the department' and 'the exceptional level of team support' as particular highlights and stated that evidence from interviews with staff demonstrated that 'there is a genuine concern for the welfare of staff' within the Department.

These findings were echoed in the results of the Be Heard Staff Engagement Survey that took place in July, leading to accreditation for the Law Officers' Department as 'Officially a Very Good company to Work For'. The Department achieved a ranking in the top 10 Best Not-for-Profit organisations to work for in 2023, as highlighted on the Best Companies website: [Best Companies | Law Officers' Department Jersey Company Profile](#)

## Non-Ministerial Departments

The Department opened 1,715 new advice and prosecution files in 2023, an average of approximately seven work files a day. While the number of new matters opened does not provide a full picture of the activity of the Department, as new matters can take from a few hours to many hundreds or even thousands of hours to complete, the number is a useful indicator of the volume of work undertaken in terms of the number of requests for legal advice and prosecution files opened.

In the **Civil Division**, work in the Advice Team included working alongside Government colleagues in External Relations and Fisheries on the new fishing licence regime, winning the Working Together award at the 2023 Our Stars Public Sector Awards. Work in the Commercial and Contentious Team included preparation for MONEYVAL's Jersey assessment of 2023 which took up even more time in the Criminal Division. The Property Team's work included advice on extension projects to three Island schools: Les Landes, Mont à L'Abbé and St John's Primary School. Work in the Safeguarding Team was recognised in landmark judgments during the year including 'a best interest' case regarding a vulnerable young adult who lacked the capacity to receive the Covid and flu vaccinations.

In the **Criminal Division**, the Crown secured the first conviction under the Terrorism (Jersey) Law 2002 and achieved an unprecedented eight rape convictions. Working together with Revenue Jersey and colleagues in the Civil Division, the Department also secured a prosecution for failing to provide returns of information under the Income Tax (Jersey) Law 1961. The Economic Crime and Confiscation Unit had a number of notable successes, with the Court of Appeal granting the Attorney General's application for indemnity costs in the long-standing case of a corrupt former Nigerian army general and in March 2023 the Royal Court ordered the forfeiture of nearly £800,000 of tainted funds relating to Mozambique from a corrupt former civil servant. The Attorney General also secured \$12 million to be returned to Cambodia in what was described as 'the largest ever forfeiture of proceeds from the sale of stolen antiquities.' Proceedings were brought under the Civil Asset Recovery (International Co-Operation) (Jersey) Law 2007, demonstrating that this is a powerful additional weapon for Jersey in the fight against international financial crime and money-laundering. It reinforces the precedent set in the previous proceedings involving Doraville Properties Inc in 2020 whereby over US\$300 million was recovered and returned to the people of Nigeria.

## Office of the Lieutenant-Governor

The Office of the Lieutenant-Governor led or supported a number of Civic activities; hosted several thousand individuals within Government House and the Grounds; and conducted several hundred engagements with Charities and Organisations.

# Financial Review

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This Financial Review section provides a summary financial analysis of the consolidated group, with additional information about the performance of the “Consolidated fund” – through which most income and expenditure approved by the States Assembly flows.

Subsidiary Companies also produce their own annual reports which include more detail on their financial performance.

The Financial Review reflect adjusted comparatives as detailed in Note 4.5.



# Contents

<b>The States of Jersey Accounting Boundary</b>	<b>62</b>
Consolidated Fund	63
Core Entities	63
subsidiary entities	63
Public sector bodies outside of the Accounting Boundary	64
<b>Budgeting Framework</b>	<b>65</b>
<b>Consolidated Fund financial Performance</b>	<b>66</b>
Operating Balance	66
General Revenue Income (Taxes and Other Income Received)	66
Net Departmental Expenditure (Spending on delivering services for Islanders)	68
Capital and other Project Expenditure	70
Consolidated Fund Balance	71
<b>Group Financial Performance</b>	<b>72</b>
Group Income	72
Group Expenditure	73
Group Surplus/Deficit	74
Group Capital Expenditure	75
Group Balance Sheet	76
What Is The Balance Sheet	76
Breakdown of Assets and Liabilities	76
The Common Investment Fund	78
How we use our Balance Sheet	82

# The States of Jersey Accounting Boundary

The 2023 Annual Report and Accounts presents the financial outturn for the States of Jersey Group, as well as the outturn for the income and expenditure approved by the States Assembly. This section of the report provides background information about the services and activities those figures represent, setting out what is and what is not included in the Group and States of Jersey's accounts.

Government Departments	Non-Ministerial Bodies	Consolidated Fund	Core entities	Group			
Chief Operating Office	Bailiff's Chambers						
Children, Young People, Education and Skills	Judicial Greffe						
Customer and Local Services	Law Officers' Department						
Department for the Economy	Office of the Comptroller and Auditor General						
Health and Community Services	Office of the Lieutenant Governor						
Infrastructure, Housing and Environment	Official Analyst						
Justice and Home Affairs	Probation Department						
Office of the Chief Executive	Viscount's Department						
Strategic Policy, Planning and Performance							
Treasury and Exchequer							
The States Assembly and its Services	Other						
Assemblée Parlementaire de la Francophonie - Jersey Branch	Jersey Overseas Aid						
Commonwealth Parliamentary Association - Jersey Branch							
States Funds							
Dwelling Houses Loan Fund	Insurance Fund						
Assisted House Purchase Scheme	Jersey Reclaim Fund						
99 Year Leaseholders Fund	Climate Emergency Fund						
Agricultural Loans Fund	Fiscal Stimulus Fund						
Tourism Development Fund	Ecology Fund						
Channel Islands Lottery (Jersey) Fund	Social Security Funds						
Jersey Innovation Fund	Health Insurance Fund						
Housing Development Fund	Social Security Fund						
Criminal Offences Confiscation Fund	Social Security (Reserve) Fund						
Civil Asset Recovery Fund	Long-Term Care Fund						
Technology Accelerator Fund	Jersey Dental Scheme						
Strategic Reserve	Trading Operations						
Stabilisation Fund	Jersey Car Parking						
Currency Fund (comprising Jersey Currency Notes and Jersey Coinage)	Jersey Fleet Management						
Consolidated Subsidiary Companies							
States of Jersey Development Company (and its subsidiaries)							
Andium Homes Limited (and its subsidiaries)							
Ports of Jersey Limited (and its subsidiaries)							
Strategic Investments (not consolidated however elected to be held at Fair Value through other Comprehensive Income)							
Jersey Electricity PLC							
JT Group Limited							
Jersey Waterworks Company Limited							
Jersey Post International Limited							

## Consolidated Fund

General Revenues and Department Expenditure the Consolidated Fund is governed by the Public Finances (Jersey) Law 2019 and is the fund through which the majority of the States' income and expenditure is managed, including Net General Revenue Income and departmental income and expenditure.

The Government collects taxes and other levies to fund the provision of a wide range of public services which it administers. These include health care, education, social security, the administration of justice, the provision and maintenance of infrastructure, the protection of the environment and support for the economy, agriculture, fisheries, arts, culture and sport. These functions are primarily carried out by Government and Non-Ministerial departments.

## Core entities

In addition to the Consolidated Fund, the States can designate any distinct area of operation as a States Trading Operation. Estimates for Trading Operations are approved in the Government Plan.

In addition to the Consolidated Fund, the Public Finances (Jersey) Law 2019 names two States Funds – the Strategic Reserve Fund and the Stabilisation Fund. The Public Finances (Jersey) Law 2019 also allows the States to establish other States funds for specific purposes. These are usually established by legislation or a States Assembly decision. A full list of the funds and the net asset values held in them is provided later in this section. Social Security funds are also included as Core entities.

## Subsidiary entities

Three subsidiary companies are consolidated based on the level of control exerted by the Government of Jersey.

**Andium Homes Limited** The wholly owned social housing provider. It is Jersey's largest provider of affordable housing, managing more than 4,700 properties and providing homes for more than 10,000 Islanders.

**Ports of Jersey Limited** The wholly owned operator of the Island's Airport and Harbours, providing the strategic gateway infrastructure and associated services.

**The States of Jersey Development Company Limited** The wholly owned company responsible for the development and regeneration of States owned property no longer required for the delivery of public services.

The Government also owns controlling investments in the following utility companies:

- Jersey Electricity PLC
- The Jersey New Waterworks Company Limited
- JT Group Limited
- Jersey Post International Limited

In accordance with the interpretation of direct control applied in the Jersey Financial Reporting Manual ('JFRM') based on the States, Council of Ministers or a Minister exercising

in year control over operating practices, these entities are not consolidated in these accounts and are held as strategic investments. More information about the valuation of these companies is given in Note 4.11.

This judgement has been formalised in the Jersey Financial Reporting Manual ('JFRm'). It is planned to review the Accounting Boundary in coming years and expand the boundary in line with definitions under International Financial Reporting Standards ('IFRS').

## Public Sector Bodies outside of the Accounting Boundary

Some functions of government are carried out by public sector bodies that are outside of the Accounting Boundary (and so are not included in these accounts).

**Parishes** The Parishes perform various government functions, including refuse collection, provision of some parks and gardens and the issuing of some licenses. Details of the functions of individual parishes can be found on the Parishes' websites. [www.parish.gov.je](http://www.parish.gov.je)

**Trust and bequest funds** The States administers a number of trust and bequest funds. These funds commonly set defined purposes for the use of their assets, and so are not controlled by the States directly.

**Independent bodies** Independent bodies, including the Jersey Competition Regulatory Authority and the Jersey Financial Services Commission, for example, mainly provide supervisory and regulatory functions, and are established by legislation to be independent of the States of Jersey.

**Minor Entities** There are a number of smaller entities which fall within the accounting boundary of the States of Jersey Group but which are not consolidated as they are immaterial to the financial statements as a whole. These are referred to as "Minor Entities":

- Government of Jersey London Office
- Digital Jersey Limited
- Jersey Legal Information Board
- Jersey Business limited
- Bureau des Îles Anglo-Normandes
- Jersey Finance Limited
- Channel Islands Brussels Office
- Visit Jersey Limited

# Budgeting Framework

The Public Finances (Jersey) Law 2019 set out the basis for which Government finances are planned and the process by which authority is given to spend through the lodging, amendment, debate, and final approval of the Government Plan. The Government plan is the method by which general revenue income, departmental income and expenditure is approved by the States Assembly.

Spending from the Consolidated Fund is managed using expenditure limits which are set at a 'head of expenditure' level. Under the Public Finances (Jersey) Law 2019 a head of expenditure is defined as the particular purpose or subject, as set out in the government plan, in respect of which an amount appropriated under the plan may be spent in a financial year.

The Government Plan 2023-2026 included Heads of Expenditure for:

- Revenue (Departmental Expenditure) – primarily relating to the ongoing delivery of services for Islanders (approved net of departmental income)
- COVID-19 – a specific Head of Expenditure to collate costs relating to the response to the pandemic
- Reserve – for centrally held items (such as provisions for pay awards) expected to be allocated in the year, and amounts held against unforeseen events or one-off funding issues
- Capital and Other Projects – including expenditure on the development and replacement of the Island's assets, including Estates, Infrastructure, Equipment and IT.

The Government Plan also sets out estimates of States Income (General Revenue Income) for the year.

Once budgets are approved via the Government Plan, the Public Finances (Jersey) Law 2019, sets out the ways in which budgets can change. In summary these can be categorised below;

- The States may amend an approved Government Plan, only on a proposition lodged by the Council of Ministers.
- Allocation of budget from reserves.
- Re-allocation of budget between heads of expenditure.
- Transfer of budget to following years.

Financial Performance against these Heads of Expenditure, and changes to budgets in the year are reported on within the political accountability section of the Annual Report, under the statement of outturn against approvals.

Whilst the majority of public spending is through the Consolidated Fund and approved through the States, some spending is from other States funds and wholly owned companies and is not approved by the States.

Spending from funds is governed through the specific terms of each fund with expenditure largely attributed to social benefits payments from the Social Security funds. Estimates for funds are included in the Government Plan.

Wholly owned companies produce strategic business plans which are approved by the Minister for Treasury and Resources as shareholder, and include financial plans.

# Consolidated Fund Financial Performance

The Consolidated Fund is the fund through which the majority of the States' income and expenditure is managed, including Net General Revenue Income and departmental income and expenditure.

As Income and Expenditure from the fund are subject to approval by the States, performance is presented in line with those approvals, with further detail given in the Political Accountability Report.

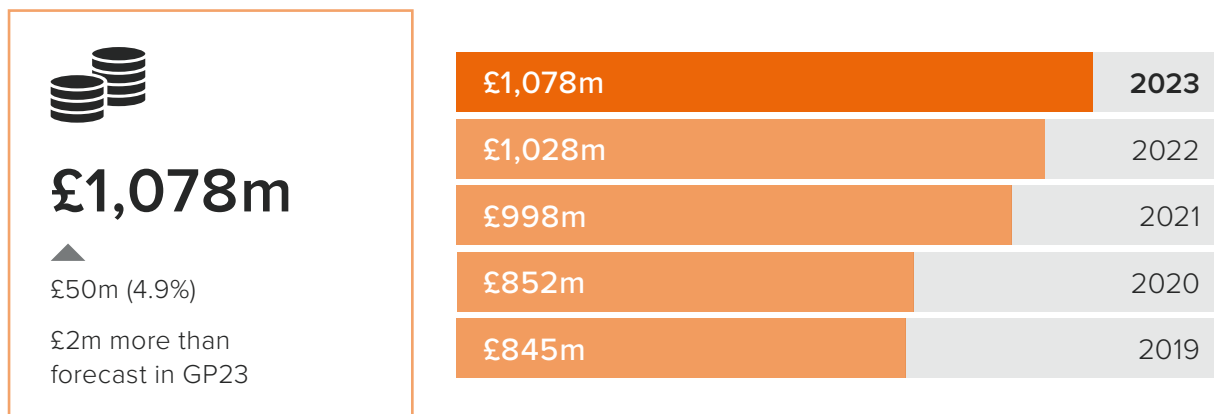
## Operating Balance

2022 Actual		2023 Government Plan	2023 Final Approved Budget <sup>4</sup>	2023 Actual	Difference from Approval
£'000		£'000	£'000	£'000	£'000
1,028,317 (873,361)	States Net General Revenue Income Departmental Net Revenue Expenditure	1,075,657 (989,244)	1,075,657 (1,049,829)	1,077,927 (1,019,582)	2,270 30,247
154,956 (54,835)	Net Operating Surplus Depreciation	86,413 (55,736)	25,828 (55,736)	58,345 (56,717)	32,517 (981)
<b>100,121</b>	<b>Operating Surplus/(Deficit)</b>	<b>30,677</b>	<b>(29,908)</b>	<b>1,628</b>	<b>31,536</b>

The Consolidated Fund generated a smaller surplus in 2023 than 2022, with expenditure increasing by £146 million and income by £50 million. Much of this was anticipated in the Government Plan 2023-2026 which forecast a £30 million operating surplus forecast. In addition, approvals unspent in 2022 were carried forward and used to meet pressures within the Health and Community services, the response to Major Projects and other emerging costs.

As set out in the Government Plan 2024-2027, deficits are expected in the next few years due in part to the high inflation environment and need to support Islanders through the cost of living crisis.

## General Revenue Income (Taxes and other Income Received)



<sup>4</sup> Reconciliation of Approvals provides a summary of the approved changes to the budgets approved by the States Assembly in the Government Plan to the Final Approved Budget

## Breakdown of Net General Revenue Income

	Movement from 2022	% of Total
<b>£764m</b> Net Income Tax	▲ £44m (6%)	71
<b>£116m</b> Goods and Services Tax (GST)	▼ (£2m) (-2%)	11
<b>£71m</b> Impôts Duties	▲ £4m (7%)	7
<b>£40m</b> Stamp Duty	▼ (£14m) (-37%)	4
<b>£16m</b> Island Rate	▲ £1m (11%)	1
<b>£17m</b> Other Income (Dividends)	▲ £5m (27%)	2
<b>£25m</b> Other Income (Non Dividends)	▲ £11m (43%)	2
<b>£29m</b> Other Income (Return from Housing Associations)	▲ £1m (2%)	3

Income Tax continues to be the largest element of General Revenue Income, and is made up of £623.5 million of personal tax and £142.2 million of Companies Income tax. Income Tax increased by 6% in the year, which is better than the estimate in the Government Plan 2023-2026 of £751.0 million.

The outturn is however £15 million lower than the latest forecast by the Income Forecasting Group which was included in the Government Plan 2024. This was partly due to Companies Income Tax being lower as growth in Financial Services profits was lower than estimated by the Fiscal Policy Panel. There were also adjustments to previous years' personal Tax assessments resulting in a net reduction of £5 million.

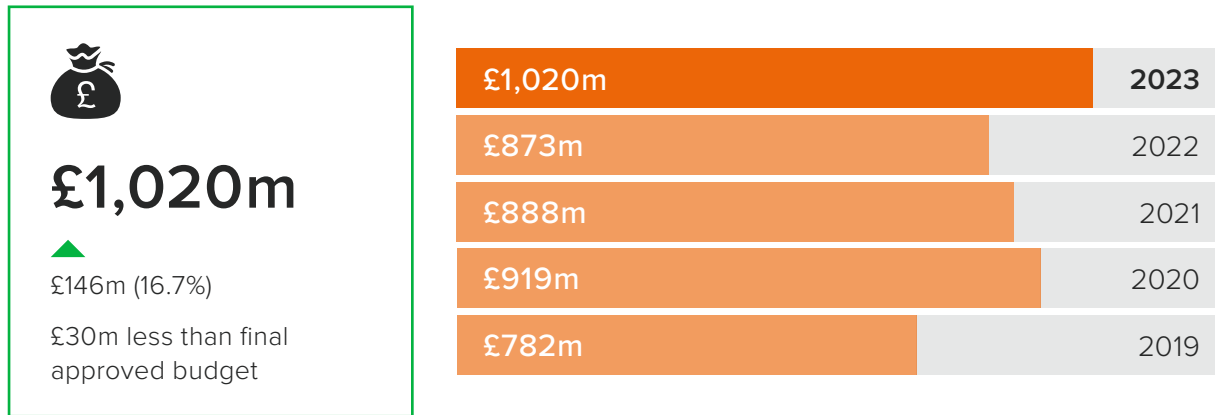
The Government Plan 2023-2026 did not take into account the slowdown in the housing market subsequently forecast by the FPP, and at £40 million the outturn was £22 million less than the original estimate. The latest forecast did anticipate some of this reduction, but results were even more muted. This was driven both significantly lower transaction volumes, and also stagnant prices. There continues to be challenges in the market, and future forecasts will consider the risks (and potential upside) around the timing of a recovery in housing transactions.

Impôts increased by 7% in the year. The Government Plan 2023 did not reflect the lower levels of Impôts seen in 2022 in the forward forecast, and so results were £5.7 million lower than estimated in the Plan. An even greater decrease had been anticipated in the latest forecast, but stronger revenues on Tobacco duty in particular have mitigated this.

Dividend income increased by £10 million in the year – this was due to one-off dividend income from JT, anticipated in the Government Plan 2023-2026.

GST was relatively flat compared both to 2022, which was better than anticipated in the Government Plan 2023 and broadly in line with the latest forecast.

## Net Departmental Expenditure (Spending on delivering services for Islanders)



## Breakdown of Net Revenue Expenditure by Department<sup>5</sup>

Department	2023 Expenditure (£m)	Movement from 2022	% of Total
Health and Community Services	£303m	▲ £56m (23%)	30
Children, Young People, Education and Skills	£201m	▲ £25m (14%)	20
Customer and Local Services	£97m	▲ £5m (5%)	9
Treasury and Exchequer	£71m	▼ (£4m) (-5%)	7
Cabinet Office	£71m	▲ £15m (27%)	7
Infrastructure	£54m	▲ £18m (50%)	5
Justice and Home Affairs	£43m	▲ £11m (34%)	4
Economic Development, Tourism, Sport and Culture	£35m	▲ £5m (17%)	3
States of Jersey Police Service	£32m	▲ £6m (23%)	3
Jersey Overseas Aid	£18m	▲ £3m (20%)	2
Environment	£11m	▼ (£1m) (-8%)	1
Financial Services	£8m	▲ £2m (33%)	1
Ministry of External Relations	£3m	— £0m (0%)	0
Non Ministerial States Funded Bodies and the States Assembly	£38m	▲ £5m (15%)	4
Covid-19 Response	£18m	▼ (£25m) (-58%)	2
Past Service Pension Liability Refinancing	£14m	▲ £23m (256%)	1
Healthcare Facilities - Financing Costs	£3m	▲ £3m	0

<sup>5</sup> No adjustments have been made for services which have been transferred between departments.



## Financial Review

Department Net Revenue Expenditure saw an increase of £146 million (16.7%) in the year, rising to over £1 billion. Much of this was anticipated in the Government Plan 2023, which included provisions for £59 million of inflation and £53 million of revenue expenditure growth. In addition, there have been additional costs relating to pressures in the Health Service (£32 million) and the response to Major Incidents (£12.6 million), mostly relating to SoJ Police and the Justice and Home Affairs departments.

Spending on the response to COVID has decreased as we move out of the pandemic. Financing costs for the past service were previously met from departmental heads of expenditure, and in 2022 there was one-off income relating to refinancing of the debt.

## Breakdown of Net Revenue Expenditure by Type

Movement from 2022

(£110m)	Income	▼ £13m (-11%)
£131m	Social Benefit Payments	▲ £4m (3%)
£583m	Staff costs	▲ £71m (14%)
£328m	Other Expenditure	▲ £50m (18%)
£69m	Grants and Subsidies Payments	▲ £1m (1%)
£19m	Financing	▲ £8m (73%)

The most significant increase was in staff costs (£71 million), which was driven by both the 7.9% pay award and an increase in staff numbers in the organisation. Further detail on changes in staffing are set out in the remuneration report. Other Expenditure also increased by £50 million (18%), which is a result of inflation and other pressures on specific departments, as commented on above.

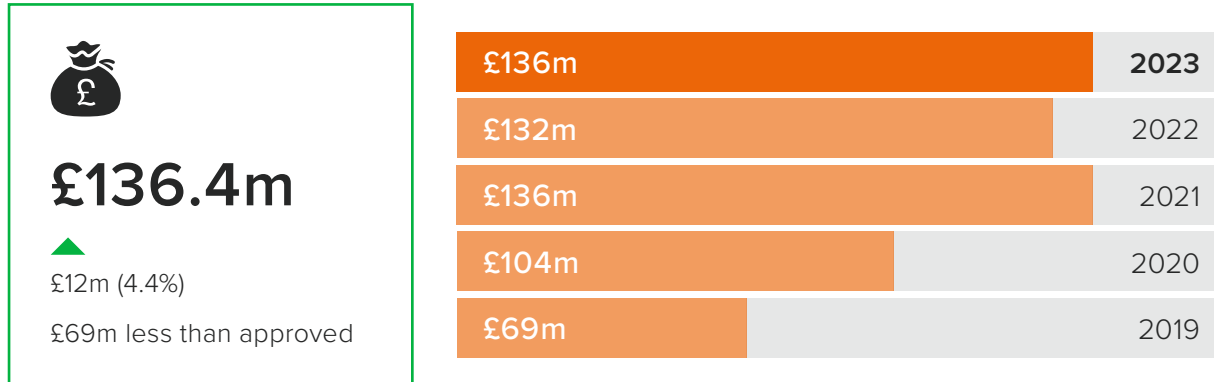
## Value for Money

The Government Plan for 2023 set out a Value for Money programme and corresponding financial implications. For 2023, £7 million of the £10 million target was to be delivered by not allocating the full amount of non-pay inflation to departments. A further £3 million was removed from departmental budgets for which departments have been required to deliver through Value for Money activities.

In addition to the Value for Money programme, the Health and Community Services Department has put in place a Medium-Term Financial Recovery Plan (FRP) to address existing and anticipated cost pressures. In 2023 the Department delivered £3 million of savings to offset pressures within the service.

A further £10 million of savings are planned in each of financial years 2024-2026 in addition to the HCS FRP, with departmental budgets for 2024 being adjusted in the Government Plan 2024-2027.

## Capital and other Project Expenditure



This includes both Capital Spend and revenue expenditure on projects.

£m	Budget	Spend
Estates	60.3	26.0
Feasibility	4.0	0.7
Infrastructure	28.3	24.2
Information Technology	42.2	34.8
Replacement Assets	12.8	12.4
New Healthcare Facilities	51.5	38.3
Others	6.6	
<b>Total</b>	<b>205.7</b>	<b>136.4</b>

Capital and other projects were £69 million less than the available approval. There are several projects which were underspent during 2023, most notably:

- Upgrade to Children, Young People, Education and Skills Policies Estates: Underspend of £11 million due to a re-prioritisation exercise.
- Jersey Opera House: Underspend of £7 million due to work commencing later than originally expected.
- Sports facility updates: Underspend of £5 million due to collapse of construction contractor.
- New Healthcare facilities: Underspend of £13 million (funded from the Strategic Reserve) due to various reasons including delayed purchase of sites, lower professional fees, and no drawdowns from contingency reserves required.
- Reserve for central risk and inflation: Underspend of £6 million due to limited drawdowns on this reserve required.

Part of the remaining £30 million of unspent approvals will be released to maintain the Consolidated Fund balance at the levels forecast in the Government Plan, and to address other pressures, such as the purchase of the Seaside Café at Greve de Lecq. In addition, there is a planned release of £20 million set out in the Government Plan.

## Consolidated Fund Balance

At the end of 2023, the unallocated consolidated fund balance was £94.7 million, which is a slight decrease from the 2022 balance of £99.6 million and in line with the forecast in Government Plan 2024. Based on the Government Plan 2024-2027, this balance will be used in the next few years to allow higher levels of capital investment in the Government's assets, this can be affected by tax revenue over the period.

# Group Financial Performance

## Group Income<sup>1</sup>



## Breakdown of Revenue

Revenue Component	Value (£m)	Movement from 2022	% of Total
Taxation Revenue	£881m	▲ £42m (5%)	56
Social Security Contributions	£288m	▲ £19m (7%)	18
Island rates, duties, fees, fines and penalties	£141m	▼ (£7m) (-5%)	9
Earned through operations	£247m	▲ £20m (9%)	16
Investment Income	£24m	▲ £89m (6%)	1

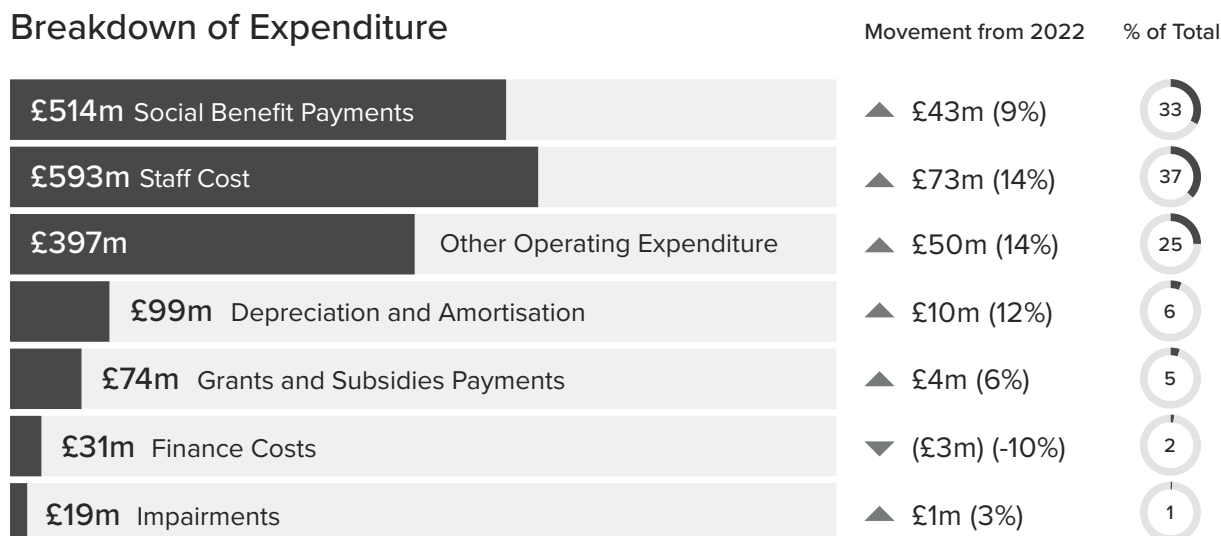
Group Income increased by 6% in 2023, which was lower than the level of inflation seen in the year. Most types of income lines did increase, but Stamp Duty was 27% lower than 2022, due to the slow-down in the Housing Market.

<sup>1</sup> All comparative figures have been restated in previous years for the accounting policy update of the Common Investment Fund accounting.

## Group Expenditure<sup>2</sup>



## Breakdown of Expenditure



Group expenditure increased in the year by 11% in 2023, above the level of inflation. In particular staff costs increased by 14% as a result of both the 7.9% pay award made to States employees and an increase in people employed. More detail is included within Part 2 Remuneration and Staff Report of this document.

Since 2019 total spend has increased by 31%, growth slightly faster than general inflation. This is mainly driven by growth in departmental expenditure and services, as approved by the States Assembly in the relevant Government Plans.

<sup>2</sup> All comparative figures have been restated in previous years for the accounting policy update of the Common Investment Fund accounting.

## Group Surplus/Deficit

<p><b>£144m</b> <b>Deficit</b></p> <p>£205m Surplus after Investment Gains</p>		<b>-£144m</b>	<b>2023</b>
		-£56m	2022
		-£80m	2021
	<b>-£263m</b>		2020
		-£12m	2019

The Group has been recording deficits since the COVID-19 pandemic, initially because of additional spend to respond to the pandemic and protect islanders and the economy. As we have moved out of the pandemic, deficits have continued primarily due to the ongoing suspension of the States Grant to the Social Security Fund (impact of £77 million), which meant that some contributory benefits were met from investment returns rather than taxation.

In 2022 this was offset by a significant operating surplus in the Consolidated Fund as general revenue income exceeded forecast, whilst in 2023 the fund was at break-even, as set out later in this section. Revenue Expenditure relating to capital and other projects (£30 million) is also included in 2023.

The overall deficit also includes impairments of the Social Housing stock as a result of a downward valuation held by Andium Homes of £31 million. This is due to the impact of restricted rents and economic factors in the valuation method, and not the quality of the stock.

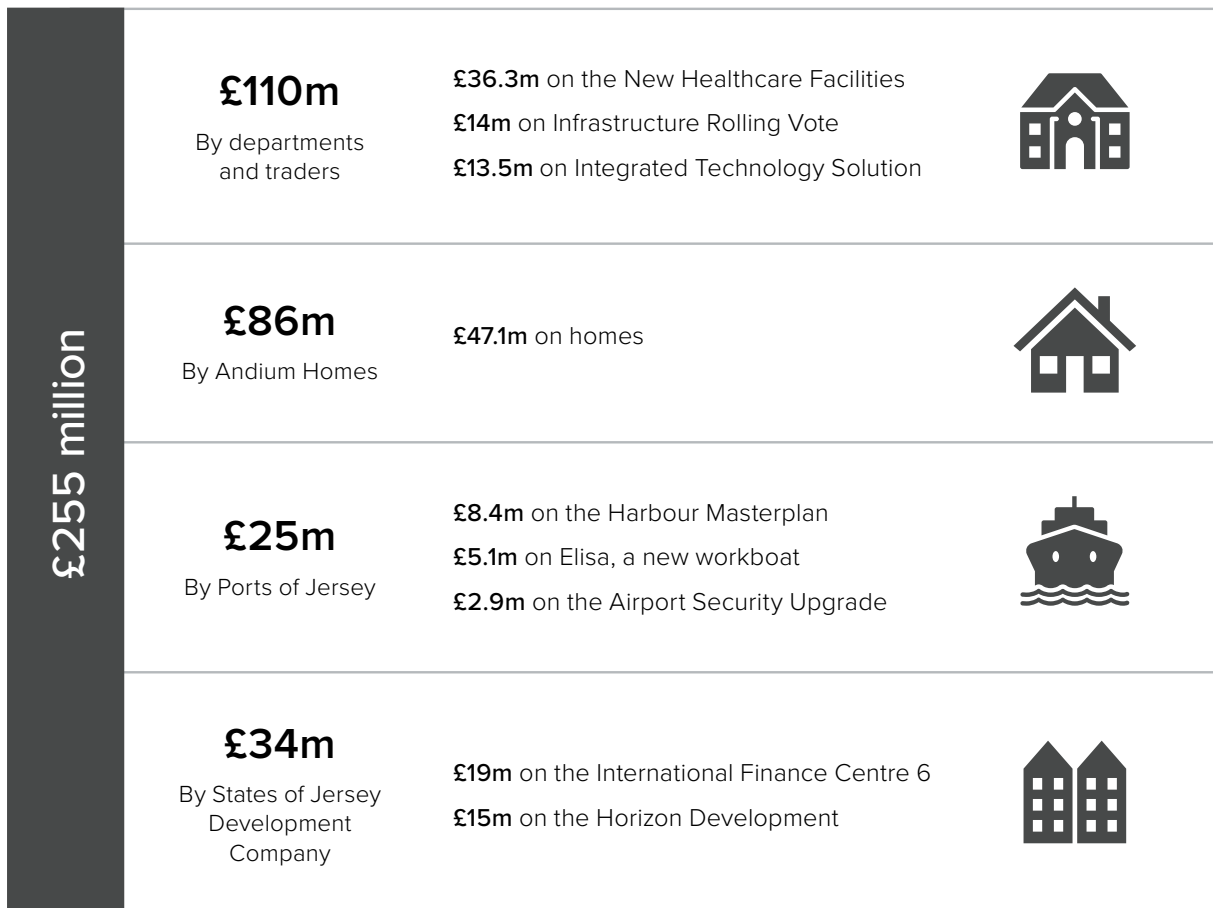
The Government Plan 2024-2027 anticipates decreasing deficits from 2024, returning to overall surplus in the latter years of the plan by introducing the States Grant whilst maintaining balanced budgets. This is important for the sustainability of public finances, with day-to-day expenditure beginning financed through revenue rather than investment returns.

Deficits are shown before investment gains/losses, which are generally more volatile. In 2023 the Group made net gains of £349 million, compared to losses of £220 million in 2022.

## Group Capital Expenditure



During 2023, the Group continued to invest in the Island’s infrastructure through £255 million of capital expenditure (£273 million in 2022). This is equivalent to 5.6% of the value of property plant and equipment held and exceeds depreciation, leading to an increase in the overall value of our Island’s infrastructure.



## Group Balance Sheet

### What is the Balance Sheet?

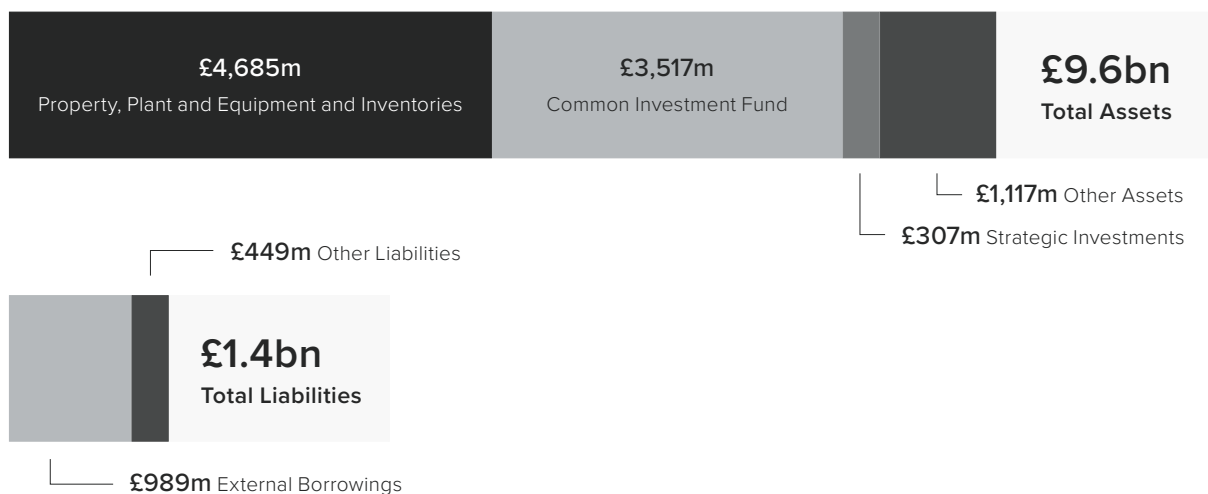
The balance sheet provides a snapshot of the States financial position, setting out what we own, what we owe and what is owed to the States at that point in time. The difference between the two represents the government’s “net assets” or “net worth”.

The values of assets and liabilities are measured in accordance with Accounting Standards, and generally reflect their market values or replacement values.

The balance sheet is comprised of four main components:

- 1. Non-current assets:** This considers the longer-term assets that we have available to deliver services and outcomes. It includes the buildings that we own, along with other equipment that will be used over many years (e.g. IT, vehicles, roads, sea defences, and other infrastructure), the long-term strategic investments that we have made to deliver a return, and loans that we have issued to other organisations.
- 2. Working capital or net current assets:** These represent the net day-to-day resources available to us. These include the cash that is held in our bank accounts, the amount owed to us from creditors within the next 12 months; as well as the amount we need to repay to individuals and organisations within the next 12 months.
- 3. Non-current liabilities:** Our liabilities include loans and bonds that have been taken out to fund capital projects and any other provisions that we need to make because of past actions and activities where there is a strong obligation that these will need to be repaid.
- 4. Taxpayers’ equity:** Taxpayers’ equity represents the accumulation of previous surpluses and deficits and is equal to the total net assets that we hold.

### Breakdown of Assets and Liabilities





## Financial Review

At the end of 2023, total assets (what we own) of £9.6 billion is more than total liabilities (what we owe) of £1.4 billion. This means the Group has a net asset position of £8.2 billion, an increase of £224 million (2.8%) from 2022. This was driven mostly by investment returns and revaluations.

The majority of the States assets are property, plant and equipment of £4.6 billion (up £118 million, 3% from 2022), which includes the Island's infrastructure assets, land and buildings and the social housing stock administered by Andium Homes Limited. External valuations were carried out in 2023 on land and buildings, social housing and infrastructure assets resulting in upwards revaluations of £99.9 million offset by downwards movements of £63.4 million.

### Breakdown of Property and Other Fixed Asset Values

	Movement from 2022
£1.5bn Networked Assets (inc Land)	▲ 5%
£1.0bn Social Housing (inc Land)	▲ 3%
£745m Buildings	▼ -2%
£380m Land	▼ -3%
£368m Other Structures	▼ -1%
£363m Assets under Course of Construction	▼ -4%
£144m Other	▲ 30%

The second biggest group of assets is Financial Assets of £3.8 billion (2022: 3.6 billion), including the investment holdings of the Strategic Reserve and Social Security Funds.

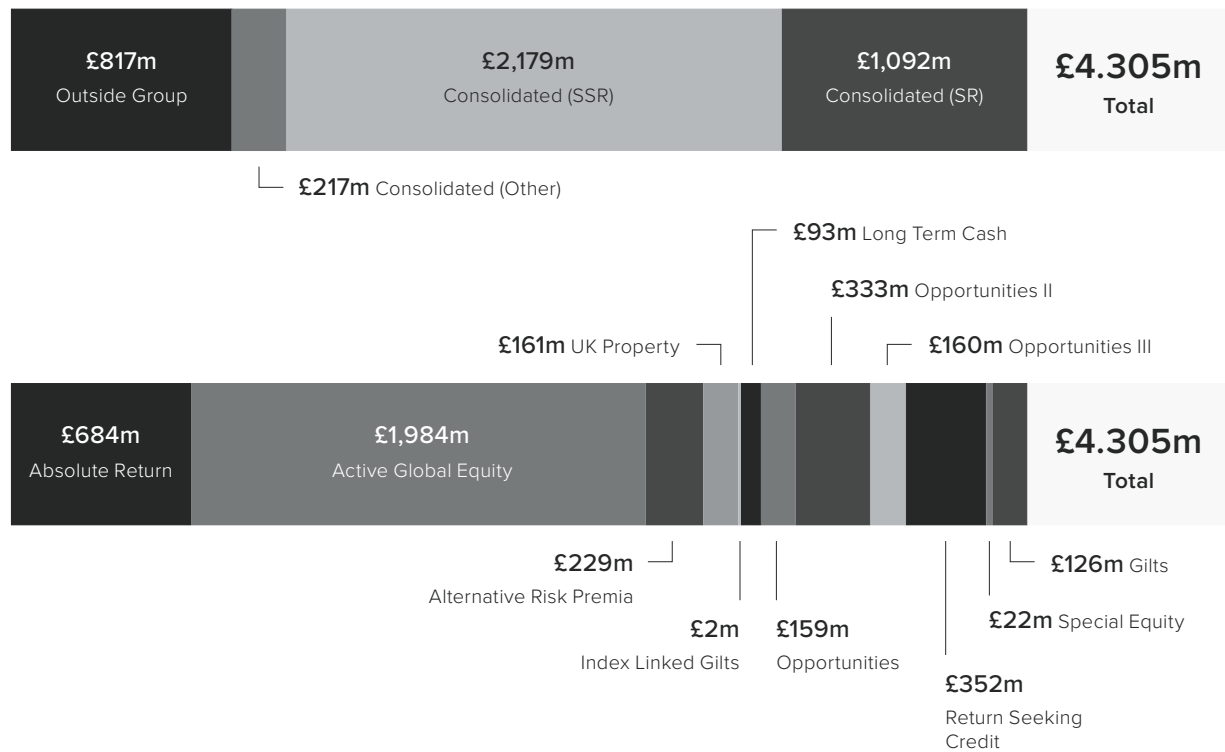
## The Common Investment Fund

The Government of Jersey operates its investment through the Common Investment Fund (“CIF”), a pooling arrangement designed to capture economies of scale and enable the effective risk management of the portfolios of Funds it administers. Some Funds which participate in the CIF are outside the direct control of the GoJ and therefore not consolidated in these accounts – most notably the Jersey Teachers Superannuation Fund who produce and publish their own accounts.

Each Fund operating through the CIF follows an investment strategy, collated into an Investment Strategy document presented to the States Assembly by the Minister at least annually and published online, the most recent strategy was presented to the States in November 2023 ([R.168/2023](#)).

Each Fund has its own investment strategy specific to that Fund and designed to meet its individual objectives, such as to protect capital value, provide liquidity or grow over time. The asset allocation and performance of the CIF in total is an amalgamation of these underlying Fund level investment strategies and, in particular, of the two largest invested Funds, the Strategic Reserve Fund (‘SR’) and Social Security Reserve Fund (‘SSR’), which make up over 90% of the investment portfolio consolidated within these accounts. The following chart illustrates the total value of the CIF as of the year end.

## CIF Investment Holdings



## Market background

Global equities generated positive returns over the last twelve months, rising sharply particularly over the first half and last quarter of 2023. Inflation began to moderate in

most major economies as the global economy proved to be more resilient than previously anticipated. The rally in Information Technology stocks was a major contributor to equity market gains in 2023, as investor excitement over artificial intelligence grew.

Over the last year, to gain control on inflation, the Bank of England (BoE) raised its benchmark interest rate cumulatively by 175 basis points to 5.25%. The US Federal Reserve increased its benchmark interest rate by 100 basis points to a range of 5.25%-5.5%, representing the highest level in more than 22 years. The European Central Bank raised its deposit rates by 200bps to 4%, touching an all-time high.

Despite the central banks interest rate hikes implemented to temper the inflationary environment, typically a headwind for fixed income assets, the portfolio has done well generating positive returns. With credit spreads narrowing towards year end due to lower-than-expected inflation expectations.

As economic activity shows signs of slowing even in the US, which was resilient in 2023, pressures on companies and consumers are anticipated to build. The CIF however remains well diversified to ride out the volatility as demonstrated over the past few years, as one of the focuses of TAP's actions has been to widen sources of return and reduce the reliance on equities.

### Summary of CIF performance

2023 was a strong year for the CIF with the combined portfolio generating an overall net return of 10.7%, ahead of its market benchmark which returned 9.4%. Although the 2023 accounts and commentary will necessarily focus on the performance over the course of a single year, the States of Jersey is a long-term investor reflecting time horizon of the largest Funds. Although volatility is expected on an annual basis, the States is able to hold assets through periods of volatility to generate superior long-term investment returns.

Reflecting the long term aims and strategy of the portfolio, returns are best reviewed over a long-term time horizon. Over 5 years, the CIF has generated positive annualised returns, net of all fees, of 6.9%, though this is marginally behind benchmark by 0.5%. Since inception in 2010, the annualised performance of the portfolio remains high at 7.4% and ahead of benchmark by 0.1%.

The two largest States Funds, the Social Security (Reserve) and Strategic Reserve both performed well during the year. Social Security (Reserve) ended the year with a portfolio valued at £2,179 million having added £237 million of investment returns during the course of 2023. The Strategic Reserve closed the year with a portfolio valued at £1,092 million, having added £99 million of investment returns over the same period.

For the year, all Pools except the Property Pool delivered positive absolute returns. The main contributor to absolute performance was the CIF's equity allocation both as a result of positive equity returns and the fact equities are the largest component of the CIF

The CIF's equity managers returned 17.2% over the year vs a benchmark of 15.9%. Longer-term performance remained strong, with the Equity Pool having returned 10.7% per annum since inception, marginally ahead of the Morgan Stanley Capital International (MSCI) benchmark. The MSCI is used to compare performance of equities in emerging markets. The CIF's portfolio is diversified by exposure to managers with investment different styles. This ensures that returns are generated in a broad range of market conditions. The "growth" equity portion of the portfolio drove the majority of the year's excess returns over benchmarks. This was the sector

## Financial Review

with the greatest return for both the Fund and the markets generally, characterised by the remarkable performance of a very small number of technology companies.

The Absolute Return funds performed very strongly, with a return of 7.3% exceeding benchmark by 4.8%. Overall performance was in line with target, although performance varied by strategy.

During the year the CIF restructured its approach to fixed income, replacing the absolute return bond pool with a return seeking credit class. The Return Seeking Credit Pool did outperform its benchmark by 2.6% over its first quarter, generating a return of 3.9%.

The Treasury Advisory Panel, who advise the Minister and Treasurer, will continue to monitor the CIF's long-term strategic aims and individual managers closely and remain confident that the portfolio remains well positioned to meet our long-term investment objectives for the public of the Island.

## Strategic Reserve

£1,090m	2023
£992m	2022
£1,032m	2021
£968m	2020
£906m	2019

The Strategic Reserve increased in value by 10.8%, driven by positive investment returns, more than recovering the decrease in value caused by more difficult investment conditions in 2022.

## Social Security Reserve Fund

£2,179m	2023
£2,031m	2022
£2,264m	2021
£2,093m	2020
£1,983m	2019

The Social Security Reserve also saw positive investment returns in the year, although a transfer of £89 million to the Social Security Fund to offset the pausing of the States Grant meant that the fund grew at a slightly slower rate than otherwise. The pausing of the grant meant that the Social Security Fund spent more on benefits than the income received into the fund.

Social Security contributions from employers and employees increased by £25 million (9.8%)

## Financial Review

to £280 million and the long-term care charge remained at roughly £70 million. Social benefits payments from the funds increased by £40 million (10.8%) to £417 million.

57% of social benefits spend out of the Funds is on old age pensions which increased by £12 million (5.2%) in 2023 to £240 million, due to the uprating of the benefit and changes in the numbers of pensioners. Rates of other benefits were also uprated.

Health benefits also increased as a result of decisions by the Social Security Minister to provide extra support for Islanders, including the provision of a £20 reduction in individual's cost of GP surgery appointments, and free access to surgery consultations for children under the age of 18.

An actuarial review of the Social Security Fund and the Social Security Reserve Fund was completed in 2023. The Fund remains in good health and is expected to be able to pay benefits out for several decades under a range of scenarios considered. The Fund balance is projected to be stable relative to annual expenditure in the short term, and decrease gradually in the medium to longer term if there are no shocks to migration trends.

## States Fund Balances

Net Assets for each States Fund (other than the Consolidated Fund) are shown in the table below. The detailed purpose of each fund is summarised in a supporting document to the Public Finances Manual.

States Funds Net Asset Values	2023	2022
	£'000	£'000
Strategic Reserve Fund	1,089,621	991,919
Stabilisation Fund	584	571
Insurance Fund	5,929	7,335
Dwelling Houses Loans Fund	1,716	1,662
Assisted House Purchase Scheme	301	300
99 Year Leaseholders Fund	837	837
Agricultural Loans Fund	574	579
Tourism Development Fund	17	17
Channel Islands Lottery (Jersey) Fund	1,201	1,612
Jersey Innovation Fund	868	848
Housing Development Fund <sup>3</sup> (HDF)	(14,593)	(14,303)
Criminal Offences Confiscation Fund	1,298	1,609
Civil Asset Recovery Fund	248	44
Ecology Fund	503	457
Dormant Bank Accounts	-	-
Currency Fund	10,564	6,056
Climate Emergency Fund	10,947	10,362
Fiscal Stimulus Fund	-	-
Technology Accelerator Fund	18,793	19,770
Social Security Fund	84,887	69,858
Social Security (Reserve) Fund	2,178,738	2,030,724
Health Insurance Fund	111,800	104,696
Long-Term Care Fund	45,081	49,375
Jersey Dental Scheme	39	33

<sup>3</sup> The HDF holds the bond relating to social housing. Due to the profile of drawdown expenses exceeded income in earlier years. Interest rates for onward lending have been set to ensure the fund balance increases to allow repayment of the bond in due course.

## How we use our Balance Sheet

The Government of Jersey uses its balance sheet for several purposes:

**To deliver of social and economic outcomes** we own assets to deliver services such as roads, schools, social housing and health care facilities. We also have associated liabilities.

**To manage risks and deliver resilience**, for example by holding a Strategic Reserve to protect from major shocks or disasters.

**To help manage intergenerational costs**, by borrowing to spread the cost of long-lasting infrastructure across the generations that use them, or build funds for future pressures – for example the Social Security Reserve to protect against the increasing costs of the old-age pension as the population ages.

The assets and liabilities on the Balance Sheet can be grouped into three classifications based on the primary purpose of the asset or liability.

**Social assets and liabilities** are held to support the delivery of public services such as schools, roads, hospitals and housing. Social assets are mainly managed by government departments, but also Andium Homes. Social assets are the largest component of the balance sheet (58% of assets).

**Financial assets and liabilities.** Assets are predominantly held against obligations for future expenditure, or to manage risks and deliver resilience. Liabilities include borrowing by the government to fund investment.

**Commercial assets and liabilities:** the assets and liabilities of the entities that carry out commercial activities and are expected to act as successful businesses. This includes Ports of Jersey the States of Jersey Development Company, but also the Strategic Investments held in other States Owned Entities.

## Balance Sheet Infographic

£1bn Commercial



# Sustainability Report

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## Sustainability Reporting Improvements

This Sustainability Report is the eleventh to be included in the Annual Report and Accounts, in line with the Government of Jersey Financial Reporting Manual (JFRoM).






The Public Finances (Jersey) Law 2019 requires the Council of Ministers to consider the sustainable wellbeing of the inhabitants of Jersey over successive generations when they prepare the Government Plan. This is defined in three parts:



Whilst this year has seen positive action, there is further to go. In 2023, whilst acknowledging that sustainability reporting had improved, the Comptroller and Auditor General's report laid out further reporting recommendations and considerations which have been taken into account, where possible. This includes:

- Providing GoJ **targets** for energy and waste reduction, where possible
- Looking to provide **comparative data** on some of the key indicators
- Ensuring links with the Jersey Performance Framework.

Over the coming years, we will continue to:

 <p><b>Distinguish more clearly</b> between sustainability achievements in an Island-wide context through policy and the services we provide, and that of our internal operations.</p>	 <p><b>Improve alignment with best practice methodologies</b>, whether between relevant departmental service performance measures and Island Indicators on the Jersey Performance Framework or internationally recognised frameworks.</p>	 <p><b>Improve systems, data and real-time reporting</b> to feed organisational decision-making and enhance responsiveness.</p>
 <p><b>Develop minimum sustainability reporting standards across the wider States of Jersey Group</b>, including Jersey Overseas Aid, Andium, Jersey Development Company, and Ports of Jersey.</p>	 <p><b>Ensure reporting is meaningful</b>; review and include insightful and relevant metrics, e.g. carbon intensity measures, to aid benchmarking.</p>	 <p><b>Include future-orientated risk-based disclosures.</b> This will mean a shift towards scanning the horizon for climate-related risks and opportunities against a variety of warming scenarios, and calibrating our trajectory as an organisation and Island accordingly.</p>



A range of models exist to guide organisations in this arena. However, best practice is in the process of converging on a small pool of internationally endorsed choices. Through 2024, the Government of Jersey will continue to explore these initiatives to see which best apply to a Jersey context, and how we can align. The complexity of landscape, data collection and analysis involved means that this will be a multi-year reporting improvement journey.

## Environmental Sustainability

### Decarbonisation and Emissions

Jersey has lower carbon emissions per capita than other jurisdictions as the Island has little manufacturing or Island based power generation. Moreover, our grid is highly decarbonised, much of our electricity being sourced through French renewables. However, as an organisation, there are still significant pockets of emissions that we are tackling.

#### Our Strategy

In 2022, the Government of Jersey established a programme of organisational decarbonisation, as laid out in the Carbon Neutral Roadmap, alongside the wider Island reductions programme.

#### Carbon Neutral Roadmap – EN1, Decarbonising Government of Jersey

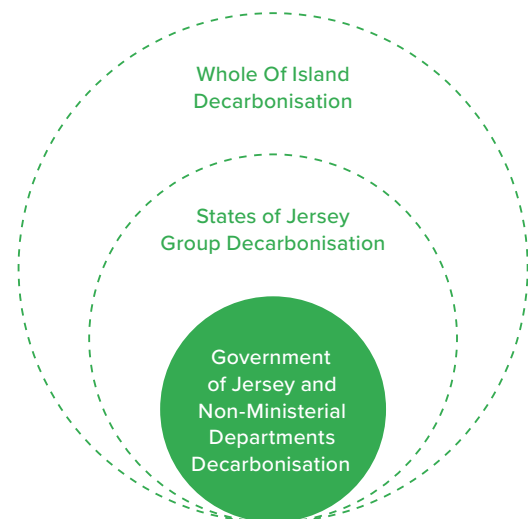
Sets out how **Scope 1 and 2** departmental operational emissions will reduce for us as an organisation, through:

- Emissions targets, following the Island's step-down targets of -68% by 2030, -78% by 2035 and net zero by 2050.
- Wider facilitation of decarbonisation thinking and joined-up practice across the Government of Jersey.

Owing to the unique nature of government, some of these emissions (i.e., from Island infrastructure), and their corresponding reductions, cross over with the wider Island decarbonisation programme. The majority are however being tackled directly by a dedicated Decarbonisation Unit.

In 2023, the Unit continued to evolve the strategy and implement projects to reduce carbon emissions, setting the government on its path for 2030 and beyond. This included:

- Identifying baselines and key areas of emissions, primarily around buildings and vehicles, plant, and equipment
- Supporting departments to develop detailed action plans and costings for tackling reductions over the next six years
- Delivering initial actions to begin decarbonising operations by 2025.



Into 2024 this will also include:

- Securing funding routes for decarbonisation initiatives
- Integrating sustainability into business planning, procurement, and operations.

Our decarbonisation strategy focusses on electrification, with uptake of biofuels as a temporary, transition solution. The cost of electrification is much higher, on average, than retrofitting for biofuels, which can be deployed via minor upgrades to existing systems. However, long-term electrification is more sustainable, due to complex factors around biofuels, e.g. land use, monocropping and surety of certification.

As property sites, and vehicle, plant and equipment assets become due for a full refurbishment or replacement, electrification will be undertaken, where feasible. However, for those sites and assets yet to reach this end-of-life stage, biofuels will be deployed within existing infrastructure to allow us to extract interim emissions reductions, until they are ready for electrification.

Overall, it is recognised that significant investment and prioritisation will be required to meet decarbonisation targets, both at an Island level and for government as an organisation. We will also continue to develop additional emissions measures around carbon intensity, such as CO<sub>2</sub>e/m<sup>2</sup>, to better benchmark and manage our organisational performance.

### Progress in 2023

The Government of Jersey has reported on carbon emissions from departments via its annual Sustainability Report since 2013. This includes energy consumption and its carbon dioxide equivalent (CO<sub>2</sub>e) for Scope 1 and 2 emissions, along with some Scope 3 emissions in the form of commercial air travel. Where possible, we compare the data with both the 2019-2021 baseline, as well as previous years, and a three-year average has been applied to account for uneven impacts of major events, seasonality, and year-end bulk-purchasing of heating oil.

As part of our work, we are continuously developing our relationship with external suppliers to review and improve the data that we use to collate figures on energy consumption, emissions, spend and air travel.

#### What are Scopes?

**Scope 1** = the emissions from owned or operated assets (for example, the fumes from the exhaust of a fleet vehicle)

**Scope 2** = the emissions from purchased energy

**Scope 3** = the emissions from everything else (suppliers, distributors, product use, etc.)

Source: Greenhouse Gas Protocol

### Reporting Categories

The Government of Jersey's emissions comprise two broad reporting categories:

- 'Core organisational emissions':** property, vehicle, plant and equipment emissions over which government and non-ministerial departments have direct operational control.

Sustainability Report

- ii. **‘All organisational emissions’:** core organisational emissions + waste processing. (Note: Waste processing emissions are contingent on waste arising from the whole Island, not just from government departments).

A further detailed breakdown of consumption, emissions and spend can be found in the data tables at the end of this report.

Reference to ‘departments’ throughout this report refers to both ministerial and non-ministerial departments.

## Core Organisational Emissions in 2023

The Government of Jersey met its 2023 target of a 15% decrease in core emissions, with an overall 16% reduction in emissions against the 2019-2021 baseline of 12.5ktCO<sub>2</sub>e. Although the target was reached, core organisational emissions increased by 3% from 2022. These increases are principally due to the continued reliance on fossil fuels within the estate, in part being the product of the first full operational year post Covid-19.

Core organisational Emissions Targets vs Actual Reductions (ktCO<sub>2</sub>e)



**83.1m kWh**  
Energy consumption

**10.5 ktCO<sub>2</sub>e**  
Emitted

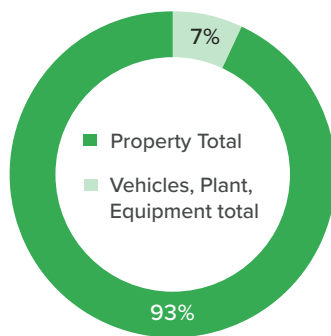
**£10.2m**  
Spent on energy

### Charts showing 2023 breakdown in consumption, emissions and spend by asset type

The proportionality of energy consumed by the organisation has changed slightly in 2023 with vehicles, plant and equipment increasing their consumption by 1% compared to 2022. There has also been a slight increase in the fleet energy spend. Although vehicles, plant and equipment have consumed more energy and have spent more in 2023 compared to 2022, the amount of emissions generated has still fallen, due to the increased use of biofuels.

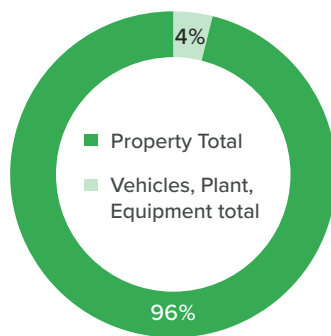
#### Energy consumption (kWh/yr):

Property vs vehicles plant and equipment



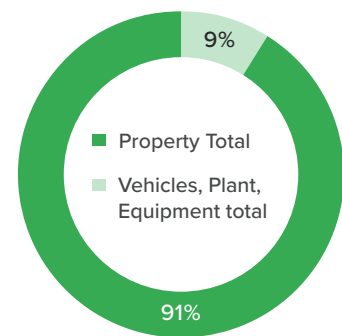
#### Core organisational emissions (ktCO<sub>2</sub>e):

Property vs vehicles, plant and equipment (Exc Waste Processing)



#### Energy spend (£):

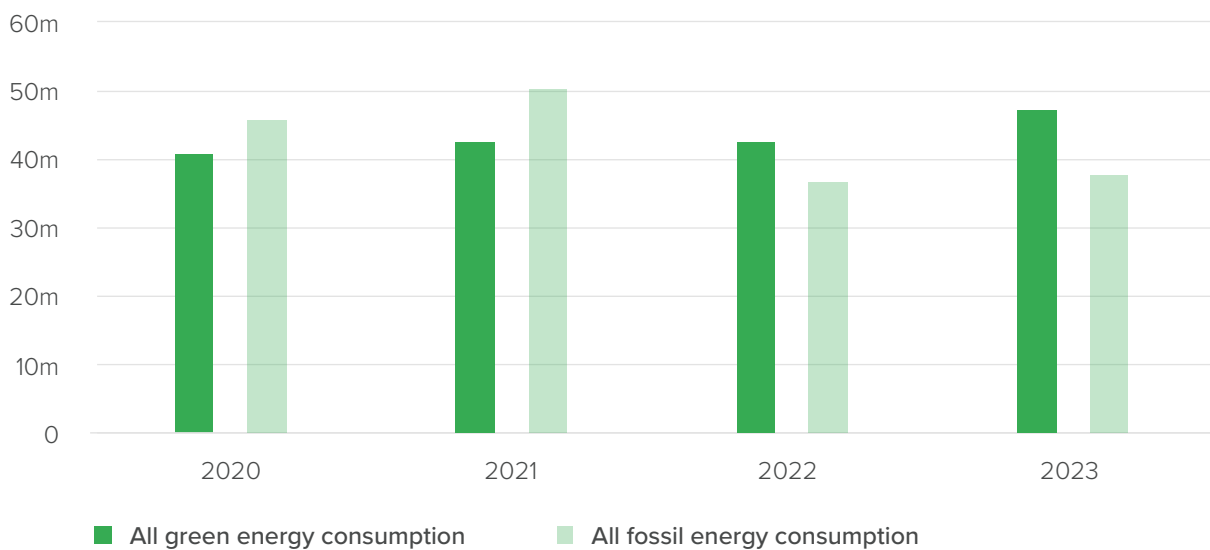
Property vs vehicles, plant and equipment



### Green Energy

In 2023, we continued to see an increased uptake in green energy (electricity and biofuels) supporting the mission to reduce governmental emissions. In 2022, Government green energy consumption (electricity and biofuels) overtook that of fossil consumption for the first time and this trend increased in 2023, with an additional 6% increase in green energy and biofuel usage.

#### Departments energy consumption split (kWh)



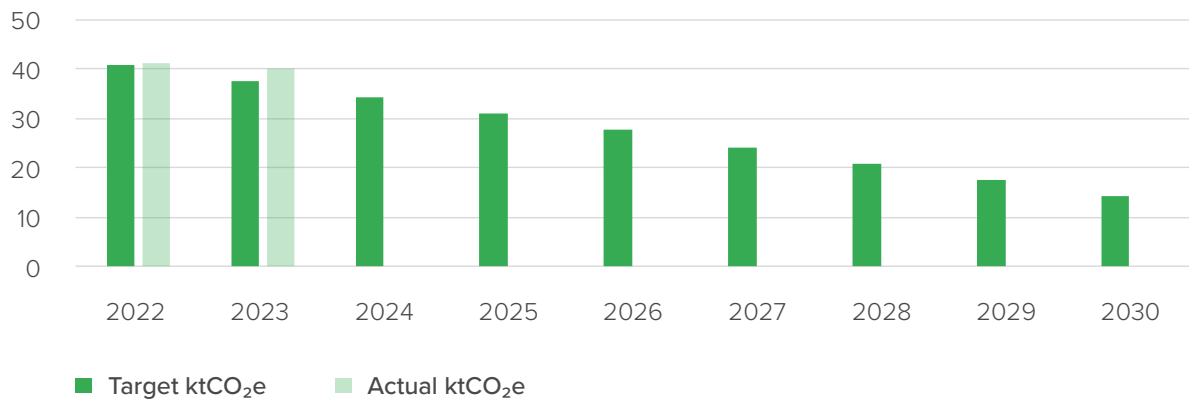
Departments also saw a 54% drop in their vehicles, plant, and equipment emissions (see below) compared to their 2022 totals, due to strong biofuel uptake in the fleet during 2023.

# All Organisational Emissions in 2023

## Waste processing

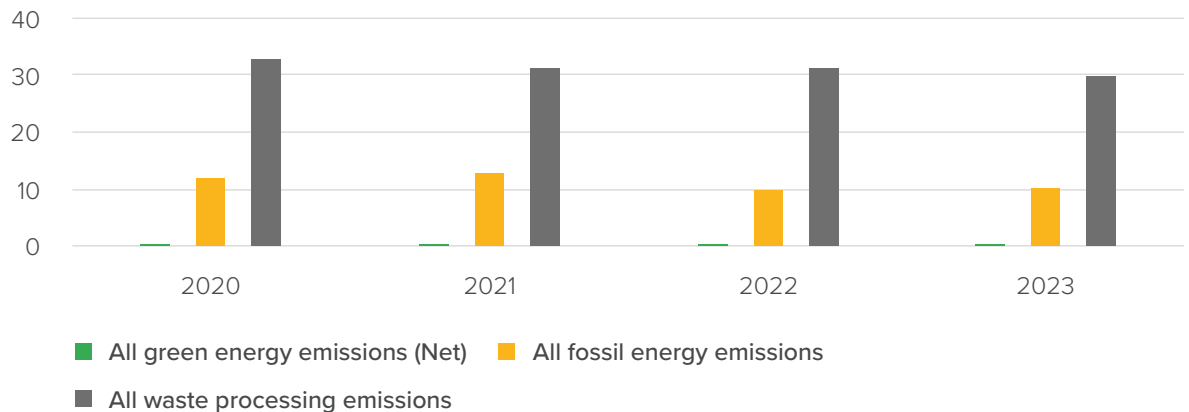
The Government of Jersey is a waste processor, not just a waste producer. With several incinerators in its portfolio, **all organisational emissions** amounted to 40.2ktCO<sub>2</sub>e in 2023, meaning a **3% decrease** in emissions from 2022 and a 10% decrease in emissions against the 2019-21 baseline of 44.4ktCO<sub>2</sub>e. This includes the 10.5ktCO<sub>2</sub>e in 2023 of **core organisational emissions** (see above). Despite this decrease, and due in part to increased emissions in other areas of the core organisation, 2023 targets for all organisational emissions have been missed by 6%. Ongoing efforts to reduce Government waste, as well as wider island-wide efforts to reduce waste, increase recycling, and focus on a circular economy will hopefully bear fruits in the coming years.

Government and non-ministerial departments: All Organisational Emissions Targets vs Actual Reductions (ktCO<sub>2</sub>e)



In 2023, emissions related to waste processing comprised 74% of all organisational emissions:

Government and non-ministerial departments: All emissions split (ktCO<sub>2</sub>e)



For the full table breakdown of consumption and emissions, please see Data and Data Sources.

## Air Travel Emissions

Whilst organisational commercial travel is classed as a Scope 3 emission and does not count towards EN1 carbon neutral targets, it is still considered as part of wider organisational practice. 2023 saw an increase in air travel emissions from 2022 as the volume of travel continued to increase following Covid-19, albeit still below pre-pandemic levels.

To decrease air travel within the organisation, a revised corporate travel policy will be developed. Additionally, departments with historically high travel demands will be encouraged to explore and adopt more sustainable options, reviewing the requirement for travel and then offsetting only as a last resort.



## Property Sites in 2023

The new office being built on the site of Cyril le Marquand house will have a BREEAM excellent rating and an EPC (Energy Performance Certificate) 'A' energy rating, as well as utilising high-quality insulation, low emissivity glass, and heat recovery air conditioning to minimise internal temperature variations arising from external changes. It will also include some facilities for rainwater harvesting to aid water management during drier summers.

More broadly, the government property portfolio is responsible for 96% of core government emissions and 93% of its energy consumption. The current age and condition of the portfolio combined with funding and available time scales **remain the largest challenge to transition** into a low carbon portfolio by 2030. Significant funding will be required to improve energy efficiency, thermal structure, airtightness and install low carbon heat generation across the estate to achieve a reduction in carbon emissions. In 2023, six pilot projects to convert fossil fuel heating systems into greener alternatives have been implemented, with a view to providing costing and lessons-learned for the broader estate decarbonisation plans. Estate Condition Surveys, providing a clearer idea of improvements required, were also carried out and results will be analysed in 2024.

## Vehicles, Plant and Equipment in 2023

At the end of 2023, across the departments, there were in operation:

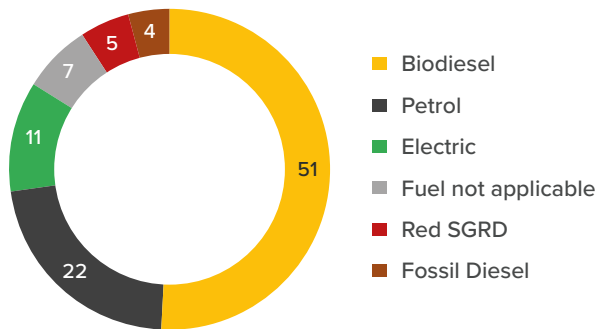
- 80 zero emissions electric vehicles (EVs), up from 74 in 2022
- 391 biofuel assets (biodiesel and red biodiesel), up from 251 at the end of 2022

This resulted in:

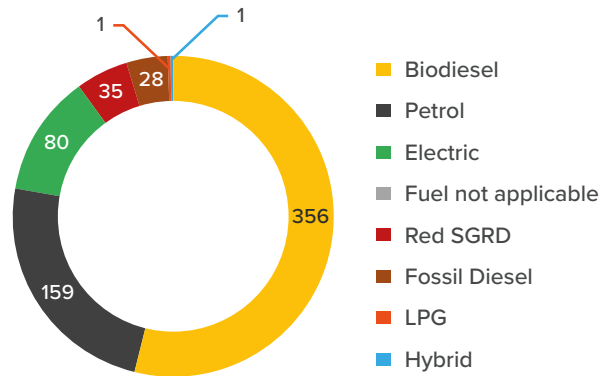
- Total CO<sub>2</sub>e savings from using biodiesel to year end of 1,488 tonnes
- Total CO<sub>2</sub>e savings from conversion to EVs to year end of 224 tonnes

As of the end of 2023, the fuel split for these vehicles, plant and equipment looked as follows:

Department's Vehicles, Plant and Equipment (% Share)



Department's Vehicles, Plant and Equipment (Count)



## Digital and IT in 2023

At Government of Jersey, we are increasingly aware of the importance of digital sustainability. In 2023, we continued to look at how we can streamline the data that we use by reviewing internet and intranet webpages to reduce the size of data by removing images and heavy files. We also continued to review and implement data retention periods, and to encourage the use of more efficient tools. The importance of digital clean ups and minimal storage was reiterated through the Decarb newsletter and Carbon Literacy Training.

### People

#### Highlight

A monthly 'decarb' newsletter is emailed to colleagues highlighting monthly topics associated with the climate emergency and sustainability in the workplace.

#### Simplify

A pilot pooled e-bike service was launched in May 2023 to give employees the opportunity to reduce their emissions through choosing to take an e-bike for work-related travel over a combustion engine pool car. In 2023, there were 20 e-bikes in locations across the organisation.

## Educate

Approximately 100 colleagues have received full Carbon Literacy Training in the aim of providing the organisation with a collective understanding of the climate emergency and giving individuals the tools and motivation to reduce emissions on an individual, community, and organisational basis.

## Engage

Volunteering opportunities linked to the natural environment were offered regularly in 2023. 262 volunteering hours were used by employees towards 'green' volunteering projects around the Island, such as invasive species management and litter picking. Sessions are designed to educate employees on how the climate emergency is affecting Jersey while using volunteering hours to give back to the community.

Love to Ride was introduced in Jersey in 2023. The initiative is a behavioural change online platform where people can log their cycle journeys and take part in challenges to win prizes. Over 400 government employees have signed up for the challenge.

## Climate Change Adaptation

Like other organisations, the Government of Jersey is now considering the adaption needs that new temperatures, sea levels and weather extremes bring to its estate and assets.

In 2023, the aftermath of Storm Ciaran and other extreme weather events across the portfolio revealed areas of the estate that have reached the end of life and have failed or are failing as a result. Replacements and repairs will be designed to withstand the new weather patterns with longer periods of hotter hot days, and wetter, colder cold days. A condition survey is currently being undertaken identifying further potential failure points, providing a base line for energy efficiency and general rating of the estate for 'State of the Estate Report.' Remedial and maintenance works have increased to cope with the extreme weather patterns, ageing estate, and equipment failures, with heat generators being replaced where possible with low carbon alternatives and solutions.

A [Strategic Flood Risk Assessment](#) was commissioned as part of the evidence base to inform the preparation of the bridging Island Plan. The new Island Plan now provides an appropriate planning framework to deal with both inland and coastal flood risk, to ensure that new development, including future government sites, is appropriately located and resilient to the challenges of flood risk within the context of a changing climate. It also ensures the protection of existing natural and designed features which help manage flood risk, including public infrastructure.

A [Shoreline Management Plan](#) was agreed in January 2020 and will be reviewed after 10 years. Since its publication, a strategy has been developed for the delivery of the respective projects required to meet the policy objectives for the first epoch, running from 2020 to 2040. This involves the engineering feasibility, assessment, and design, followed by construction for 10 discrete projects by 2040. An engineering assessment and feasibility is underway for: Havre des Pas, St Aubin's Harbour, and St Aubin's Bay – First Tower to West Park.



## Climate Risk

For the Government of Jersey Risk Governance Structure, please see the 'Corporate Governance Report'.

Government's approach to tackling climate-related organisational risks is in development. These risks are to be managed in the first instance through departmental risk registers and, where appropriate, escalated to the corporate (or community) risk registers. For more information on this process, please see Risk Management.

The separate (but interlinked) area of whole-of-Island risk is handled via the community risk register, which is owned by the Emergencies Council and administered through the Jersey Resilience Forum (JRF) and the JRF Risk Working Group. Climate-related risks and ensuing mitigation actions are factored into the overall community risk analysis and planning process.

## Climate Risk Strategy

Organisational exposure to climate risk stems predominantly from the Estates portfolio, much of which is likely to be affected by:

- future temperature changes
- rising sea levels
- fallout from increased instances of extreme weather, including flooding.

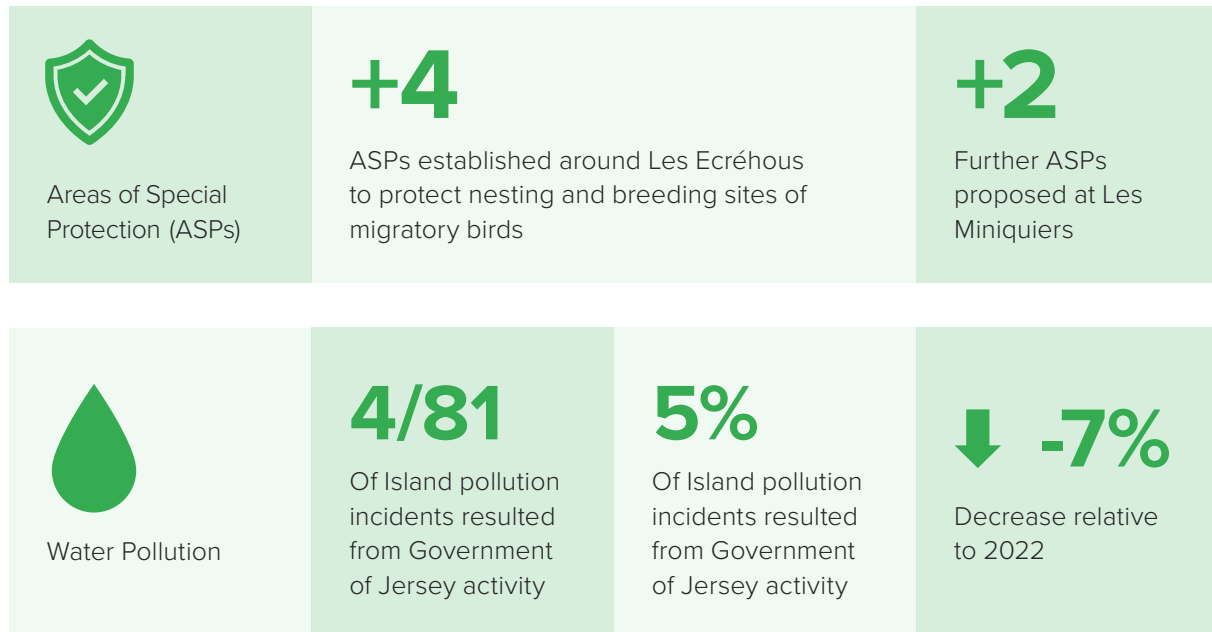
Through integration of climate-related risks into the overarching Risk Strategy and Enterprise Risk Management (ERM) system, the Government of Jersey will seek to identify these risks over the short, medium, and long term. This will enable it to better forward-plan, allocate capital, and build resilience for different climate change scenarios.

## Biodiversity, Nature Recovery and Pollution

At an organisational level, through its estate, the Government of Jersey’s natural capital covers a wide range of habitats, from Les Blanchés Banques Site of Special Interest (SSI), Noirmont SSI, and Les Landes SSI, to gardens and parks, headlands, wooded verge, fields, ponds, and reefs. In December 2023, four geological SSIs were listed.

These are home to a thriving ecosystem of wildlife, all aspects of which will be supported and enhanced as nature-rich spaces whilst combatting biodiversity loss.

### Progress in 2023



Although, 2023 saw a 19% increase in the total number of water pollution reports, Government of Jersey water pollution incidents halved in actual numbers compared to 2022. Similarly, 2023 saw States of Jersey Group water pollution incidents fall by almost half when compared to 2022.

For the full water pollution data table, please see Data and Data Sources.

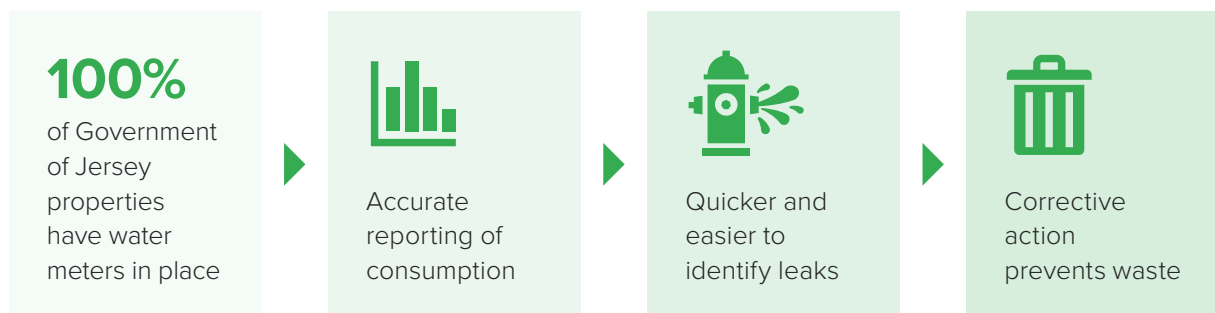
## Finite Resource Consumption

### Water Use

The total amount of water purchased by departments includes all public toilets, schools, hospitals, and all other Government of Jersey activities.

However, it is difficult to compare overall performance against recognised good practice benchmarks, as not all consumption is directly controllable (e.g. water use will increase if there are more visitors using public facilities).

In 2023, departments consumed 295 million litres of water. This represents an additional 11 million litres and a 3.7% increase on water usage compared with 2022.



For the full table, please see Data and Data Sources.

## Paper Use

In 2023, the Government of Jersey continued to follow the policy of using recycled white A4 paper as its default primary paper product, as well as recycling ink and toner cartridges. A managed print service continues to be used for most of its office print volumes. Use of printing configuration controls results in less waste, such as ‘pull printing’ where users must intentionally pull their printing from machines, rather than printing automatically, and default double sided mono printing.

In 2023, departmental paper usage was as follows:



## Waste

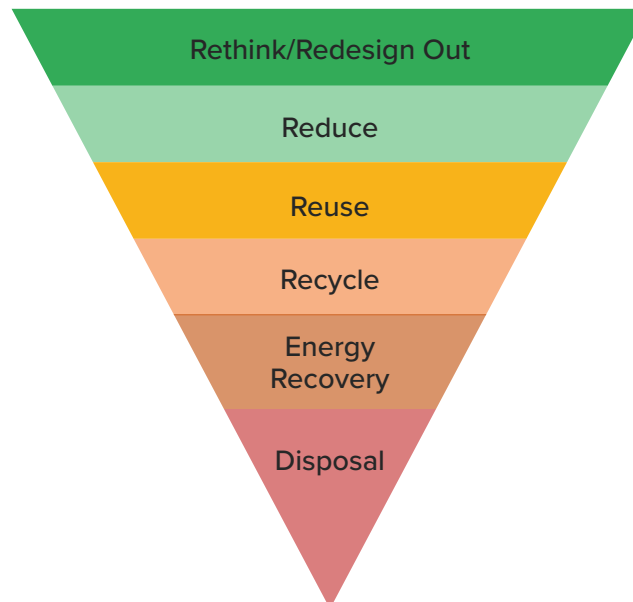
As an organisation, the Government of Jersey both produces waste and is responsible for the processing of Islanders' waste for the community, in partnership with the Parishes.

### Strategy

We will ensure that our facilities management considers:

- overall organisational waste produced
- ways to improve recycling across our numerous and differing types of sites

As part of this, we will consider the waste hierarchy and ways in which we can support the design out, reduction, reuse and recycling of waste first, to reduce production of black-bag waste by the Government of Jersey.



### Progress in 2023

Currently, there are multiple different cleaning contracts in place across departments, some of which include recycling provision whereas others do not. However, we are progressing towards inclusion of a standardised recycling service, as each contract comes up for renewal. In 2023, contracts covering 10 official buildings were renewed to include recycling services.

## Social Sustainability

### Social Value Through Procurement

As part of the procurement process, government considers the sustainability of materials and goods it purchases, as well as its buying power to secure commitments to deliver additional benefits to the Island through social value from its contract and service providers.

### Progress in 2023

Throughout 2023, Commercial Services have continued to build upon the implementation and delivery of social value, which resulted in:

- 76% of procurement documentation in 2023 included social value considerations. An increase of 38% from 2022
- An increase of 55% in commitments to deliver additional benefits to the Island made by suppliers from 2022 to 2023
- Four Community of Practice sessions held for members from across government to share best practice, insights, and guidance on how to maximise social value
- Regular Learning Byte sessions for colleagues across government introducing social value and considering how it can be implemented in other areas
- The addition of a Social Value Model which stakeholders can reference to refine their social value commitments in tender documents.

### Delivery of social value

Since introducing Social Value into government procurement processes, our supply chain has delivered the following:

- Average Social Return on Investment of £1.68 for every £1 spent (average taken from three major projects in 2023)
- Over £13m spent in the local supply chain
- Over £1m spent with MSMEs (Micro, Small and Medium Enterprises)
- Donated over £119,000 to local charities
- Provision of 20 apprenticeships in local projects

\*data taken from Government of Jersey Commitment Bank

# States of Jersey Group

As part of our 2023-24 journey, the Government of Jersey and the wider States of Jersey Group will work together towards minimum reporting standards across key areas of performance.

## Funds

The Government of Jersey, through the Minister for Treasury and Resources, invests individual funds through investment strategies designed to meet their specific objectives. The investment returns for some funds may be used to provide budgets and support initiatives, others serve as long term reserves for use in defined circumstances. The Minister for Treasury and Resources wishes to act as a good steward of capital and to invest responsibly. To achieve this aim, the Minister has established a Responsible Investment Policy enshrined in the published Investment Strategies for States Funds.

The investment approach adopted by the Strategy is one of engagement and seeks to ensure that the individual investment decisions, which are delegated to a range of managers, integrate environmental, social, and corporate governance (ESG) considerations so far as they are possible on an asset class by asset class basis. The Minister's intentions are to ensure our investments are held to account for their actions and through this drive positive changes to their behaviour.

The area of responsible investment is developing quickly, and the Minister has tasked the Treasury Advisory Panel (TAP) with reporting to them annually on how they are implementing and monitoring the responsible investment policy.

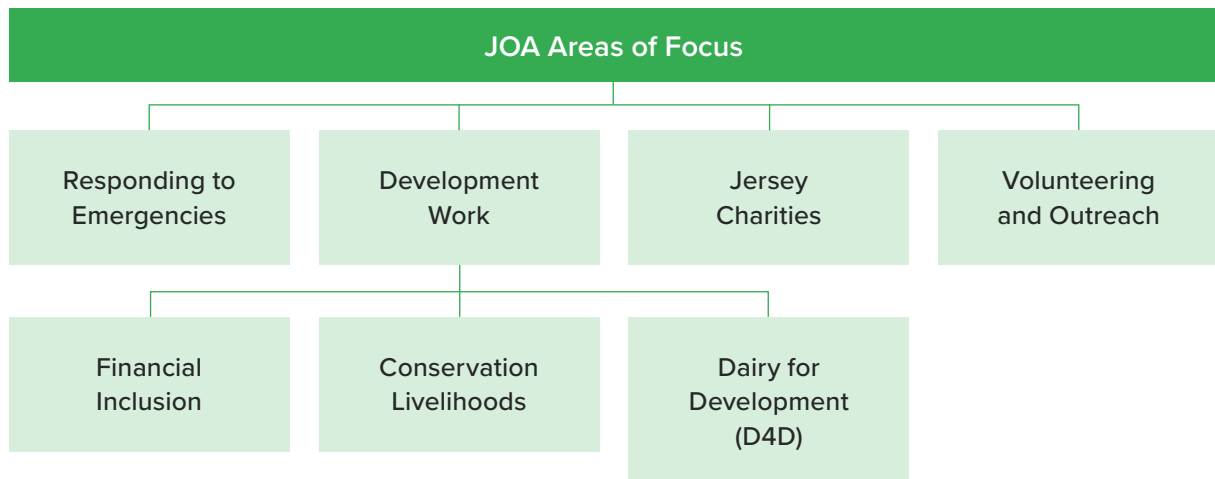
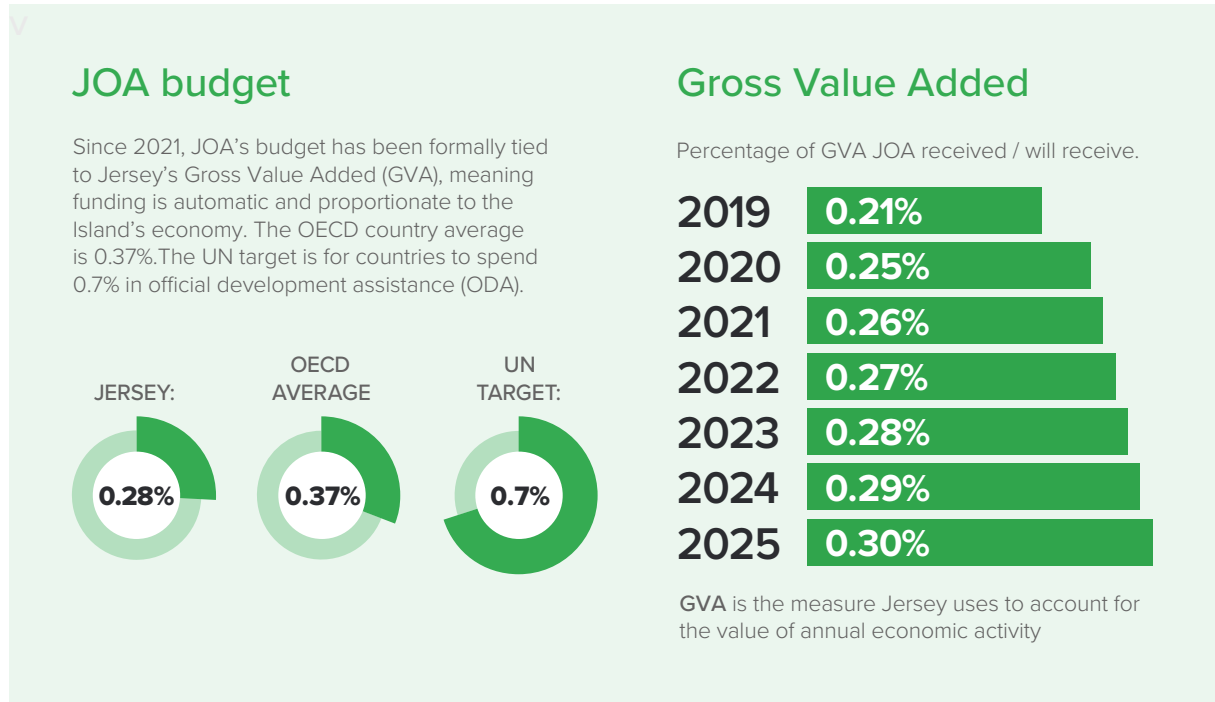
## Responsible Investment Approach

The TAP has been tasked with taking the following steps to monitor and assess ESG related risks and opportunities:

- A large portion of the Common Investment Fund's (CIF) assets are invested in pooled investment vehicles. Where this is the case, the TAP will seek to use its position as a large investor to influence the responsible investment approach of managers
- To this end, as part of ongoing monitoring of the TAP's investment managers, the TAP will use ESG ratings information, where relevant and available, to monitor the level of the investment managers' integration of ESG considerations
- The TAP will also monitor how the CIF's managers integrate ESG into their investment decision-making process (e.g., when presenting at annual manager review days)
- There are some strategies in which the CIF is invested where responsible investment beliefs are more difficult to impose or may adversely impact the underlying investment strategy
- When assessing new investment opportunities, the TAP considers how a manager will integrate ESG factors into their investment policies
- There may be some instances where the TAP is able to consider sustainable or 'impact' strategies that actively seek to invest in assets that have positive ESG credentials.

## Jersey Overseas Aid (JOA)

Jersey Overseas Aid (JOA) is the Island’s official, publicly funded relief and development agency. It has been translating the charitable funding, skills, and compassion of the people of Jersey into assistance to the world’s most vulnerable people since 1968.





## Strategy

### Responding to Emergencies

JOA provides emergency humanitarian support across the globe. In 2023, much of this was in response to climate emergencies, including the devastating floods in Libya, the effects of Cyclone Freddy in Malawi, the protracted drought in the Horn of Africa, and ongoing climate shocks and recovery in Bangladesh.

### Development Work

JOA focuses its development work on three themes: dairy for development, financial inclusion, and conservation livelihoods. All of these add value through Jersey expertise as well as funding. Between them, these areas contribute towards eight of the 17 UN Sustainable Development Goals:



## Progress in 2023



**0.28%**

Of Jersey Gross Value Added (GVA) received by JOA



**£4.4m**

Of emergency humanitarian support delivered, including to those impacted by climate disasters



**18+**

Locations provided with emergency support



**£9.4m**

Allocated to international development grants



**£2.8m**

Allocated to Jersey-based charities



**£0.2m**

Allocated to volunteering projects

### Also in 2023, JOA:

- Launched its Financial Inclusion Strategy
- Launched its first dairy programme to Zambia
- Opened the African-Jersey Dairy Forum in Malawi
- Facilitated workshops, conferences and learning events for the Jersey public and international experts
- Judged Jersey Finance's Sustainable Finance Awards
- Undertook monitoring and assessment visits to partners in six countries
- Deployed Jersey volunteers to Kenya, Rwanda, and Nepal
- Offset all travel use by staff and volunteers through Durrell ReWild.

For more information, please visit: [Reports - Jersey Overseas Aid Commission \(joa.je\)](https://joa.je)

## Wholly-Owned Entities

The wholly-owned entities within the JFReM boundary, comprise three different organisations. All of these are also on their own sustainability journey:

- Andium Homes
- Jersey Development Company
- Ports of Jersey

### Andium Homes

Andium Homes, is Jersey's leading social housing provider, responsible for more than 4,900 properties and housing over 10% of the Island's population. The Company has embraced the opportunity to align with the Government's sustainability targets by developing a robust Environmental, Social and Governance (ESG) Strategy in collaboration with its clients and key stakeholders. This strategy encompasses various key aspects:

- **High-Quality, Low-Carbon Housing:** Andium is committed to delivering homes that are not only of high quality but also low in carbon footprint. This aligns with the vision of creating vibrant, safe, and sustainable communities
- **Client-Focused Services:** The Company prioritises the health, wellbeing, and satisfaction of its clients. A significant part of this involves providing services that support clients in living independently, an essential aspect of social welfare
- **Addressing Housing Needs and Living Challenges:** Andium has set a target of building 3,000 new homes by 2030 to meet the Island's growing housing needs. Additionally, they are focused on refurbishing existing homes and delivering services that help clients meet the cost-of-living challenges
- **Environmental, Social, and Governance Framework:** The development of this framework is key to Andium's strategy. It aligns with the Jersey Performance Framework and the Government's Carbon Neutral Roadmap, ensuring that their operations contribute positively to the environment and society
- **Regeneration:** The Company plans to deliver 3,000 new homes by 2030. In addition to the 206 homes built in 2022, last year it completed 232 new homes at Cyril Le Marquand Court and La Colette low-rise, now known as Edinburgh House.



### Environmental Excellence

As Jersey's largest developer, Andium Homes recognises its contribution to sustainable regeneration, with a focus on building homes and transforming lives and communities while achieving new environmental benefits.



### Social Responsibility

Recognising its duty of care, Andium ensures that its practices in social housing provision benefit not just individual clients but the whole Island community.



## Good Governance

Andium Homes is a Company limited by guarantee, wholly owned by the States of Jersey, represented by the Minister for Treasury and Resources. Its independent Board complies with the relevant provisions of the UK Corporate Governance Code issued by the Financial Reporting Council. Andium Homes is dedicated to maintaining this high standard of governance, which aims to address issues of affordability and deliver lasting social benefits.

This also aligns to a number of UN SDGs:



## Progress in 2023

**0%**  
**Domestic Fossil Fuels Used**  
 (From 1.7 million litres of oil burnt in 2006)

**100%**  
**Decent homes with modern facilities**

**247**  
**Solar panels installed**

**Awarded**  
 Grant from Impact Jersey scheme to deliver a pilot “Healthy Homes Project” using IoT devices

**36**  
**Properties upgraded with triple glazed windows**

**26**  
**Electric car sharing clubs spaces**

For further detail, please see: [Reports and publications \(andiumhomes.je\)](https://www.andiumhomes.je/reports-and-publications)

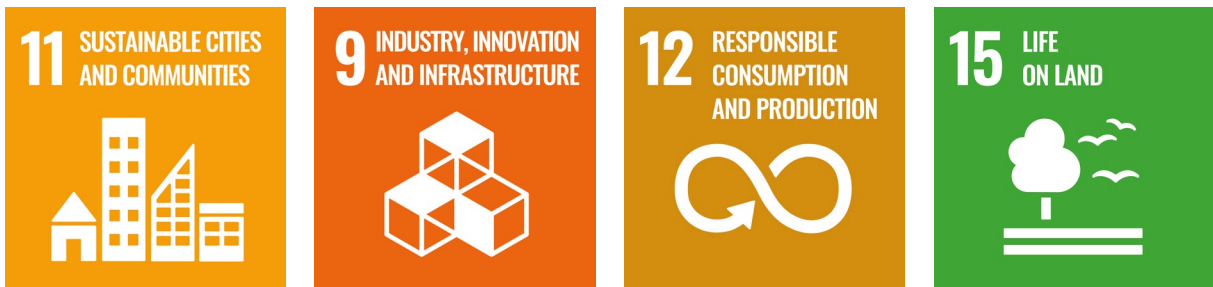
## Jersey Development Company (JDC)

Jersey Development Company recognises that the built environment creates around 40% of global CO<sub>2</sub> emissions and the construction industry which means it has a significant impact on both the environment and communities. The built environment creates a sense of place, enables, and enhances community wellbeing, and promotes a more diverse, equitable and inclusive society, contributing to both people and planet beyond the Company’s own ownership and control.

JDC is focused on reducing the carbon footprint of its activities both in terms of embodied carbon and carbon in-use.

### Strategy

In 2023, JDC continued to reinforce its strategy ensuring that their plans and actions align with their Vision ‘to build a better Jersey’, focusing on its four core UN SDGs:



Through the nine pillars of its Sustainability Strategy, JDC has mapped the Jersey Performance Framework with the UN SDGs and an ESG approach and specified in which pillar of influence each of the outcomes fall.



## Progress in 2023

JDC's aspirations for future developments set a high bar, in line with both the Government of Jersey's objectives and the expectations of its future commercial tenants and residential owner-occupiers. As the construction of IFC 6 completed in 2023, the team enhanced its knowledge of materials and systems, in order to continually work towards goals of:

- reducing embodied carbon on all future developments
- reducing carbon in use of the occupied building when completed
- focusing on urban greening and biodiversity.

The completed IFC 6 Grade A 'super-prime' office building provides high quality, column free, flexible, and sustainable accommodation, rated as "Excellent" in the BREEAM environmental rating scheme, the world's leading third-party certification of a building's environmental performance.

The building also achieved Wired scored gold status, which assesses digital connectivity on a global scale, confirming that the building has connectivity capacity for any tenant. The use of the latest high performance glazing technology which encourages natural light, while limiting solar gain, succeeds in reducing office lighting and energy consumption, all enhanced by Smart LED energy efficient lighting systems throughout, demonstrating it is truly sustainable for future occupiers.

The 72 cycle spaces, together with showers, changing rooms and lockers in the basement promote alternative modes of transport. The 46% increase to the public realm at Trenton Square reflects JDC's community focused vision.

With knowledge and research gained during the year, the next building in the International Finance Centre (IFC) will target BREEAM 'Outstanding' environmental rating. The Company has calculated the baseline carbon assessment for IFC 6 and now will be able to target and to track its increasingly lower carbon footprint for both the build and in-use stages of the carbon life cycle for the next building, whilst flexible design and public focused ground floor will target and enhance placemaking in the area.

Within the Waterfront Car Park, lights were changed during the year to LED PIR lighting, reducing energy consumption and providing low energy lighting only when movement is sensed, whilst ensuring required security minimum lux levels.

In 2023 the Company became a Member of Eco Active, with our stated target to meet 10% net biodiversity gain on all future projects and to introduce pollinator patches on the JDC estate where possible, one of which was sown and grew beautifully in the spring/summer.


## Ports of Jersey

Ports of Jersey exists to serve the Island’s community and the economy that supports it. It has a responsibility to the environment, to the community, and to its customers, partners and employees. It believes that the best way it can help build the future that the Island deserves is by taking a leading role in developing a sustainable future and tackling the challenges this brings head on.

Ports of Jersey launched the [Port’s Planet and People Plan](#) in March 2022. It is a strategy of priorities, goals and initiatives that are aligned to the UN Sustainable Development Goals and Jersey Performance Framework. Ports of Jersey wants to inspire and lead a sustainable future for Jersey that everyone can be proud of.


In 2023, Ports of Jersey worked with the Government of Jersey to produce a Policy Framework for the Ports Sector. A key priority of this policy is to ensure that the sector is sustainable in respect to the economy, environment and our community, and that Ports’ sustainability targets align with Jersey’s Carbon Neutral Roadmap and international industry standards, treaties, and legislation.


### Progress in 2023



#### Climate

We will transition to net zero

**13**  
CLIMATE ACTION  


**7**  
AFFORDABLE AND CLEAN ENERGY  


- Achieved Airport Carbon Accreditation Level 3
- New electric coastguard vehicle and 4 new electric operational vehicles
- Balanced 2022 Scope 1 and 2 emissions with Durrell Rewild Carbon to be carbon neutral in its operations
- CarbonPass available for aviation and ferry passengers to balance travel emissions
- Continued to support the Jersey Taskforce for the feasibility study into the potential production of Green Hydrogen on Island
- Continued work with ALIAS on trialing sustainable, autonomous drones



#### Biodiversity

We will preserve Jersey's water and promote thriving biodiversity

**14**  
LIFE BELOW WATER  


**6**  
CLEAN WATER AND SANITATION  


**15**  
LIFE ON LAND  


- Received international ‘Clean Marinas’ accreditation
- Supporting Trees for Life with tree planting initiatives at St Catherines and across the Island
- Worked with two local schools to design eco tiles to encourage biodiversity in marinas
- Seagrass eco-moorings successfully trialed, deployment to continue in 2024.



## Waste and Circularity

We will design out waste



- Four new water stations at the Airport in partnership with Jersey Water
- Sustainability and Social Value given 15% weighting in all procurement tenders
- Scheme launched with Government, Jersey Prison Service and Fisherman’s Association to recycle old fishing equipment and prevent it from polluting our waters
- Work underway with Harbour Master Plan to reduce amount of dredged material required for disposal offshore by processing and recycling on-Island



## People

We will nurture our employees, serve our community and encourage sustainable tourism



- Main sponsor of Durrell’s Tortoise Takeover campaign
- Sponsor of the Pride of Jersey awards
- Relunched the SeaPerch engineering and robotics competition
- Held combined cadet STEM competition day
- Coastguard visited 19 schools to raise awareness of sea safety
- 94 volunteering hours for ‘Let’s Play Airports’ with Jersey Childcare Trust
- Increased employee wellbeing support, including health checks, webinars and Mental Health First Aider training



## Data and Data Sources

All data presented in this report is accurate to the best of the information and knowledge presented at the time of collation. All relevant information may be updated as new pertinent information and data become available.

Consumption and emissions are realised where departments are the occupant or user of an asset, and therefore the billpayer. For example, emissions from third parties tenanted in estate property, where they are the billpayer, are not included in these figures.

In this context, green energy comprises electricity and biofuels.

The Government of Jersey and non-ministerial Departments							
		Unit	2021	2022	2023	Latest year as %	Latest YoY change
<b>Consumption</b>	All green energy consumption	kWh/year	42.5m	42.4m	44.9m	54%	6%
	All fossil energy consumption	kWh/year	50.0m	36.8m	38.1m	46%	3%
	<b>Total</b>		<b>92.5m</b>	<b>79.3m</b>	<b>83.1m</b>	<b>100%</b>	<b>4%</b>
<b>Emissions</b>	All green energy emissions (Net)	ktCO <sub>2</sub> e	0.3	0.3	0.3	1%	4%
	All fossil energy emissions	ktCO <sub>2</sub> e	12.7	9.9	10.2	25%	2%
	<b>Core Emissions Subtotal</b>		<b>13.1</b>	<b>10.2</b>	<b>10.5</b>	<b>26%</b>	<b>2%</b>
	All waste processing emissions	ktCO <sub>2</sub> e	31.2	31.2	29.6	74%	-5%
	<b>All Emissions Total</b>		<b>44.3</b>	<b>41.3</b>	<b>40.2</b>	<b>100%</b>	<b>-3%</b>
<b>Spend</b>	All green energy spend	£	5.6m	5.9m	7.0m	69%	15%
	All fossil energy spend	£	3.0m	3.5m	3.2m	31%	-9%
	<b>Total</b>		<b>8.6m</b>	<b>9.4m</b>	<b>10.2m</b>	<b>100%</b>	<b>8%</b>

Due to current operational limitations, electricity consumption by electric vehicles charging is currently combined under property consumption values, as it is not separately metered.

Lastly, whilst organisational consumption and emissions data has recently undergone significant improvements, several areas below are yet to be included:

- Solar panel-derived energy consumption
- Fuel bought from public pumping stations using employee purchase cards (as opposed to fuelling at government pumping stations)
- Consumption by employees' personal vehicles, where used for work purposes
- LPG canisters for specialist equipment, 50:1 2-Stroke and 25:1 2-Stroke mix.

## Sustainability Report

Considering this, it should be noted that baseline, consumption, emissions and spend numbers may be updated retrospectively as new information becomes available. However, it is not expected that these will present material changes.

In addition, emissions factors (by which consumption is multiplied) are updated annually by external bodies. The government will update calculations accordingly as these are released.

## Air Travel Emissions

		2021	2022	2023	Avg
Air Travel: Distance (km million)	Corporate Procurement	1.4	4.2	6.5	4.0
	Hospital	2.3	3	1.2	2.2
Total Distance		4.1	3.7	7.2	5.0
Air Travel: Emissions (ktCO <sub>2</sub> e)	Corporate Procurement	0.3	1	1.5	0.9
	Hospital	0.6	0.7	0.3	0.5
Total Government of Jersey emissions		0.9	1.7	1.8	1.5

## Data Tables

### Pollution

Water Protection Data	2021	2022	2023	Avg
Total water pollution incidents	96	68	81	82
Total Government incidents	10	8	4	7
Government % of all incidents	10%	12%	5%	9%
Total Andium, SOJDC and POJ incidents	2	1	2	2
Total Group incidents	12	9	6	9
States Group % of all incidents	13%	13%	7%	11%

### Finite Resources

Water Consumption	2021	2022	2023	Avg
Government + Non-Ministerial metered water consumption (millions of litres)	288	284	295	289
Government + Non-Ministerial metered water costs as % of total water supply costs	100%	100%	100%	100%
Water supply cost (£m)	0.8	0.9	1.0	0.9

Paper Consumption	2021	2022	2023	Avg
Government + Non-Ministerial approximate paper consumption (Reams of 500 A4 Equivalent Sheets)	65,600	65,350	63,936	64,962
Government + Non-Ministerial paper supply cost (£)	102,101	124,043	120,839	115,661

## Data Sources

The Sustainability Report above, which has not been audited, uses consumption, units (kWh, litres), and spend, as sourced from suppliers, along with waste tonnage sourced from the Department of Infrastructure and Environment. These unit amounts have been converted into emissions values using standard conversion factors, in line with Jersey's Building Bye Laws.

As an Island, Jersey uses a bespoke carbon conversion factor for its grid electricity, covering the blend of French electricity and electricity derived from the Energy Recovery facility. However, the Government of Jersey reports emissions arising from the Energy Recovery Facility under its waste processing emissions. This means a net grid electricity emissions factor has been used in emissions calculations to avoid double counting for this energy source.

Air travel figures are based on information provided by the Government's corporate travel management provider. Jersey Hospital specific travel data is provided directly by Health and Community Services. Emission factors for official air miles are based on UK Government emission reporting factors.

The sustainability report above, which has not been audited, uses the following data sources:

Data Type	Source
Water usage	Based on information provided by the Jersey New Water Works Company. Scope 3 emissions not currently reported.
Paper usage	Based on information provided by the States Corporate Supplier for Stationery. Scope 3 emissions not currently reported.
Waste	Unlike the UK, where local authorities typically collect residential waste only, and businesses are required to deal with their own disposal, the majority of on-Island waste is collected by the Parish.  Consequently, data on waste arising from individual Government sites as waste producers is limited at this point in time.

The Government of Jersey would like to thank all the companies and departments that have provided information to support the drafting of the 2023 Sustainability Report.

## States of Jersey Group - Data Sources

States of Jersey Group wholly-owned entities (Jersey Overseas Aid, Ports of Jersey, Jersey Development Company and Andium Homes) data and information is provided directly by them. Information is in line with their own reporting standards.

## Independent Data Verification

Independent data verification will be developed for all data sets as part of the design of Minimum Standards for Sustainability Reporting that will be completed in 2024.

# Accountability Report

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# Corporate Governance Report

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The Corporate Governance Report explains the composition and organisation of the States of Jersey Group, its governance structures and how they support the achievement of the States' objectives. It includes the Directors' Report and the Governance Statement, which in turn includes descriptions of significant governance issues and key risks facing the organisation.

The purpose of this report is to demonstrate how the Group has implemented the principles of good corporate governance and to outline how it has reviewed its system of internal controls during 2023.

The primary focus of the report is on the "States Assembly approved" element of the Group. Funds are included within the responsibilities of appointed Accountable Officers, and the Public Finances Manual includes a section and supporting document on Funds. The relationship of the Government of Jersey with the Wholly owned companies is defined in the Public Finances (Jersey) Law 2019 (see Article 53) and Memoranda of Understanding, published to the States Assembly by the Minister for Treasury and Resources in R.56/2022.

# The Directors' Report

## Ministers and Accountable Officers

Details of individuals who served as Ministers, the Principal Accountable Officer and Accountable Officers are set out in the Governance Statement with disclosures in respect of remuneration included in the Remuneration and Staff Report.

## Directorships and Significant Interests

Under the Standing Orders of the States of Jersey, details of directorships and other significant interests held by Ministers (and all States Members) are set out in the Register of Interests held by the Greffier of the States and are available, against each individual Member, on the Members page on the States Assembly website (<https://statesassembly.gov.je/Pages/Members.aspx>).

The Register of Interests is used to identify parties related to Members of the States of Jersey for the purpose of preparing disclosure of related party transactions in the States of Jersey Annual Report and Accounts.

The Government maintains a register of interests which records details of directorships and other significant interests held by the Principal Accountable Officer and Accountable Officers. The register of interests for those senior officers is not publicly available, but any individual transactions which may be affected by those interests are reported in Details of Related Party Transactions, listed in the Financial Statements at Note 4.23 – Related Party Transactions.

## Governance Statement

### Executive Officers

Details of Ministers and the Accountable Officers responsible for ensuring effective governance arrangements during the period are as follows:

### The Council of Ministers in 2023

Jersey's Government comprises the Chief Minister and eleven Ministers, who, with the support of the Assistant Chief Ministers, collectively form the Council of Ministers. The States Assembly elects the Government by way of appointing the Chief Minister and voting on the Chief Minister's nominations for Ministers. In addition, Ministers may appoint their own Assistant Ministers, with the consent of the Chief Minister, ensuring that the combined total of members appointed as Ministers and Assistant Ministers does not exceed 21, and therefore remains in the minority in the States Assembly.

## Corporate Governance Report

The Council of Ministers proposed its Common Strategic Policy on 4th October 2022, and this was adopted (as amended) by the States Assembly at the sitting of 23rd November 2022. The Council of Ministers published (as R.104/2022) its Code of Conduct and Practice for Ministers and Assistant Ministers on 12th October 2022. This makes reference to the “Seven Principles of Public Life” (selflessness, integrity, objectivity, accountability, openness, honesty, leadership) and the Code of Conduct for Elected Members. On 2 March 2022 the States Assembly approved changes to the latter Code for Elected Members, in P.1/2022, brought forward by the Privileges and Procedures Committee following a review of the Code and associated processes triggered by the Comptroller and Auditor General’s (C&AG’s) report entitled “Anti-Corruption Arrangements” (R.21/2021). The Code of Conduct for Elected Members is published as part of the Standing Orders of the States of Jersey.

Following a Vote of No Confidence in the Chief Minister (P.1/2024) a new Council of Ministers was formed on 30 January 2024 with Deputy Lyndon Farnham as Chief Minister. The Annual Report and Accounts for 2023 are therefore signed by the new Chief Minister and Minister for Treasury and Resources (Deputy Elaine Millar).

The following tables show the Ministers in post during 2023.

Ministers in post during 2023:

Name	Area of Responsibility
Deputy Kristina Moore	Chief Minister
Deputy Inna Gardiner	Minister for Children and Education
Deputy Kirsten Morel	Deputy Chief Minister, Minister for Sustainable Economic Development (formerly Minister for Economic Development, Tourism, Sport and Culture)
Deputy Philip Ozouf	Minister for External Relations
Deputy Karen Wilson	Minister for Health and Social Services
Deputy Helen Miles	Minister for Justice and Home Affairs (formerly Minister for Home Affairs)
Deputy David Warr	Minister for Housing and Communities
Deputy Tom Binet	Minister for Infrastructure
Deputy Carolyn Labey	Minister for International Development
Deputy Elaine Millar	Minister for Social Security
Deputy Jonathan Renouf	Minister for the Environment (changed in January 2024 to “Minister for Energy and Environment”)
Deputy Ian Gorst	Minister for Treasury and Resources

## *The Council of Ministers in 2023*



**Deputy  
Kristina Moore**  
Chief Minister



**Deputy  
Inna Gardiner**  
Minister for Children  
and Education



**Deputy  
Kirsten Morel**  
Deputy Chief Minister,  
Minister for  
Sustainable Economic  
Development



**Deputy  
Philip Ozouf**  
Minister for External  
Relations



**Deputy  
Karen Wilson**  
Minister for Health and  
Social Services



**Deputy  
Helen Miles**  
Minister for Justice  
and  
Home Affairs



**Deputy  
David Warr**  
Minister for Housing  
and Communities



**Deputy  
Tom Binet**  
Minister for  
Infrastructure



**Deputy  
Carolyn Labey**  
Minister for  
International  
Development



**Deputy  
Elaine Millar**  
Minister for Social  
Security



**Deputy  
Jonathan Renouf**  
Minister for the  
Environment



**Deputy  
Ian Gorst**  
Minister for Treasury  
and Resources

The Council of Ministers is the executive government of Jersey, and coordinates and prioritises the policies and public administration for which Ministers are individually responsible, including setting executive and legislative priorities. Ministers are individually responsible for decisions in their areas of responsibility, but the more important and crosscutting a matter, the higher the obligation to take to the Council of Ministers to agree a shared policy position. The Council meets 2 – 3 times a month and comprises the 12



## Corporate Governance Report

Ministers. In addition, Assistant Ministers to the Chief Minister are invited, along with the Chief Executive, Greffier, Attorney General, the lead officer supporting the Council, and other staff to ensure good record-keeping and administration.

The attendance record for Ministers at Council meetings for 2023 is as follows. Where a Minister was unable to attend and nominated an Assistant Minister to attend on their behalf this is treated as attendance by the Minister him or herself.

<b>Minister (or Assistant Minister)</b>	<b>CoM meetings in 2023 (21 meetings)</b>
Deputy Kristina Moore	20/21
Deputy Kirsten Morel	19/21
Deputy Philip Ozouf	11/21
Deputy Karen Wilson	18/21
Deputy Helen Miles	20/21
Deputy David Warr	19/21
Deputy Tom Binet	20/21
Deputy Carolyn Labey	17/21
Deputy Elaine Millar	20/21
Deputy Jonathan Renouf	20/21
Deputy Inna Gardiner	20/21
Deputy Ian Gorst	20/21

## Accountable Officers

The following table identifies the Accountable Officers serving during 2023. The year saw a change in Chief Executive Officer (and hence Principal Accountable Officer) with the arrival of Andrew McLaughlin, who took office on 5 September 2023.

<b>Chief Executive Officer</b>	<b>Position</b>	<b>Accountable Officer</b>
Principal Accountable Officer	Chief Executive	Suzanne Wylie (until 31 July 2023)
		Tom Walker (Acting CEO and PAO) (from 1 August 2023 to 4 September 2023)
		Andrew McLaughlin (Interim CEO and PAO) (from 5 September 2023)

## Corporate Governance Report

Ministerial Departments	Position	Accountable Officer
Cabinet Office - Office of the Chief Executive	Chief of Staff (Strategic Director, Assurance and Risk, Treasury and Exchequer from 1 February 2023)	Catherine Madden (to 25 November 2023)
		NB Richard Bell became Accountable Officer for the Corporate Programme Management Office (CPMO) and Risk Management from 1 May 2023
		NB Tom Walker became Accountable Officer for Office of the Chief Executive - Chief of Staff (with the exception of Risk Management and the Corporate Programme Management Office (CPMO)) from 26 November 2023.
Cabinet Office - Communications	Director of Communications	Dirk Danino-Forsyth (to 1 October 2023)
		Martyn White (from 2 October to 31 December 2023)
Treasury and Exchequer	Treasurer of the States, Chief Officer and Assistant Chief Executive	Richard Bell
Ministry of External Relations	Chief Officer	Kate Nutt
Cabinet Office - Chief Operating Office	Chief Operating Officer and Chief Officer	John Quinn (to 31 January 2023)
	Chief Officer and Assistant Chief Executive	Tom Walker (from 1 February 2023) NB Richard Bell became Accountable Officer for the Corporate Programme Management Office from 1 February 2023
		NB Mark Grimley was Interim Accountable Officer for People and Corporate Services between 1 February 2023 and 30 April 2023

## Corporate Governance Report

<b>Ministerial Departments</b>	<b>Position</b>	<b>Accountable Officer</b>
Cabinet Office - Strategic Policy, Planning and Performance	Chief Officer and Assistant Chief Executive	Tom Walker
Department for the Economy	Chief Officer	Richard Corrigan
Justice and Home Affairs	Chief Officer	Kate Briden
Health and Community Services	Chief Officer	Carolyn Landon (to 31 March 2023) Chris Bown (from 1 April 2023)
Children, Young People, Education and Skills	Chief Officer	Rob Sainsbury
Infrastructure and Environment	Chief Officer	Andrew Scate
Customer and Local Services	Chief Officer	Ian Burns

<b>Non-Ministerial Departments</b>	<b>Position</b>	<b>Accountable Officer</b>
States of Jersey Police	Chief of Police	Robin Smith
States Assembly (States Greffe)	Greffier of the States	Lisa Hart
Law Officers' Department	Practice Director	Alec Le Sueur
Viscount's Department	Viscount	Matthew Swan (to 2 November 2023) Mark Harris (from 3 November 2023)
Judicial Greffe	Judicial Greffier	Adam Clarke (to 10 September 2023) Rebecca Morley-Kirk (from 11 September 2023)
Office of the Lieutenant Governor	Chief of Staff and Private Secretary	Justin Oldridge
Official Analyst	Official Analyst	Nick Hubbard

## Corporate Governance Report

<b>Non-Ministerial Departments</b>	<b>Position</b>	<b>Accountable Officer</b>
Probation and After Care Service	Chief Probation Officer	Mike Cutland
Office of the Comptroller and Auditor General	Comptroller and Auditor General	Lynn Pamment
<b>Other</b>	<b>Position</b>	<b>Accountable Officer</b>
Jersey Overseas Aid	Executive Director	Simon Boas
<b>Trading Operations</b>	<b>Position</b>	<b>Accountable Officer</b>
Jersey Car Parking	Chief Officer	Andrew Scate
Jersey Fleet Management	Chief Officer	Andrew Scate
<b>States Body / Fund</b>	<b>Position</b>	<b>Accountable Officer</b>
Strategic Reserve Fund	Treasurer of the States, Chief Officer and Assistant Chief Executive	Richard Bell
Stabilisation Fund		
Insurance Fund		
Assisted House Purchase Scheme		
99 Year Leaseholders Scheme		
Agricultural Loans Fund		
Housing Development Fund		
Criminal Offences Confiscation Fund		
Civil Assets Recovery Fund		
Social Security (Reserve) Fund		
Channel Islands Lottery (Jersey) Fund		
Tourism Development Fund		
Fiscal Stimulus Fund		

## Corporate Governance Report

States Body / Fund	Position	Accountable Officer
Jersey Innovation Fund	Chief Officer – Department for the Economy	Richard Corrigan
Jersey Reclaim Fund		
Technology Accelerator Fund		
Climate Emergency Fund	Chief Officer and Assistant Chief Executive	Tom Walker
Social Security Fund	Chief Officer - Customer and Local Services	Ian Burns
Health Insurance Fund Long Term Care Fund		
Jersey Dental Scheme		
Bailiff's Ukraine Appeal	Chief Officer - Bailiff's Chambers	Steven Cartwright

Collectively, the majority of Government Accountable Officers sit on the Executive Leadership Team (ELT). Representatives from the Non-Ministerial Departments attend meetings but are not formal members. ELT, and its subsidiary Operating Committee (OpCo), both operate to agreed terms of reference adopted in 2021.

The attendance record for ELT meetings in 2023 is as follows. Where an ELT member sent an approved delegate this is treated as attendance by the member him or herself.

Department	ELT Board Members or delegate	ELT meetings in 2023	ELT workshops in 2023
CEO	CEO - Suzanne Wylie (Chair)/ Tom Walker/ Andrew McLaughlin/ substitute chair	27/27	7/7
Department for the Economy	Richard Corrigan	27/27	7/7
T&E	Richard Bell	27/27	7/7
IHE	Andy Scate	25/27	7/7
HCS	Caroline Landon/ Chris Bown	24/27	5/7
Cabinet Office - OCE	Catherine Madden	22/27	6/7
Cabinet Office – COO and SPPP	John Quinn/ Tom Walker	27/27	7/7

## Corporate Governance Report

Cabinet Office – Comms	Dirk Danino-Forsyth	20/27	6/7
JHA	Kate Briden	27/27	7/7
External Relations	Kate Nutt	23/27	6/7
CLS	Ian Burns	27/27	7/7
CYPES	Robert Sainsbury	27/27	7/7

All reports to ELT must include a covering sheet setting out:

- The action requested from ELT; and
- Key considerations (including financial and staffing implications, Children's rights, policy impacts and impacts on Non-Ministerial Departments).

## How Ministers and Accountable Officers work together

Accountable Officers in Government departments, and their officers, work closely with their respective Ministers to deliver government policy. Ministers are responsible for policy decisions, departments deliver those decisions, with each department's Accountable Officer ensuring spending is proper, regular and good value for money – Accountable Officers have obligations for these matters under the Public Finances Law. Typically, those Accountable Officers will have regular meetings with their Minister and take proposals to the Minister where formal decisions are needed. On the rare occasions when the Accountable Officer considers that a Minister's proposed course of action might infringe upon the Accountable Officer's legal obligations, there is a process by which the Minister can direct the Accountable Officer, provided that the proposed action is legal (known as a "Letter of instruction"). In practice this is likely to be where there is insufficient time for the Accountable Officer to carry out all diligence activity that would normally take place to provide assurance, particularly in relation to value for money. Letters of instruction are published at <https://www.gov.je/government/planningperformance/publicfinances/pages/lettersofinstruction.aspx>. Two such letters were issued in 2023, relating to the Jersey Reds professional rugby club.

## Assurance of service performance data in the Annual Report and Accounts

For the 2023 Annual Report and Accounts there is an internal statement of assurance which covered the service performance measure data and the customer experience data included in the performance section of the Annual Report and Accounts (ARA).

The following assurance procedure was applied:

- Analyst and business partner teams from each department provided data from departmental databases via Word and Excel.

## Corporate Governance Report

- Service Performance Measure (SPM) Data provided by departments, including that published separately online for 2023, was quality assured by the Director of Statistics and Analytics or his staff. All queries were fed back to departments for checking and confirmation before being included in the ARA SPM Annex.
- Chief Officers or their delegates for all departments signed off their Service Performance Measures data for inclusion in the ARA SPM Annex.
- The Director of Statistics and Analytics or his staff checked all departmental commentary on Service Performance for consistency with the Service Performance Measure data and that statements in the commentary were supported by the data.
- All queries on the commentary on the Service Performance Measures were fed back to departments for clarification or rectification before inclusion in the ARA departmental Annexes. This led to changes to the data or changes to the commentary, depending on which was the cause of the inconsistency.
- All Chief Officers were sent a copy of the draft content requiring them to sign off that both their Service Performance Measure data and commentary was correct.

The Director of Statistics and Analytics and the Chief Officer for the Cabinet Office each signed off that, based on the above processes, that they believe the performance data and narratives set out in the Performance report and the Annex containing departmental reports and published separately online to be correct.

## The Governance Framework

The Governance Framework comprises the systems, processes, cultures, values and procedures through which the States of Jersey is directed and controlled and the activities through which it accounts to and engages with the Islanders.

This framework enables monitoring of the delivery of the States' strategic objectives and analysis of whether these objectives have delivered appropriate services and value for money. The framework aims to ensure that in conducting its business the States:

- Operates in a lawful, open, inclusive and honest manner
- Makes sure that public money is safeguarded, properly accounted for and used economically and effectively
- Has effective arrangements for managing risk
- Secures continuous improvements in the way that it operates.

Since 2021, ELT has adopted a Corporate Governance Framework for the States of Jersey. This consists of nine principles of good governance, each with underlying statements that provide further detail. Against each of the underlying statements are recorded the Laws, policies, codes of practice and other arrangements that, taken together, make up Jersey's corporate governance arrangements. The Framework is managed by a cross-departmental

Corporate Governance Report

group of senior officers that meets to agree changes and consider how the Framework may be used in practice.

Every Accountable Officer must complete an Annual Governance Statement questionnaire that asks how the Framework is applied in their area of responsibility, and the grounds supporting their belief that they comply with requirements contained in the Framework. It also allows for a description of how and why they may not be fully compliant with an area of the Framework. The information gathered through these questionnaires helps build the “Update on Governance Issues” section below.



## Scope of Responsibilities

The Public Finances (Jersey) Law 2019 makes the Chief Executive the Principal Accountable Officer (PAO), answerable to the States and accountable to the Council of Ministers. The PAO may appoint Accountable Officers (excluding those in Non-Ministerial Departments) to exercise functions as determined but maintains overall responsibility for ensuring the propriety and regularity of the finances of States bodies (excluding Non-



Ministerial Departments) and funds and ensuring that the resources of States bodies and States funds are used economically, efficiently and effectively.

Each Accountable Officer is personally accountable for the proper financial management of the resources under their control in accordance with the Law, any subordinate legislation and the Public Finances Manual, including ensuring that public money is safeguarded and properly accounted for, used only for those purposes approved by the States and used economically, efficiently and effectively.

Each Accountable Officer (excluding those in Non-Ministerial Departments) is responsible for exercising the functions that are determined by the PAO, and that apply to that accountable officer (if any) as specified in any relevant enactment of the States. In discharging their financial responsibilities, Accountable Officers must ensure that robust governance arrangements are in place, which include a sound system of internal control and arrangements for the management of risk.

For Non-Ministerial Departments, the responsibilities of Accountable Officers are the same as those of Government departments. However, they are not appointed by the PAO. Under the Public Finances Law, the chief officer of a Non-Ministerial States body is also its Accountable Officer. With the agreement of that chief officer the Minister for Treasury and Resources can appoint another officer as Accountable Officer.

## Legal Framework

A number of key laws collectively set the procedures for the governance of the operations of the Government, public finances, the employment of States employees and, during the pandemic, the arrangements for declaring an emergency:

- Employment of States of Jersey Employees (Jersey) Law 2005;
- States of Jersey Law 2005;
- Public Finances (Jersey) Law 2019;
- Comptroller and Auditor General (Jersey) Law 2014; and
- Emergency Powers and Planning (Jersey) Law 1990.

## The Public Finances Manual

The Public Finances Manual provides guidance on how to apply the Public Finances (Jersey) Law 2019 and therefore helps ensure the proper stewardship and administration of the Law and of the public finances of Jersey. Accountable Officers are required to comply with the Public Finances Manual and other key controls, including departmental risk management measures, and resource management policies.

## Accountable Officers

All Accountable Officers have provided a Governance Statement which confirms, to the best of their knowledge, that governance arrangements operated adequately in their area(s) of responsibility during 2023 and/or steps are being taken to address known areas of weakness. Internal Audit have reviewed these statements for consistency and compliance.

Weaknesses identified by Accountable Officers are summarised below in the section “Update on Governance Issues”.

## Internal Audit

The Treasurer of the States, under the Public Finances (Jersey) Law 2019, is responsible for establishing a system of internal audit and for designating a person as chief internal auditor. The chief internal auditor is required to deliver a service that is compliant with professional Internal Audit Standards and for providing an annual opinion of the adequacy of the internal control environment to the Principal Accountable Officer, Treasurer and the Risk and Audit Committee.

## The Comptroller and Auditor General (C&AG)

The C&AG is required to provide the States with independent assurance that the public finances of Jersey are being regulated, controlled, supervised and accounted for in accordance with the Comptroller and Auditor General (Jersey) Law 2014. During 2023 the C&AG issued 8 reports, one Good Practice Guide, one Thinkpiece, one Self-Assessment Tool and an Updated Code of Audit Practice. The governance issues arising from these reports are reflected in the review of effectiveness section below. The C&AG issues her own Annual Report, which includes details of her work.

The C&AG appoints the external auditors of the States of Jersey. The report of the auditor, Mazars LLP, is included within the accounts.

## Review of effectiveness of the governance framework

The States and Government receive valuable independent feedback from several sources on the adequacy of governance arrangements. These sources include:

- Internal Audit;
- Scrutiny Panels (although observations and recommendations often relate to Ministerial policy, as opposed to implementation and governance);
- The Public Accounts Committee (PAC);
- The Comptroller and Auditor General (C&AG) (see above).

All recommendations from Scrutiny Panels, the Public Accounts Committee and the Comptroller and Auditor General that are accepted are entered into a database (commonly known as “the Tracker”) which is used to monitor implementation of those agreed recommendations.

The Tracker process is managed through representatives from each department meeting regularly with officers from the Cabinet Office and Treasury. Progress is then collated quarterly into reports for OpCo, ELT and PAC.

At the start of 2023 there were 226 outstanding recommendations from the PAC and C&AG (which are those most relevant to the governance framework), with a small number dating

back as far as 2014. An additional 86 recommendations were made during 2023. The corporate target for closing recommendations that were outstanding at the beginning of 2023 was 50%. Corporately, 73% of C&AG and PAC recommendations were closed against that target. The total number of closures in 2023 was 194, leaving 118 recommendations open but not yet completed.

Amongst those recommendations implemented during 2023 were some arising from C&AG reports on subjects like:

- Anti-corruption arrangements
- Child and Adolescent Mental Health Services
- Deployment of Staff Resources in Health and Community Services
- Covid (various aspects)
- Risk Management
- Governance Arrangements for Health and Social Care
- Mid-Term Reflections
- States Employment Board

This illustrates not only the breadth of the work of the C&AG and other bodies, but also the degree of influence that work has in generating improvements in the States' governance framework.

The States and Government receive additional assurance from the work of the Risk and Audit Committee (see below in the Risk Management section for details of membership). In 2022, following a recommendation by the C&AG, an Audit Committee was established for the following Non-Ministerial Departments:

- Law Officers' Department
- Judicial Greffe
- Viscount's Department
- States Greffe
- Probation and After-Care Service
- Bailiff's Chambers

This Committee operated throughout 2023.

## Human Rights, Anti-Bribery and Anti-Corruption Statement

### *Human Rights*

Jersey has had the European Convention on Human Rights extended to it since 23 October 1953, which has been incorporated into Jersey law through the Human Rights (Jersey) Law 2000.

### *Anti-Bribery and Anti-Corruption*

The Government of Jersey has had the following anti-bribery and anti-corruption treaties extended to it: UN Convention against Corruption (since 9 November 2009), the Council of Europe Criminal Law Convention on Corruption (since 1 October 2013), the UN Convention against Transnational Organised Crime (since 17 December 2014) and the OECD Convention on Combatting the Bribery of Foreign Public Officials in International Business Transactions (since 16 November 2009).

The States of Jersey has also enacted the Corruption (Jersey) Law 2006.

In 2022 the Government of Jersey adopted an Anti-Fraud and Corruption Policy and Strategy. Throughout 2023 work was underway on implementing the Strategy. This included a programme of training and awareness-raising, as well as detailed work on the identification of risks.

In addition, procurement tendering rules are designed to help achieve compliance with the UN Convention against Corruption.

During 2023, the Government of Jersey designed and delivered Anti-Corruption training to employees of the States of Jersey.

The States Assembly approves and publishes anti-corruption arrangements for States Members, in particular in relation to declarations of interests.

## Risk Management

This section of the Corporate Governance Report sets out how the States of Jersey identifies and manages risks. Risks impact on the achievement of objectives (see the Performance Report) and the organisation's governance (see "Update on Governance Issues" later in the Corporate Governance Report). Active management of risks seeks to minimise these impacts.

The top five risk themes in 2023 were:

- External risks - macroeconomic risk, geopolitical and environmental risks
- Health and wellbeing and Clinical Governance Assurance
- Cyber Security and Information Security
- Health and Safety management in the Government of Jersey Property Portfolio
- Threats to long-term financial sustainability.

These correlate closely not only with governance issues identified (see the following section) but also global risks experienced by many other jurisdictions (see below). There are also clear correlation areas with the seven Common Strategic Policy priorities for change (see [P.98/2022](#) as amended, the Performance Report and the table below).

## Corporate Governance Report

## CORRELATION OF POLICY PRIORITIES, RISK AND GOVERNANCE

## Common Strategic Policy priorities for change

- Community
- Housing and Cost of Living
- Economy and Skills
- Children and Families
- Ageing Population
- Health and Wellbeing
- Environment

## States of Jersey top risk themes

- External risks - macroeconomic risk, geopolitical and environmental risks
- Health and wellbeing & Clinical Governance Assurance
- Cyber Security and Information Technology
- Health and Safety Management in GoJ property portfolio
- Threats to long-term financial sustainability

## Top 3 Global Risks

- Energy Crisis
- Food Crisis
- Cost of Living

## Governance themes and issues

- People Policies and Resourcing
- People Strategy
- Organisational Change
- Information Security and Information Governance
- Cyber Security and IT Systems
- Estate Management
- Programme and Project Management
- Governance Arrangements – Health and Social Care
- Decision Making - Major Projects
- Arm's Length Organisations




The following sections set out the overarching arrangements for managing the States' risks, as well as the detailed mitigation work carried out on the top five risk themes during 2023.

The Government faces a wide range of uncertainties, challenges and opportunities as it seeks to realise its ambitions for Islanders. Effective governance and risk management is recognised as an essential component of assisting the public service to become a modern, forward-looking organisation which is capable of delivering long-term outcomes and efficient and effective services.

Government needs to be aware of how Environmental, Social and Governance factors impact the customers we serve – the citizens of Jersey, businesses, suppliers and the wider economy, and species and habitats within our environment – to name a few.

The following diagram, helps to show how Environmental, Social and Governance (ESG) factors that impact our customers are central to informing our risk management as a Government:

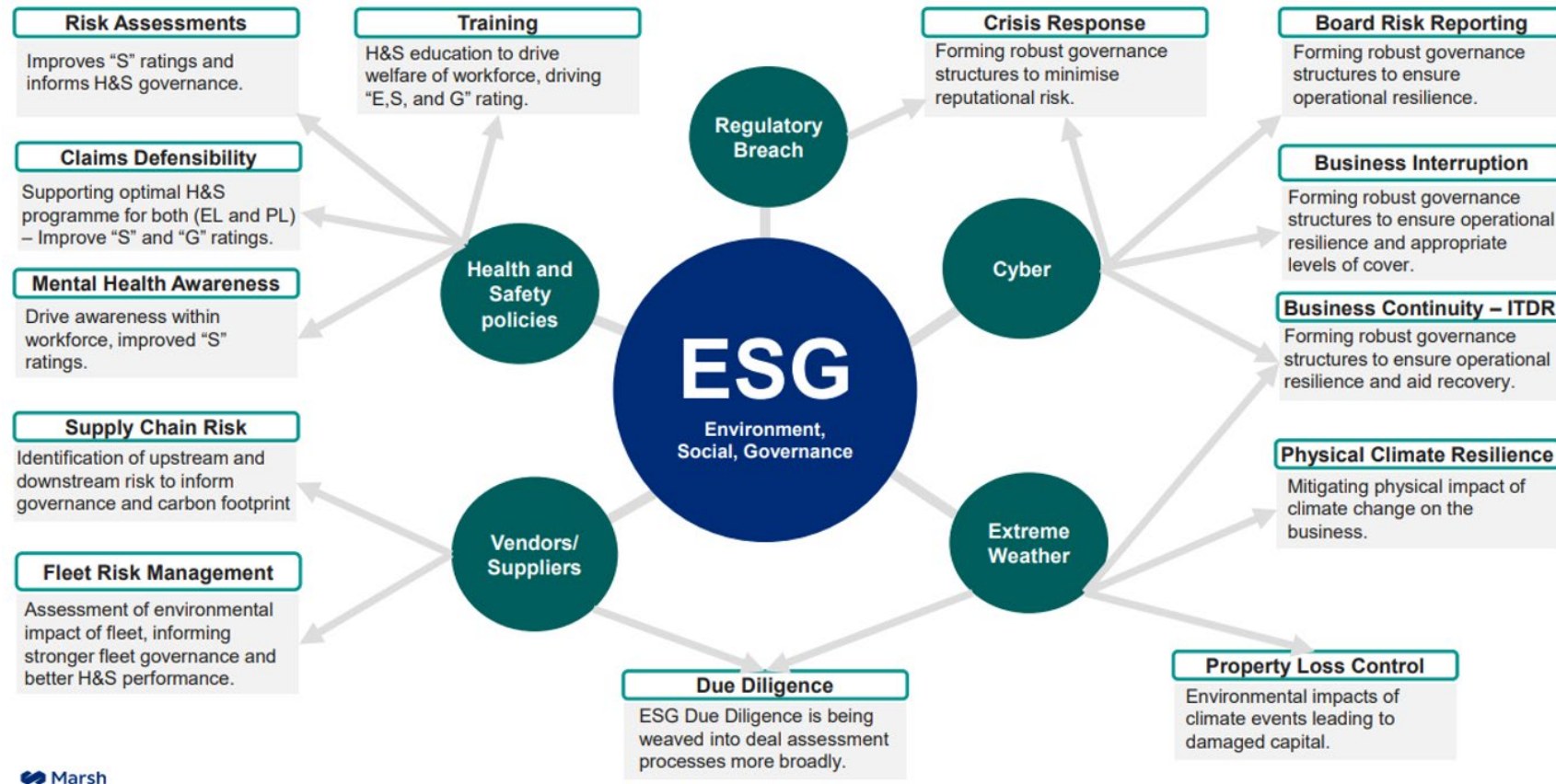
Corporate Governance Report

	Is the answer to any of these questions, yes?	Examples
 <b>E</b>	Does it <b>impact or affect the natural environment</b> it operates in? Does the <b>natural environment</b> affect it?	Carbon accounting, energy management, biodiversity, nature loss, pollution, and waste management.
 <b>S</b>	Does it <b>impact or affect the society/community</b> it operates in? Does <b>societal/community factors</b> affect it?	Relationships with employees, suppliers, customers and communities, including labour standards, diversity and inclusion, and health and safety (H&S) issues.
 <b>G</b>	Does it directly relate to <b>specific internal processes and procedures</b> within your organisation?	Internal controls and behaviours including cyber protections and conduct.

Source: Marsh

The ESG approach is intrinsic to risk management. The following diagram illustrates the interconnectivity of ESG with Risk Management.

# The Interconnectivity of ESG and Risk Management



Source: Marsh

Explanation of abbreviations

H&S – Health and Safety; EL – Employer's Liability; PL – Public Liability; ITDR – IT Disaster Recovery



In order to help with the assessment and evaluation, risks are broadly categorised as follows:

- Financial – risks that relate to a weakness in financial controls, for example, financial fraud;
- Service delivery;
- Reputational;
- Legal and regulatory;
- People & health and safety;
- Economic;
- Environmental and social.

It is also recognised that future risks will take place against the backdrop of a planetary climate emergency, which is seeing both communities and organisations experiencing fallout from increased weather extremes.

## How Risk is Controlled

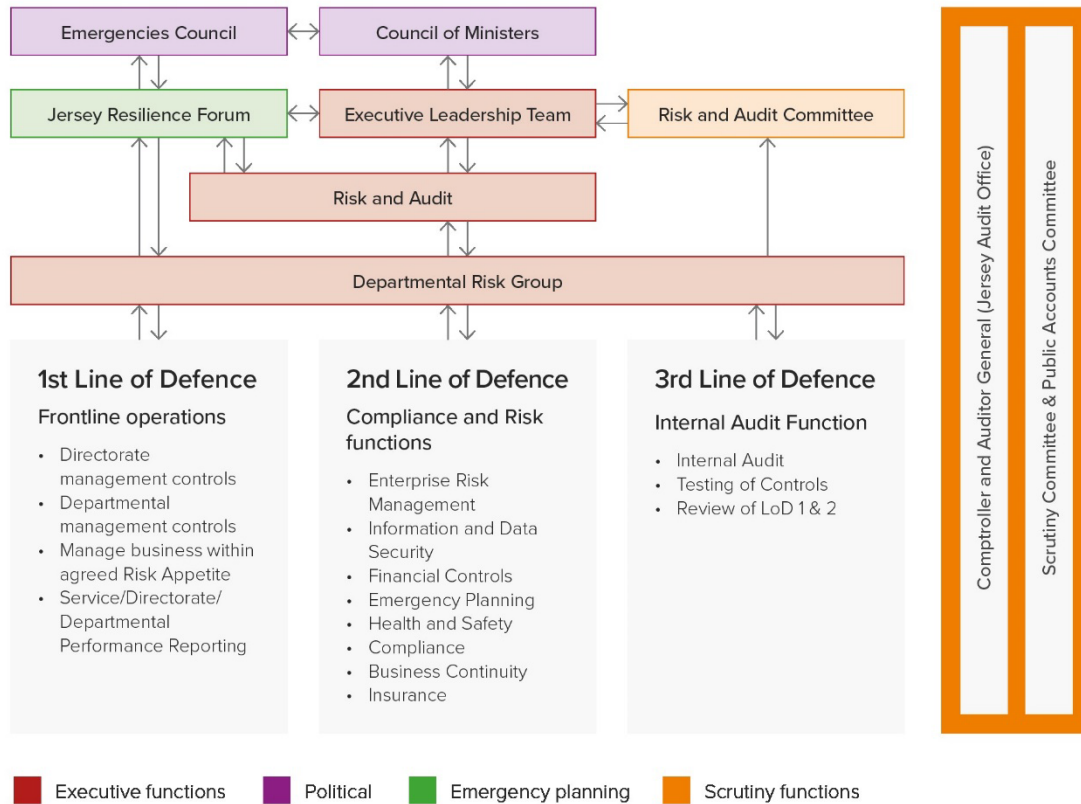
The States' and Government's risk management approach is grounded in a no blame culture and for bad news to be reported immediately and in accordance with prescribed escalation guidelines so there is sufficient notice to determine an effective response.

As our risk management culture matures from focusing on process to quality, the Government of Jersey is placing emphasis on evidence through the use of key risk indicators (KRIs) and asking the right questions of our performance data. These inform the risk and should trigger an appropriate and proportionate response to address risks, in order to prevent them from materialising into issues. This will reduce the likelihood of risks exceeding what is known as risk appetite and tolerance. It depends on services understanding their data and their risks and prioritising accordingly.

The following provides an overview of the roles and responsibilities within Government for risk management.



## Risk Management – Roles and Responsibilities



## Council of Ministers

The Council of Ministers has responsibility for ensuring the Government of Jersey delivers on its strategic priorities by holding the ELT to account, and in relation to risk management has responsibility for:

- Setting the tone and influence for the culture of risk management across the Government of Jersey and with partners;
- Determining the nature and extent of the principal risks it is willing to take in relation to achievement of its strategic priorities;
- Setting the priorities for delivery by the Executive Leadership team
- Reviewing the Corporate Risk Register on a regular basis and receiving feedback from the Principal Accountable Officer and the Risk and Audit Committee as to the effectiveness of the risk management systems; and
- Conducting an Annual Review of the effectiveness of the risk management systems in support of the Annual Accountability Report and Governance Statement.

## Executive Leadership Team (ELT)

ELT has responsibility for ensuring that the Government of Jersey delivers on its strategic priorities and, in relation to risk management, ELT has responsibility for:

- Setting the tone and influence for the culture of risk management across the Government;
- Overall accountability for ensuring that a system is in place for identifying, assessing and managing existing and/or emerging risks;
- Determining the nature and extent of the principal risks it is willing to take in relation to its strategic objectives;
- Conducting an annual review of the effectiveness of the risk management systems in support of the governance statement and the Statement of Internal Control;
- Ensuring risk is appropriately considered in items or activities that require political direction; and
- Regularly reviewing the Strategic Risk Report (or equivalent risk report showing corporate risk profile) and ensuring alignment to the Government's Strategic Priorities.

## Risk and Audit Committee

The Risk and Audit Committee (R&AC) supports the Government in delivering its responsibilities for risk management, internal control, governance and audit. The Committee's role is to review and provide independent advice to the PAO, Minister for Treasury and Resources, Treasurer and, in exception, the Council of Ministers, on the completeness, reliability and integrity of assurances as they relate to their responsibilities under the Public Finances Law and as set out in the Public Finances Manual. The R&AC acts in an advisory role as an internal assurance body and supports the Government to fulfil its governance responsibilities, providing oversight of Internal and External Audit and Risk Management. Its primary function is to add value within the formal scrutiny arrangements, providing adequate and appropriate assurance to the delivery of Government business.

The committee considers and advises ELT on the following issues:

- The effectiveness of the current enterprise risk management process and policies including the review process into the corporate risk register;
- Development, management and monitoring of risk management activities;
- Assurance relating to the adequacy and effectiveness of the risk, control and governance processes across the Government; and
- Aligning the Government's risk strategy against strategic priorities and good practice.

For 2023, the membership of the Risk and Audit Committee comprised an Independent Chair and other independent members with a requirement of two members plus the Chair

being present for the meeting to be quorate. The Risk and Audit Committee summarise their work in an annual report which is presented to and considered by the Executive Leadership Team.

The membership of the Committee throughout 2023 comprised:

Name	Position	Appointment date
Vineeta Manchanda	Chair (Risk and Audit) / Independent Member	01/10/2018 – to 3/4/2023
John Kent	Independent Member	28/11/2019 – to 3/4/2023
David Smith	Independent Member	28/11/2019 – to 3/4/2023
Elaine Walsh	Chair (Risk and Audit)/Independent Member	13/6/2023 to date
Nigel Hair	Deputy Chair (Risk and Audit), Independent Member	13/6/2023 to date
David Chalk	Independent Member	13/6/2023 to date
Leanne McIntyre	Independent Member	13/6/2023 to date
Zoltan Varga	Independent Member	13/6/2023 to date

## Risk Management – Developments in 2023

### *Global Risks*

The global risk landscape and how that translated into a local context in Jersey continued to be challenging in 2023. Compound effects of global pandemic, geopolitical tensions and socio-economic pressures resulted in “polycrises” facing governments and organisations worldwide, according to the World Economic Forum’s [Global Risks Report 2023 – 18th edition](#).

At the beginning of 2023, the report listed the top 3 currently manifesting Global Risks as:

- Energy Crisis
- Food Crisis
- Cost of Living

In 2025, experts are still expecting Cost of Living to be top of the Global Risk agenda. In 2033, the top risks are predicted around climatic and environmental risk and risks that are associated with that, for example large scale involuntary migration over the longer term.

Today, leaders are facing multiple crises that are happening at the same time. Over 80% of the 1200 expert respondents in the World Economic Forum (WEF) Global Risks Report expected consistent ongoing crises that are compounding each other on an increasingly volatile trajectory.

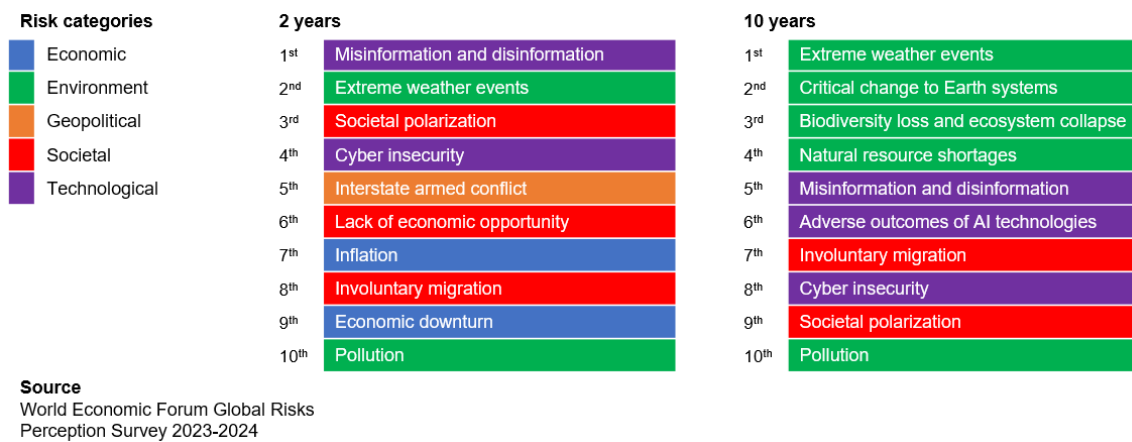
The world faces re-emerging energy, food, health, and cost of living crises and at the same time some new risks layered on top of that: potential recession, infectious diseases, trade

Corporate Governance Report

wars and weaponising of economies and climate risks. Concerns around climate risks focus on the rate of adaptation by jurisdictions towards carbon neutrality.

Food insecurity has increased due to major reductions in grain exports, lack of fertilizer and climate events. No country is immune to social erosion due to shortages of basic necessities caused by lack of availability or affordability. Cost of living and food shortages could cause social instability, as seen in 2022 and 2023 in terms of protests and industrial action.

Countries and organisations are now turning from a just-in-time to a just-in-case strategy, nearshoring and friend-shoring. This means bringing production closer to home. There is also a trend of vertical integration meaning that companies are looking to acquire suppliers to secure the supply chain.



Looking ahead in 2024, the WEF in its most recent [Global Risk Report 2024](#) Identified the following Global Risks by order of severity in the short and long term:

### Local Impacts

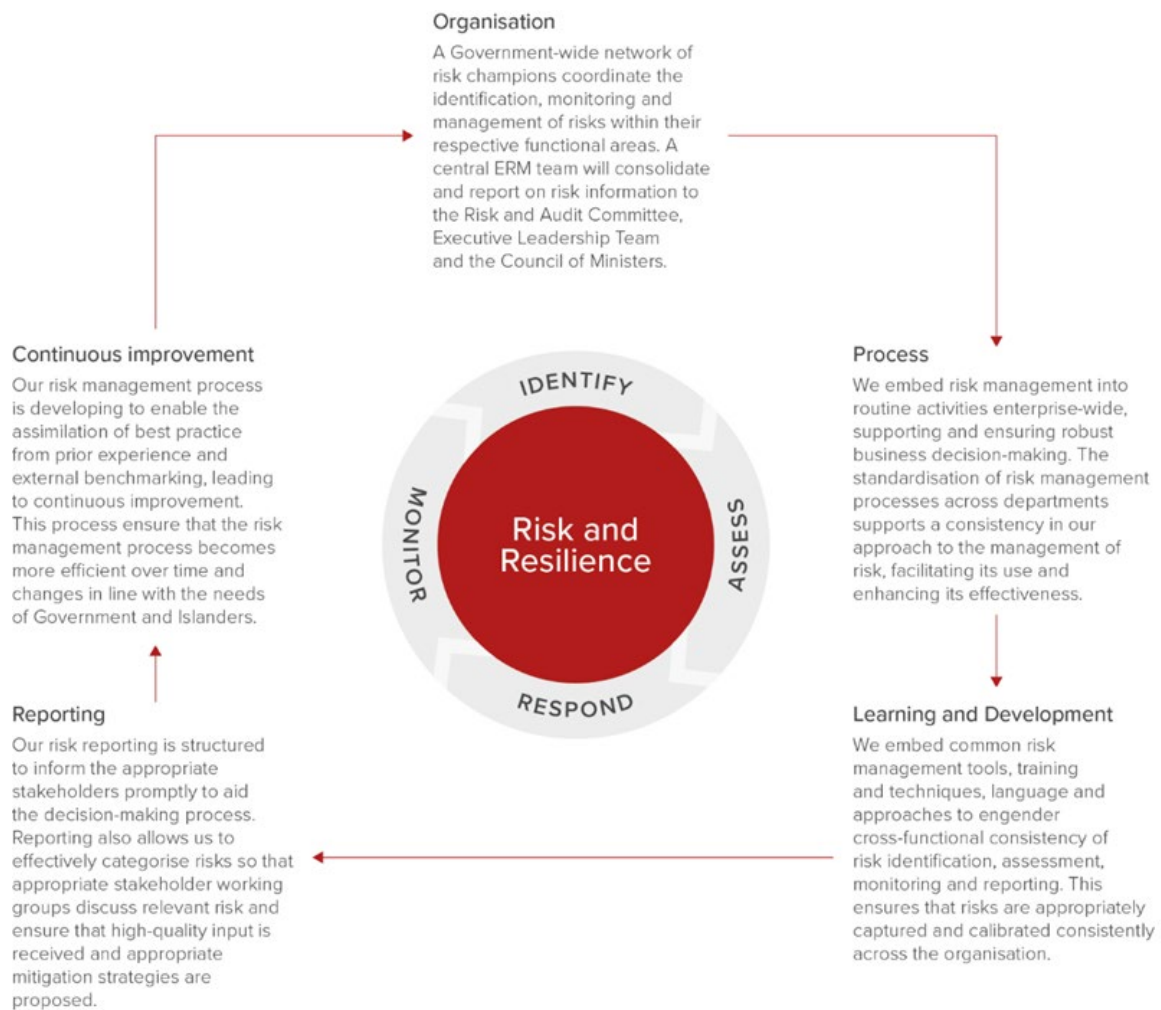
There are several potential direct or indirect local impacts. For example, as the Cost of Living and Inflationary Pressures impacted in 2022 and 2023, a mitigation from the Bank of England was to increase interest rates, which in turn has economic consequences in terms of affordability of housing, the cost of borrowing, labour costs, and food and commodity retail prices. See below for more detail on these impacts and mitigations, in particular in relation to the “External Risks” theme.

Other examples of Risk at a Community Level in 2023 also included extreme weather events including the Major Incidents surrounding Flooding in Vallee du Vaux and Storm Ciaran. The Community Risk Register enables the community of Jersey to be better prepared to cope during an emergency and to recover more quickly. It helps in preparedness and resilience for major events to identify risks which could potentially meet the definition of a major incident or emergency. The Corporate Risk Register includes Level 1 risks comprised of strategic, emerging, and exceptional risks escalated from Departments and projects.

## Enterprise Risk Management

The States and Government have continued to develop their strategy for the management of risk, and the Enterprise Risk Management (ERM) framework sets out the basis for risk and evidence-based decision making. It remains the ambition to continue to embed risk into the decision-making of the organisation in line with the process shown below.

Further progress has been made on the approach to ERM during 2023 and a roadmap setting out key developments and goals is in place to deliver further improvement in 2024.



Risk is a standing item on the Executive Leadership Team agenda and Chief Officers are able to present potential corporate risks and issues for consideration in a timely manner.

Notable developments in 2023 included the further development of joint working with the Emergency Planning group to develop a National Security Risk Assessment (NSRA) based approach to the capture of risk on the Community Risk Register. This work is being undertaken in shadow form in advance of introducing legislation equivalent to the UK Civil Contingencies Act.

Capturing risk on the Community Risk Register is the responsibility of the Emergency Planning Team within Justice and Home Affairs and forms part of the work undertaken by the Jersey Resilience Forum.

Work was undertaken in 2023 to further embed the Enterprise Risk Management (ERM) system changes across Government of Jersey Ministerial and Non-Ministerial Departments through workshops, training and regular reviews. In addition, the Central Risk Team is rolling out a structured training package encompassing a wide-range of risk-related learning modules for all levels of the organisation. It also delivered a risk awareness induction course, outlining the framework and systems to States Members in early 2023.

The system of reviews includes quarterly risk management reports to the Risk and Audit Committee, Executive Leadership Team and the Departmental Risk Group. It is led by risk leads across Government who now meet regularly to discuss quarterly risk reports, approaches under ERM and relevant topics within their Terms of Reference. The Government's Head of Risk meets regularly with department leads and Senior Leadership Teams to discuss their risk registers.

Other enhancements in the year included further development of the ERM system and live Business Intelligence reporting at Corporate and Departmental levels; tracking of Corporate active risk management using Key Performance Indicators and to track progress with the implementation of the Risk Management Strategy; further work to guidance on impact scoring to ensure it is proportionate to Jersey and to ensure consistency in risk assessment; and implementation of the C&AG October 2022 Review of Risk Management findings. A further development was the continued embedding of use of the "Deep Dive" template, introduced in 2021, which examines how risk is managed at Departmental and Corporate levels. A number of deep dives were carried out in 2023 and the template was automated to auto-populate with data from the ERM.

Risk Deep Dives are an end-to-end review of a specific risk or issue. They are an essential way of better understanding the "path to green" in the management of a risk. They examine the scoring, control environment, and progress in terms of actions. They also seek to evidence the performance of the risk through key risk indicators. The template allows those carrying out the assessment to understand inhibitors and opportunities and escalate any issues to senior management teams, the Executive Leadership Team and Council of Ministers for decision-making. They are a key tool in better-informed decision making and prioritisation.

Other work in 2023 included the following:

- Regular, collaborative working with Business Continuity officers;
- Head of Risk meeting quarterly with States-owned Entities and attending shareholder meetings. These meetings allow for a discussion of the risks recorded within their respective risk registers and how they may affect wider Government as well as the community. The meetings also examine emerging risks.
- Providing advice to major projects and programmes on risk and insurance management, as required.

- Workshops with Council of Ministers and the Executive Leadership Team on the Corporate Risk Register.

During 2023, the Risk and Audit Committee undertook regular reviews of the Corporate and Departmental Risk Registers. These reviews are now standing items on the Risk and Audit Committee's briefing sessions.


## Principal and Emerging Risks


The Government of Jersey's strategic priorities are subject to a number of risks. The Government of Jersey's risk management strategy 2023-24 sets out how departments identify and manage these risks through a risk framework. It also sets out our appetite for different types of risk. Our risk appetite statement allows us to understand as an organisation how much risk we are willing to take on to meet our strategic objectives. It considers what mitigations are required and the costs of doing so. Risk owners (those responsible for managing the risk) are asked to make two calculations: the current risk score with existing controls applied and the target risk score once future identified actions have been applied. These help us to understand whether the identified risk will fall within the assessed risk appetite once those actions have been implemented.

The following provides an overview of the principal risks and issues facing Government in 2023-24 and which are included within our Corporate or Strategic risk register. The table shows only those risks and issues which have an extreme current risk score at the end of Q4 2023.

The top or principal risks and issues are provided in the tables below – all are currently scored as extreme. The tables provide links between strategic objectives, quantified risks and mitigations and a description of how the risk profile has changed over time including developments in relation to specific issues or risks disclosed in the report.

In the tables the following symbols indicate the trend. A stable trend does not indicate that a risk is within acceptable limits:



 Indicates stable risk score

 Indicates increasing risk score

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## Principal Issues 2023-24



Issue	Description	Areas of focus	Movement description
<p><b>Inflationary pressure and impact on economy/population</b></p> <p>Strategic Priority:</p> <ul style="list-style-type: none"> <li>Housing and Cost of Living</li> <li></li> </ul> <p>Risk score (all extreme):</p> 	<p>If global and UK inflationary pressures continue to feed through to the Jersey economy, bearing on the population and economy in a variety of negative ways, it could lead to stunted economic growth and cost islanders large parts of their disposable income. This particularly affects the most disadvantaged in our society.</p>	<ul style="list-style-type: none"> <li>Cost of Living Temporary Scheme (COLTS) for income support;</li> <li>Project Officers Inflation Group;</li> <li>Minister-led Inflation Strategy Board; and</li> <li>Government Plan 2024-27: Tax allowances to be increased by 7.7%. £10m of Government support to increase rate of home ownership.</li> </ul>	<p>The score remained the same in 2023 although there are some signs that inflation is slowing and interest rates are stabilising. This is being monitored by the Department for the Economy in terms of impact and scoring.</p>
<p><b>Uninsured Losses</b></p> <p>Strategic Priorities:</p> <ul style="list-style-type: none"> <li>Community</li> <li>Children and Families</li> <li>Health and Wellbeing</li> </ul> <p>Risk score (all extreme):</p> 	<p>Increasing insurance premiums coupled with historical deficits in cover and recent large claims may impact our ability to adequately transfer our risk with possible higher excesses and/or uninsured risks which could lead to significant financial impact.</p>	<ul style="list-style-type: none"> <li>Insurance Strategy and Implementation Plan.</li> <li>Risk transfer and financing.</li> <li>Strategy, action plans and review.</li> </ul> <p>Financial/uninsured risk controls.</p>	<p>This risk materialised into an issue due to an increase in medical malpractice claims exposure and a number of clinical reviews in 2023. This is compounded by a hardened insurance market. If trends continue the Government of Jersey may find some risks are hard to insure with resultant pressure on the Insurance Fund and a requirement to request additional funding in future Government Plans.</p>




## Corporate Governance Report

Issue	Description	Areas of focus	Movement description
<p><b>Clinical Governance – Assurance</b></p> <p>Strategic Priority:</p> <ul style="list-style-type: none"> <li>• Health and Wellbeing</li> </ul> <hr/> <p>Risk score (all extreme):</p> <p style="text-align: center;"></p>	<p>The issue that there is a lack of assurance around clinical governance in HCS as identified in recent reviews resulting in potential for patient harm, legal action, litigation and reputational damage.</p> <p>This issue is also linked to uninsured losses.</p>	<p>Areas of focus can be broken down into 7 themes:</p> <ol style="list-style-type: none"> <li>1. Culture improvement plan;</li> <li>2. Investment in Quality and Safety team (recruitment);</li> <li>3. Surveys, briefings and staff meetings to provide assurance and temperature checks;</li> <li>4. Monitoring of performance review data at Care Group monthly governance meetings;</li> <li>5. Improved communication;</li> <li>6. Creation of HCS interim Board and its assurance committees; and</li> <li>7. Implementation of clinical guidelines, participation in UK national clinical Audits, various speciality specific improvement plans, etc.</li> </ol>	<p>This issue was identified in 2023 and the current score should reduce as the recommendations set out in recent reports and other mitigations are implemented.</p>

## Principal Risks 2023-24

Risk	Description	Areas of focus	Movement description
<b>Cyber Defence</b>  Strategic Priority:  <ul style="list-style-type: none"> <li>Economy and Skills</li> </ul>	There is a risk that our systems could be successfully breached by a threat actor leading to a loss of government data and failure of public services. This could be caused by the combination of weak or missing controls and the maturity of current functions using the processes and tooling which may not detect and protect against threats. This could result in reputational and/or regulatory consequence as well as financial consequence including cost of recovery.	<ul style="list-style-type: none"> <li>Cyber Security Awareness. Security Operations Centre (SOC).</li> <li>Perimeter Security Infrastructure.</li> <li>Device hardening processes and artefacts.</li> <li>Security Incident and Event Monitoring (SIEM).</li> <li>Technology Transformation Programme.</li> <li>Cyber Security Programme.</li> </ul>	Stable. Whilst threat activity increases from criminal organisations and hostile States, Government continues to continuously review and improve its security through technology transformation and cyber security programmes.
Risk score (all extreme):  			
<b>Information security</b>  Strategic Priority:  <ul style="list-style-type: none"> <li>Economy and Skills</li> </ul>	There is a risk that personal data breaches occur as a result of poor information governance which could lead to regulatory enforcement action, legal action and reputational damage.	<ul style="list-style-type: none"> <li>Annual review of Data Privacy Framework.</li> <li>Records Management Programmes.</li> <li>Security Incident and Event Monitoring.</li> <li>Implementation of controls set out in the Data Privacy Framework.</li> </ul>	Stable in 2023.
Risk score (all extreme):  			

Corporate Governance Report

Risk	Description	Areas of focus	Movement description
<p><b>Threats to long-term financial sustainability</b></p> <p>Strategic Priority:</p> <ul style="list-style-type: none"> <li>Economy and Skills</li> </ul> <hr/> <p>Risk score (all extreme):</p> 	<p>There is a risk that we:</p> <ul style="list-style-type: none"> <li>fail to maximise income and raise revenues due to external threats to revenue sustainability such as the regulation of global taxation, changes in the labour market threatening personal tax income or the ageing population;</li> <li>fail to react to current economic uncertainty which could erode income lines and asset values, reduce our ability to borrow and create pressures on expenditure;</li> <li>fail to prioritise our finite resources due to poor decision making and or lack of timely or accurate management information; and</li> <li>fail to balance competing spending pressures from increasing levels of public service, pressures from the ageing population, net zero / carbon and the escalating costs of healthcare or unexpected financial items.</li> </ul>	<ul style="list-style-type: none"> <li>Fiscal policy.</li> <li>Key performance indicators.</li> <li>Monthly efficiencies presentation to Executive Leadership Team.</li> <li>Government Plan (budget) and associated income estimates.</li> <li>Income Forecasting Group (IFG).</li> <li>Value for money programme.</li> </ul>	<p>Increasing in 2023 due to macroeconomic and geopolitical issues and impact on Jersey.</p>

Corporate Governance Report

Risk	Description	Areas of focus	Movement description
<p><b>Lack of Capacity for Waste Disposal and Management</b></p> <p>Strategic Priorities:</p> <ul style="list-style-type: none"> <li>• Economy and Skills</li> <li>• Environment</li> </ul> <hr/> <p>Risk score (all extreme):</p> <div style="text-align: center;">  </div>	<p>There is a risk that we have insufficient capacity to meet service requirements for a range of waste materials, Liquid or Solid within the next 3 years, resulting in minimal storage availability and reduction in waste management service levels.</p>	<ul style="list-style-type: none"> <li>• Establish service scope for continuity.</li> <li>• Funding to be requested to meet operational needs.</li> <li>• Develop infrastructure improvement plans to mitigate risk.</li> <li>• Engage with Industry/Planning to reduce incoming waste volumes.</li> <li>• Log events for Island Plan inclusion.</li> <li>• Review sites for waste capacity. Waste Seminar.</li> </ul>	<p>Increased due to an issue in 2023 (La Collette inert waste capacity). However, due to reduce in score following States Assembly meeting and Planning agreement. Infrastructure and Environment are likely to split the risk to differentiate between risk around liquid waste and risk around solid waste.</p>

There are many other risks which, although they have a lower score, are still actively managed on an ongoing basis. These include:

- EU Policy/Relationships (Likely to be de-escalated from the Corporate Register in 2024)
- Staff Wellbeing (Impact of major incidents continue to be felt)
- Recruitment and Retention (Vacancy data and management remains a challenge)
- Failure to progress the New Hospital Facilities Programme (increased in 2023)
- Insufficient Capacity in Children's Care Settings (reduced in 2023)
- Failure to meet our duties as a Corporate Parent (stable in 2023)
- Health and safety management in GoJ property portfolio (reduced in 2023)
- Fraud, Corruption and other adverse consequences (stable in 2023)
- Loss of Economic Prosperity (stable in 2023)
- Major incident resourcing impact on recovery and business as usual (Increased pressure in 2023 but now stable)
- Telecoms Security and Resilience (stable in 2023)
- FATF/MONEYVAL (reduced in 2023)
- Roll-out of ITS Programme (risk increased in first 6 months of 2023 particularly around Connect Finance but then started to decrease towards end of 2023)

## Update on Governance Issues

Based on their awareness of the major issues facing the organisation, the Chief Executive Officer and the Treasurer of the States have determined the issues detailed below as being the most significant governance issues to be included in this Governance Statement. These issues have been drawn from departmental governance assurance statements, management reviews and the work of the Comptroller & Auditor General, internal and external audit.

The Island continued to be affected throughout the year by the unprecedented events of late 2022 and early 2023 – the Haut du Mont explosion, the loss of a fishing vessel and crew, and severe but localised flooding displacing Islanders. Funding allocations were made during 2023 to assist with recovery from those incidents, both physical and psychological.

The Island's resilience was further tested by Storm Ciarán in November 2023. Yet again, core Government and Non-Ministerial Departments, the States of Jersey Police, arm's length bodies and the voluntary sector worked well together to meet the immediate and ongoing needs of those affected. Learning from previous events was able to be put in place to ensure swift action and funding were put in place.

The following tables show governance issues identified either in 2023 or prior years, and detail the actions undertaken in 2023 to address those issues. They are presented in descending order of significance, based on review by the Chief Executive Officer and Treasurer.

## Corporate Governance Report

**Governance issue identified in 2023**

**Health funding** – work was undertaken throughout 2023 to address funding pressures in the Health and Community Services Department after it became apparent from early in the year that its forecast expenditure would be likely to exceed that approved by the States Assembly. The then Minister for Treasury and Resources made clear that, although he would accommodate essential spending, he wished to see any structural overspending addressed.

**Actions undertaken in 2023**

A Financial Recovery Plan has been developed which, alongside additional funding approved in the Government Plan 2024-2027 and provided in 2023, is planned to stabilise the position to a more sustainable situation. During 2023 the then Minister for Treasury and Resources made several Ministerial Decisions to augment the Health and Community Services head of expenditure to allow the delivery of essential services.

**Governance issue identified in prior year and still relevant**

**Recruitment and resourcing** – some departments continue to experience difficulty in recruiting and retaining appropriately skilled and experience staff.

**Actions undertaken in 2023**

The new Key Role policy has helped improve the way key worker accommodation is accessed.

An organisation wide Strategic Workforce Plan has been developed with input from all departments and an action plan for delivery produced.

The Delivery Team made positive improvements to the candidate experience. One of the outcomes of this was how the Government engaged and onboarded new Teachers. There were no Primary School Teacher vacancies in September 2023. Secondary schools had vacancies in specialist areas including Maths, Science and Technology, noting that there is a global shortage in these areas.

The Teacher training programme was also successful and allowed local candidates to gain the Teacher qualified status on Island within Jersey schools.

The Delivery Team had success in the Teaching Assistant recruitment drives by developing a framework with revised recruitment and attraction techniques and a comprehensive onboarding, induction and training programme.

A review of the Fire and Rescue Service pay, and terms and conditions took place. This supports the recruitment and retention of Whole Time and Retained Fire Fighters and introduced Dual Contracts

A talent pipeline continues to grow steadily with more engagement with Jersey students. A total of 194 Jersey students undertook Trident work placements across Jersey's public service and there was yet another increase in the number of paid internships. From the 97 applications received, 67 placements were taken and 100% positive feedback received. The 'Apprenticeships First' strategy has seen continued growth with around 25-30 new apprenticeships starting in ten different professional areas.

### Governance issue identified in prior year and still relevant

**Governance Arrangements in Health and Social Care** - The governance arrangements in the Health and Community Services Department were judged as needing improvement in a report issued by the Comptroller and Auditor General (C&AG) in 2018. 22 recommendations were made.

A follow-up C&AG review published in September 2021 reported partial progress being made to implement the recommendations of the 2018 report, whilst also noting the need to be able to govern across the whole system.

### Actions undertaken in 2023

In 2022, Professor Hugo Mascie-Taylor, in his Review into clinical governance arrangements in secondary care, noted the work of the existing HCS Board (established in response to the C&AG 2018) but recommended that a more conventional board should be established with non-executive leadership to drive further improvements to governance. The Minister adopted that recommendation and established, during the course of 2023, a new non-statutory Advisory Board for HCS with an independent Chair and up to 5 NEDs. That Board, and additional expertise and capacity provided by the Change Team, are focused on improved governance throughout HCS.

Work on improvements to drive whole system governance (including coproduction of strategy, service planning, development and commissioning, quality and safety assurance, and risk management) is central to the future health strategy.

### Governance issue identified in 2023 – now considered to be stabilised

**ITS/Connect Finance** – the changeover of the organisation's finance system at the start of 2023 brought some challenges and highlighted some areas, particularly in relation to payment of suppliers, where operational practices were not operating as well as intended.

### Actions undertaken in 2023

Resource was redirected to address these issues. Although there were some delays in implementation of other aspects of the Integrated Technology Solution programme, finance processes have now stabilised, and the project has now moved to a programme of continuous improvement as part of business as usual.

### Governance issue identified in prior year and still relevant

**Information Security, Information Governance, Cyber Security and IT Systems** - Improvements were required across Information Governance including to records management, information management and the development of a data strategy. Information Security requires continual development to respond to the changing landscape.

Like all governments, cyber security systems need to be continually updated to both detect and deter access which is not appropriate and to ensure compliance with Privacy legislation.

## Corporate Governance Report

**Governance issue identified in prior year and still relevant**

Improvements remain to be made in the quality and effectiveness of the States' Information Technology and digital infrastructure.

**Actions undertaken in 2023**

In 2023, an updated information security staff training programme was delivered to all staff, the final projects of the Cyber Programme closed, and a follow-up maturity assessment commissioned. Further work is required to continue to manage the evolving cyber risks and planning for the next round of investment was conducted. Information Governance continued to be developed in 2023 with processes established in alignment with the privacy framework. Further effort is required in data and identity lifecycle management that forms part of the investment case for the next round of Investment.

Monitoring and updating cyber security has continued including the delivery of training to all staff, engaging a managed security service, building information and physical asset registers, implementing Information Security Risk management process, developing and launching a new Information Security Policy framework and improvements to Identity Management.

Steady progress has been made in the year to replace and upgrade the Government's digital systems and infrastructure, and steps are being taken to replace some legacy IT systems. The introduction of ITS/Connect assists with this process.

The consolidation of Health, Education and Police technology teams and responsibilities within the Modernisation and Digital Directorate this year has enabled a more consistent and thorough approach to Cyber risk assessment and management. It has also allowed a rigorous analysis of the size and complexity of the entire Government technology estate.

Outward facing improvements to the Island's Cyber Resilience are being made with the continued work of the Jersey Cyber Security Centre (JCSC), formerly known as the Cyber Emergency Response Team (CERT). This (external) body has already responded to several Cyber incidents on behalf of non-Government entities and reduced the impacts of these events.

**Governance issue identified in prior year and still relevant**

**Estate Management** - The effectiveness of planned maintenance procedures and compliance with Health and Safety requirements needs improvement.

**Actions undertaken in 2023**

The Estates Strategy developed in 2021 has been embedded in work practices. Internal reorganisation and recruiting have been reflected in an improved "Be Heard" score with the department able to influence its area of responsibility to greater effect. The department is now pushing out the horizon for management, working closely with the Treasury team to move away from a purely reactive approach to the estate to get to a more proactive and smoother profile for maintenance and works.



### Actions undertaken in 2023

2023 saw two key actions undertaken in the department: a focus on the condition, suitability and sufficiency of the estate, to provide a baseline which would enable asset plans to be developed; and a move to consolidate the estate by transferring to Jersey Property Holdings (JPH) elements of property held by other operational departments, such as residential units associated with the prison.

Rents have been reviewed to ensure a consistency across the estate managed by JPH, with a move to ensure that coastal cafes are all on the same basis, the markets leases are up to date and consistent and that the residential tariffs are consistent.

Health and Safety reviews across the estate have been undertaken for Fire Safety and Radon and mitigations for areas that have fallen short of the requirement have been discussed with the tenant organisations, prioritised and works undertaken. Water safety has been addressed through appointment of a responsible person and development of a detailed programme of work on flushing and safety measures and this work is being shared with the Health teams who have a complex water safety responsibility in the Health estate. Asbestos management continues in accordance with the regulatory requirement in terms of site management and the process of instructing and managing works in areas where there is or suspected of being asbestos containing materials.

In addition to the statutory and regulatory maintenance obligations of the standing estate, the property team have also been closely involved in the Haut du Mont response, the L'Ecume response and recovery from extreme weather events, to ensure the estate remains safe to use and safe to operate from.

### Governance issue identified in prior year – now considered to be stabilised

**Programme and Project Management** - Project management and governance arrangements for a range of projects have been identified as requiring improvement.

### Actions undertaken in 2023

During 2023, the Corporate Programme Management Office (CPMO) started to embed the approved and published, Programme and Project Delivery Frameworks. The Frameworks provide a consistent methodology for project delivery, with stage gate controls, templates and toolkits to support effective project review and regular assessment of progress against the approved business case.

During the year training continued to be provided to Project Managers and colleagues involved in change, this included, with support from a Finance Business Partnering Team, the development and delivery of an Effective Project Budget Training course. Additionally, work in partnership with departments was continued to move projects onto the relevant delivery framework.

The CPMO continued to capture monthly performance reporting on all programmes and projects in the portfolio and introduced monthly portfolio reports for each Chief Officer. Departments continue to hold monthly portfolio reviews, with a focus on escalations, issues and risks.

## Corporate Governance Report

**Actions undertaken in 2023**

Portfolio level performance reporting, insights and recommendations continue to be refined and presented monthly to the Executive Leadership Team (ELT) for consideration and the resolution of escalations.

**Governance issue identified in prior year – now considered to be stabilised**

**Decision Making - Major Projects** - Decision making for a number of major projects, including the previous Future Hospital project, has been identified as in need of improvement.

**Actions undertaken in 2023**

The CPMO undertook high-level compliance reviews of the Major and Strategic portfolio, against the newly introduced delivery frameworks to provide detail of where to target additional support and guidance to further embed this work. This included the delegation of the role of a Senior Responsible Officer (SRO) on projects, from the Accountable Officer, and how the role appointment process was undertaken. Work has focussed on whether the SRO role and its associated responsibilities, are delegated at the start of projects and monitor this as the project moves into delivery.

Stakeholder engagement activities were undertaken with Senior Responsible Officers (SROs) to provide detail of additional support required to enable bespoke training and toolkits to be developed to aid project leadership and oversight.

**Governance issue identified in prior year – now considered to be stabilised**

**Arm's Length Organisations** - The Government is continuing to improve its approach to managing Arm's Length Organisations (ALOs). The need for improvement has been identified in reports of the Comptroller and Auditor General.

**Actions undertaken in 2023**

During 2023 completion of an ALO Governance Checklist was made mandatory for those bodies listed as ALOs in the Public Finances Manual.

The ALO Working Group and Arm's Length Bodies Oversight Board (ALBOB) have continued to share experiences and best practice within Government. Progress has been made on a new standard Grant Funding Agreement, and the C&AG has held another successful event for bodies on Annual Reporting. During 2023 ALBOB has been refining its focus towards the larger ALOs where there may be scope for improvement in management approaches.

**Governance issue identified in prior year – now considered to be stabilised**

**People Policies** - Policies and procedures need to be brought up to date and made consistent to avoid potential confusion and misinterpretation. Additionally, a fundamental review of the framework for the oversight of human resources of the States was identified as being required, including, in respect of both the States Employment Board (SEB) and the Jersey Appointments Commission:

**Governance issue identified in prior year – now considered to be stabilised**

- scope;
- functions;
- membership; and
- operation.

**Actions undertaken in 2023**

During 2023 the initial focus was on the implementation and embedding of the revised policies and codes of practice. Work has continued to develop the remainder of the new policies or review existing people policies. This included the new priority Key Role policy to improve the way key worker accommodation is accessed.

The revised flexible working and suspension policy was implemented during 2023. Initial development and engagement of the recruitment and selection policies commenced along with the revision of the managing attendance policy and continuing to review the transfer of people policies from MyStates to gov.je

The States have continued to develop how employee experience is integrated into the wider policy frameworks. These include wider consultation on policy development and how this aligns and evaluates the employee voice. A Union Framework has been developed in consultation with the unions which has positively impacted on relationships and partnership working.

The employee network feedback has been key to ensure that policies are adapted and practices reflect changes, helping people to speak up and feel safe at work, and advocate for others.

This has been further developed to integrate the employee experience into the wider policy frameworks.

**Governance issue identified in prior year - now considered to be stabilised**

**People Strategy** - The need to update employment law and to develop an overarching People Strategy has been identified as key improvements required to overall governance arrangements.

**Actions undertaken in 2023**

Delivery against the commitments made in the People Strategy continued throughout 2023, including:

Your Experience: the Employee Led Networks (ELNs) continue to build and expand from the initial I WILL (Women in Leadership and Learning) and now consist of:

- REACH – membership 57
- LGBTQ+ – membership 255
- Menopause Café – membership 301
- Neurodiversity - membership 247
- Disability – membership 80

**Actions undertaken in 2023**

- Heads Up (men's mental health) – membership 77
- Disability, Equity & Inclusion (DEI) – membership 162

Two flagship DEI events were held to help promote awareness, understanding and respect during the year, one titled 'The Courage to Be You' and the other 'This is Me', that all of the networks contributed to as well as putting on various learning events, webinars and publishing articles throughout the year.

Your Development: A priority for 2023 was the development and roll-out of extensive training to support the implementation of Connect (the Integrated Technology Solution). This included programmes of learning to support colleagues in using Connect Finance, Connect Supplier Ariba and Connect People. Manager and colleague development programmes including further cohorts of World Class Manager; Espresso Shots; CMI Level 5 qualifications; Business Partner Training has continued and been augmented by Wellbeing and Resilience training.

Our Organisation: the organisation undertook a full Be Heard employee engagement survey In June 2023 with the results showing positive improvements of over 10% in four of the engagement factors and all overall scores were above a score of four which means they are in the positive zone. The Non-Ministerial Law Officers' Department (LOD) retained their accreditation as a '1 Star' organisation, and both CLS and SPPP departments achieved '1 star' level scores by Best Companies Ltd, the supplier who manages the Sunday Times Best Companies to work for index. Corporate priorities identified for improvement focus going forwards were agreed as Leadership, Wellbeing, Fair Deal and Giving Something Back.

## Closing statement

The organisation has responded positively to the significant challenges faced and delivered a range of positive outcomes during 2023. The impact of the pandemic will be felt for generations and, as a result, the Government has taken the opportunity to re-evaluate its priorities and the associated risks over the short and medium term. Whilst it is accepted that a longer-term piece of work needs to be formulated to sit alongside the Island Plan, the organisation has continued to push forward its transformation and taken the opportunity to address a number of the governance, operational and risk issues raised in this report, which will enable the Government to perform in a more efficient and effective way to deliver for Islanders.

The Government is confident that the governance arrangements in place during 2023 have been effective, with the exception of the governance issues identified above and in individual departmental 2023 Governance Statements.

The organisation is committed to maintaining and, where possible, improving its governance arrangements, in particular by:

- Addressing the issues identified, and in particular those reported by the C&AG, as requiring improvement;
- Working with Scrutiny to learn the lessons from and develop stronger policy around key initiatives and services;
- Enhancing performance reporting and focusing on key risks; and
- Using the Government Plan as a basis for planning to improve services and outcomes for Islanders and taxpayers.

The improvements and actions identified will take place over a long period. It is recognised the Government is on an improvement journey but its commitment to delivering better outcomes for Islanders and taxpayers will remain constant throughout.

It is our view that the Annual Report and Accounts, as a whole are fair, balanced and understandable and represents a true and fair view of the financial performance of the organisation.

**Andrew McLaughlin**  
Chief Executive Officer  
Date: 30 April 2024

**Richard Bell**  
Treasurer of the States  
Date: 30 April 2024

# Remuneration and Staff Report

## Remuneration Strategy

Remuneration policy for all employees of the States of Jersey is determined by the States Employment Board (SEB). On behalf of the SEB, the People and Corporate Services directorate provides an employer-side secretariat for the purpose of negotiation and consultation with the recognised trades unions and associations.

The SEB is the employer of all public servants in Jersey. It is chaired by the Chief Minister, or their nominee, and brings together 2 States Members who are Ministers or Assistant Ministers and 2 States Members who are not. Members in 2023 were:

Members of States Employment Board from 1 January – 25 November	Members of States Employment Board from 30 November – 31 December
Deputy K.L. Moore of St. Mary, St. Ouen and St. Peter, Chief Minister, Chair	Deputy K.L. Moore of St. Mary, St. Ouen and St. Peter, Chief Minister, Chair
Connétable A.N. Jehan of St. John, Vice Chair	Deputy M.E. Millar of St. John, St. Lawrence and Trinity, Vice Chair
Deputy M.E. Millar of St. John, St. Lawrence and Trinity	Deputy B. Ward of St. Clement
Deputy B. Ward of St. Clement	Deputy Sir P.M. Bailhache of St. Clement
Deputy Sir P.M. Bailhache of St. Clement	Deputy M. Ferey of St. Saviour

The SEB is responsible for setting the remuneration and terms of engagement for all employees of the States of Jersey. Pay scales are published and cover the following groups of public servants:

- Civil Servants (which includes Workforce Modernisation (Ambulance, Family Support Workers and Residential Childcare Officers) and Teaching Assistants –for both of whom separate pay scales exists)
- Civil Servants - Allied Health Professionals (As defined by the Health and Care Professions Council)
- Police
- Doctors and Medical Consultants
- Nurses and Midwives
- Manual Workers

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Remuneration and Staff Report

- Teachers
- Headteachers and Deputies
- Prison Officers
- Fire and Rescue
- Non-Ministerial Departments
- Legal Appointments (this pay group was created in 2022. It previously sat under Civil Servants)
- Individual contract holders (normally senior civil servants, but who are paid outside of the union negotiated pay scales).

In addition, the SEB are responsible for the remuneration and terms of engagement of those who are public office holders, but not employees of the SEB.

- Bailiff
- Deputy Bailiff
- Attorney General
- Solicitor General
- Viscount
- Deputy Viscount
- Judicial Greffier
- Deputy Judicial Greffier
- Greffier of the States
- Deputy Greffier of the States
- Master of the Royal Court
- Magistrate/Deputy Magistrate
- Children's Commissioner.

SEB has policies on pay and reward to ensure fairness and consistency, which are underpinned by the Reward and Benefits code of practice. This includes:

- Establish pay scales
- Job Evaluation
- Benchmarking
- Organisation design.

## States of Jersey Codes of Practice

In 2023, the SEB issued Codes of Practice to all employees of the Board, being in public service of the States of Jersey.

Public servants are those engaged on behalf of the SEB including employees, agency and interim workers, directly contracted individuals and office holders engaged directly on behalf of the SEB as defined by the Employment of States of Jersey Employees (Law) 2005.

The full Codes of Practice, which set out the Objectives, Operational Statement, and Code particulars are available here: [States of Jersey Codes of Practice \(gov.je\)](https://gov.je).

The six codes of practice are:

- Standards in Public Service
- Employee rights at work
- Performance and accountability
- Reward and benefits
- Engagement
- Talent development.

### Standards in Public Service

The SEB require all public servants to adhere to the Standards in Public Service, which are set out in the codes of practice under 8 points:

- Governance
- Loyalty
- Integrity
- Objectivity
- Probity
- Accountability
- Respect
- Ethics.

### Employees rights at work

The SEB require all public servants to adhere to the standards to uphold employee rights at work. These rights are derived largely from legal obligations and are stated as a commitment of the SEB to ensure our compliance with our obligations. Employees have the:

- Right to expect everyone to live the values of the organisation
- Right to be treated with dignity and respect at work
- Right to freedom from discrimination and harassment
- Right to a safe, inclusive, and healthy workplace
- Right to request flexible working
- Right to protection where raising concerns of public interest
- Right to effective, swift resolution when resolving concerns



- Right to be well managed
- Right to union membership and representation
- Right to consultation or negotiation on changes effecting terms and conditions of employment
- Right to not be unfairly dismissed.

## Performance and accountability

The SEB requires all public servants to be well led, effectively managed and adequately skilled to undertake their duties efficiently and to a good standard. All public servants must take accountability for their own conduct, behaviours and work.

## Reward and benefits

The SEB has the following principles for Reward:

- Equal pay for equal work
- Market sensitivity
- Total reward approach
- Flexibility
- Performance and recognition
- Affordability and sustainability
- Socially responsible.

## Engagement

The SEB requires employees to be supported, involved, and engaged in their roles. To do this, all public servants must understand their contribution and expectations of them through:

- Values and behaviours
- Communications
- Representation
- Feedback
- Recognition
- Wellbeing
- Consultation
- Effective change
- Line management.

### *Be Heard Employee Engagement Survey*

The Be Heard employee engagement survey was undertaken as planned in 2023 and the overall results as well as departmental results were shared with all staff.

The results showed improvements across the board and in every department – all engagement factor results were in the positive zone; and with four factors having over 10 percentage points increase from 2020 scores.

Continuous improvement actions for both corporate and departmental priorities are underway.

## Talent Development

The SEB expect standards to be in place for public servants in respect of talent development across the Public Service. The Board requires public servants to:

- hold professional learning and development discussions as part of regular supervision and within the performance management system
- ensure the diversity of public servants by offering an inclusive approach with different learning provisions that meet diverse learning styles, backgrounds and needs of the individual
- work together to build a view of the future of work for our people and our Island and deliver a plan to get there
- have a focus on internal succession planning and attracting more Islanders into roles within the public service.

## Equal Opportunities

The Public Service is fully committed to equal opportunities. The [Equality and Diversity policy](#) is to ensure that all candidates and employees receive equal treatment regardless of gender, age, disability, race, religion or social circumstances, subject to the constraints of current immigration and housing rules.

The Jersey Public Service is committed to supporting candidates with special employment needs or barriers to employment. 'Barriers to employment' is a broad term used to describe a range of circumstances, and may include:

- People who have been out of work long term and are in need of re-skilling
- People with disabilities or illnesses (these may be major or minor, short or long term)
- People with learning difficulties
- Ex-offenders (subject to the nature of offences and role applied for)
- Existing employees recovering from illness or injury.

The aim is to focus on the person's ability to achieve the role's objectives. Any barriers to employment that a candidate may have will always be taken into consideration, and support in demonstrating their abilities during the recruitment process will be arranged.

Under our Guaranteed Interview Scheme, all candidates with a disability, who meet the essential criteria for the role, will be shortlisted for interview. The essential criteria for the job are the key skills (as indicated on the applicable advertisement), knowledge and experience required to perform the role.

## Remuneration and Staff Report

## Pay awards and progression

How pay is uplifted and increased differs between pay groups. Each pay group is represented by trades unions who negotiate any annual increase. Most pay groups have pay scales that allow progression through a grade. It varies between groups on how progression occurs between automatic progression based on time served, through to requirements for training, qualifications, and performance.

Annual uplifts in pay in response to inflation are negotiated with the trade unions; usually linked to the September inflation figure.

Annual uplift by pay group compared to inflation for 2013 to 2023

Year	RPI (September of Previous Year)	Civil Servants*	Nurses & Midwives	Manual Workers	Teachers	Prison	Fire	Police	Head-teachers	Doctors and Consultants
2013	2.8%	1.0%	4.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
2014	1.2%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	0.0%
2015	1.9%	0.0%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.0%
2016	0.1%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	3.0%
2017	2.0%	2.0%	2.5%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	3.0%
2018	3.1%	1.0%	3.1%	4.5%	2.0%	2.0%	2.0%	2.0%	2.0%	3.5%
2019	4.3%	1.0%	3.0%	2.2%	2.0%	2.0%	2.0%	2.0%	2.0%	5.0%
2020	2.7%	4.0%	6.0%	4.0%	4.8%	4.2%	4.2%	4.0%	4.0%	3.9%
2021	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	1.0%
2022	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%
2023	10.4%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%
Compounded % Increase 2013 - 2023	37.0%	28.6%	41.8%	34.6%	32.2%	31.4%	31.4%	31.2%	31.2%	37.0%
Compounded Net Effect against RPI:		-8.4%	4.8%	-2.4%	-4.8%	-5.6%	-5.6%	-5.8%	-5.8%	0%

Notes:

\* Includes Workforce Modernisation, Teaching Assistants and Allied Health Professionals.

Comparison with other sectors is provided in the Jersey Earnings Statistics and Gender Pay Gap report published in June 2023 by Statistics Jersey: [Earnings statistics and gender pay report - June 2023.pdf \(gov.ie\)](#). This includes the real-term change from June 2016 to June 2023 for each sector. The largest decrease seen was in the public sector, which saw a 15% real-term decrease from June 2016 to June 2023.

## Pension benefits

The Government administers three public service pension schemes, the Public Employees Contributory Retirement Scheme (PECRS or the Final Salary Scheme), the Public Employees' Pension Scheme (PEPS or the Career Average Scheme), these two

## Remuneration and Staff Report

schemes come under the umbrella of the Public Employees Pensions Fund (PEPF), and the Jersey Teachers' Superannuation Fund (JTSF). Employees of the States Employment Board and 30 admitted employers are members of the schemes.

The PECRS and the PEPS are the pension schemes for all public servants, with the exception of headteachers and teachers, and have around 19,500 scheme members, of whom over 8,000 are employed and accumulating benefits.

Around 7,900 employees were accumulating pensions in the Career Average Scheme at the end of 2023. The Career Average Scheme of the PEPF provides benefits based on the pensionable earnings paid to the member each year and for non-uniformed members has a normal expected retirement age linked to the Social Security Pension Age, which is increasing to age 67. Nonuniformed employees contribute 7.75% of their earnings to the scheme. Uniformed employees have an earlier normal retirement age of 60 and contribute 10.1% of earnings. The Government makes an employer contribution of 16% of pensionable salaries into the pension fund.

There are only 194 employees who continue to accumulate pensions in the Final Salary Scheme of the PEPF. No new entrants can be admitted into the Final Salary Scheme. The JTSF has over 3,100 scheme members, of whom over 1,300 are employed and accumulating benefits. JTSF is a final salary pension scheme with benefits based on length of service and final salary on leaving or retiring from the scheme. The scheme has an expected retirement age of 65 for new entrants. Teachers contribute up to 6% of their salaries into the scheme. The Government also makes an employer contribution of 10.8% of teacher pensionable salaries towards the costs of future pension accrual.

The public service pension schemes in Jersey are not balance-of-cost schemes and the employer contribution is capped. Pension increases are subject to the financial position of the pension funds remaining satisfactory and are not guaranteed.

# Remuneration of Ministers and Executive Leadership Team

## Council of Ministers Remuneration

As elected members of the States of Jersey, Members of the Council of Ministers are entitled to remuneration. For 2023, States Members were each entitled to remuneration of £52,245.

As members of the States Assembly, the Council of Ministers are remunerated in line with other Members at rates set by the States Assembly.

Although States Members are treated as being self-employed for Social Security purposes, the States also cover an equivalent amount to an employer's Social Security liability (up to 6.5% of the Social Security standard earnings limit) on behalf of the Members. This may not apply to all States Members, for example, Members who are claiming a Social Security pension or those who chose to exercise the married woman's election may not have a Social Security liability. The contribution rate of the States to the States Members' pension scheme in 2023 was 10% of States Members' salaries. States Members can opt into the Pension Scheme, rather than opting out; and it is therefore possible that not all Ministers are members of the scheme.

### *Remuneration of the Council of Ministers in 2023 - Audited*

£000's unless stated otherwise		2023			
		Salary and Allowances	Other Remuneration	Pension-related benefits	Total
Chief Minister	Deputy Kristina Moore	50 – 55	0 – 5	5 - 10	55 – 70
Minister for Sustainable Economic Development	Deputy Kirsten Morel	50 – 55	0 – 5	5 - 10	55 – 70
Minister for External Relations Assistant Minister for Health and Social Services	Deputy Philip Ozouf	50 – 55	0 – 5	-	50 – 60
Minister for Health and Social Services	Deputy Karen Wilson	50 – 55	0 – 5	-	50 – 60
Minister for Home Affairs	Deputy Helen Miles	50 – 55	0 – 5	-	50 – 60
Minister for Housing and Communities	Deputy David Warr	50 – 55	0 – 5	-	50 – 60
Minister for Infrastructure	Deputy Tom Binet	50 – 55	0 – 5	-	50 – 60
Minister for International Development	Deputy Carolyn Labey	50 – 55	0 – 5	5 - 10	55 – 70
Minister for Social Security	Deputy Elaine Millar	50 – 55	0 – 5	5 - 10	55 – 70
Minister for the Environment	Deputy Jonathan Renouf	50 – 55	0 – 5	5 - 10	55 – 70
Minister for Treasury and Resources	Deputy Ian Gorst	50 – 55	0 – 5	-	50 – 60
Minister for Children and Education	Deputy Inna Gardiner	50 – 55	0 – 5	5 - 10	55 – 70

## Remuneration and Staff Report

## Senior officer remuneration - Audited

The Executive Leadership Team (ELT) is the most senior leadership team of the Government of Jersey's public service. It leads the delivery of public services and supports the policy objectives of the Council of Ministers (COM). The table below provides payments made to the ELT (including informal attendees with standing invitations) who were employed in 2023.

£000's unless stated otherwise	*Salary and Allowances	**Other Remuneration and benefits	***Pension Related Benefits	****Loss of office and compensatory payments	Total 2023	Total 2022
Chief Officer for Treasury and Exchequer (Treasurer of the States) <b>Richard Bell</b>	190 - 195		30 - 35		220 - 230	200 - 210
Chief Officer for Health and Community Services <b>Christopher Bown</b> (Start Date 01 April 2023)	180 - 185				180 - 185	
Chief Officer for Justice and Home Affairs <b>Kate Briden</b>	160 - 165		25 - 30		185 - 195	160 - 170
Chief Officer for Customer and Local Services <b>Ian Burns</b>	165 - 170		25 - 30		190 - 200	170 - 180
Chief Officer for the Economy <b>Richard Corrigan</b>	160 - 165	55 - 60	30 - 35		245 - 260	235 - 250
Director of Communications <b>Dirk Danino-Forsyth</b>	105 - 110	20 - 25	20 - 25		145 - 160	140 - 150
Chief People Officer <b>Mark Grimley</b> (End Date 24 November 2023)	180 - 185		20 - 25		200 - 210	
Greffier of the States <b>Lisa Hart</b> (Start Date 01 May 2022)	160 - 165		25 - 30		185 - 195	105 - 115
Chief Officer for Health and Community Services <b>Caroline Landon</b> (End Date 01 April 2023)	165 - 170		5 - 10	60 - 65	230 - 245	210 - 220
Practice Director (Law Officers' Department) <b>Alec Le Sueur</b>	125 - 130		20 - 25		145 - 155	130 - 140
Chief of Staff <b>Catherine Madden</b> (End Date 03 December 2023)	145 - 150		20 - 25		165 - 175	170 - 180
Chief Executive Officer and Head of Public Service <b>Andrew McLaughlin</b> ***** (Start Date 05 September 2023)	70 - 75				70 - 75	
Chief Officer for External Relations <b>Kate Nutt</b> employed via Channel Islands Governmental Services Company (London) Limited	160 - 165		25 - 30		185 - 195	165 - 180
Chief Operating Officer <b>John Quinn</b> (End Date 31 January 2023)	170 - 175		0 - 5		170 - 180	205 - 220
Chief Officer for Children, Young People, Education and Skills <b>Rob Sainsbury</b>	165 - 170	5 - 10	25 - 30		195 - 210	170 - 185

## Remuneration and Staff Report

£000's unless stated otherwise	*Salary and Allowances	**Other Remuneration and benefits	***Pension Related Benefits	****Loss of office and compensatory payments	Total 2023	Total 2022
Chief Officer for Infrastructure and Environment <b>Andy Scate</b>	180 - 185		25 - 30		205 - 215	190 - 200
Assistant Chief Executive Officer <b>Tom Walker</b>	175 - 180		25 - 30		200 - 210	170 - 180
Director of Communications (Act-Up) <b>Martyn White</b> (Act-Up 02 October - 31 December)	90 - 95		10 - 15		100 - 110	
Chief Executive Officer and Head of Public Service <b>Suzanne Wylie</b> (01 February 2022 - 01 August 2023)	155 - 160	0 - 5	25 - 30		180 - 195	255 - 270

## Note:

Whilst this table shows comparative totals for 2022, any Executive who left prior to 2023 is not included. Please refer to the 2022 Staff and Remuneration Report for the complete 2022 table.

\* Salary and Allowances include payments in Lieu of Notice, Lieu of Holidays and any contractual Redundancy Payments

\*\* Other Remuneration includes back pay, sickness benefit and other pensionable and non-pensionable pay adjustments and compensatory amounts

\*\*\* The figure represents the employer pension contributions

\*\*\*\* Loss of office previously reported under the category of other remuneration

\*\*\*\*\* Secondment

## Pension Entitlements for Senior Officers - Audited

Directors (ELT Members)	Annual Pension at retirement at 31/12/23	Annual Pension at retirement at 31/12/22	CETV at 31/12/23	CETV at 31/12/22	***Difference between 2022 and 2023 CETVs
	£000's	£000's	£000's	£000's	£000's
Mr R Bell	60-65	50-55	844	882	(38)
Mr C Bown**	-	-	-	-	-
Mrs K Briden	10-15	5-10	76	89	(13)
Mr I Burns	30-35	25-30	341	352	(11)
Mr R Corrigan	20-25	15-20	216	223	(7)
Mr D Danino-Forsyth	5-10	5-10	40	48	(8)
Mr M Grimley	0-5	-	11	-	11
Mrs L Hart	55-60	45-50	800	764	26
Mrs C Landon	10-15	10-15	128	139	(11)
Mr A Le Sueur	40-45	35-40	694	702	(8)
Ms C Madden	100-105	90-95	1571	1603	(32)
Mr A McLaughlin**	-	-	-	-	-
Mrs K Nutt*	-	10-15	147	147	0
Mr J Quinn	10-15	10-15	175	184	(9)
Mr R Sainsbury	15-20	10-15	121	140	(19)
Mr A Scate	80-85	70-75	900	967	(67)
Mr T Walker	55-60	45-50	699	681	18

## Remuneration and Staff Report

Directors (ELT Members)	Annual Pension at retirement at 31/12/23	Annual Pension at retirement at 31/12/22	CETV at 31/12/23	CETV at 31/12/22	***Difference between 2022 and 2023 CETVs
	£000's	£000's	£000's	£000's	£000's
Mr M White	0-5	-	3	-	3
Mrs S Wylie	5-10	0-5	69	49	20

## Note:

- \* Employed via Channel Islands Governmental Services Company (London) Limited
- \*\* Has not joined the pension scheme
- \*\*\* This figure comprises the movement in the Cash Equivalent Transfer Value (CETV) from the previous year. This represents the accrued pension fund available for the individual from which their pension benefit will be paid rather than the amount that will be paid as a pension benefit.

## Lump sum

Members of PEPF can choose to exchange up to 30% of their pension for a lump sum upon retirement. For every £1 of annual pension given up, members will receive a cash sum of £13.50. As each individual may choose to exchange a different proportion, individual lump sums are not shown.

## Cash Equivalent Transfer Value

The Cash Equivalent Transfer Value (CETV) represents the value of rights accrued in the scheme and is calculated based on a transfer to a private pension scheme. Transfer values payable from PEPF are subject to a market adjustment factor, which is derived from the future investment return of the Pension Fund. The transfer values will generally increase each year due to an additional year of accrual of benefits in the PEPF, but in 2023 the changes to the market adjustment factors have also reduced the CETV value in some cases.



# Staff Report

## Fair Pay Disclosure - Audited

The following table provides details of pay ratios and multiples. The median remuneration is a form of average, representing the individual where 50% of employees earned more and 50% earned less. This is the mid-point of remuneration. The calculations are based on a full-time equivalent annual salary (including benefits, but not including pension contributions by the employer). This represents all employees on a permanent, temporary or fixed-term contract, but not including those on zero-hour contracts. The percentage increase in the highest salary from 2022 to 2023 was 8.86%. The overall increase in all salaries from 2022 to 2023 was 7.2%.

	2023	2022
Pay ratio between the highest paid employee and the lowest paid employee	14:1	18:1
Pay ratio between the highest paid employee and the 25th percentile pay of all employees	7:1	7:1
Pay ratio between the highest paid employee and the median pay of all employees	6:1	5:1
Pay ratio between the highest paid employee and the 75th percentile pay of all employees	4:1	4:1
Upper quartile Remuneration	£65,217	£62,142
Median Remuneration	£50,722	£48,271
Lower quartile remuneration	£38,421	£35,608
Gender Pay Gap Median Hourly Pay	12.48%	15.01%
Gender Pay Gap Mean Hourly Pay	14.62%	14.07%

The methodology is based on UK government guidelines and uses a snapshot month to calculate ordinary pay. The snapshot month for these calculations was June. This monthly figure is then converted to an annual figure and divided by total working hours to get ordinary hourly pay inclusive of supplements, shift pay, skill related payments and standby payments. Further information on the government gender pay gap will be provided in the upcoming 2023 gender pay gap report. The Gender Pay Gap report for 2021 and 2022 was published in December 2023 and is available on [gov.je](http://gov.je).

The Government of Jersey is taking steps to address the gender pay gap. Structured and transparent pay grades and scales are in place, alongside increased flexibility, particularly for working parents as part of the flexible working policy. The Government has also developed the 'Women Into Leadership network' (IWILL) alongside a mentoring programme. The IWILL network has partnered with [Board Apprentice](#) to run a scheme aiming to increase board member gender diversity across the public sector, arm's length organisations (ALOs), and wider States owned bodies. The Board Apprentice scheme will place female employees on a public sector, ALO or States owned board as an apprentice for 12 months.

Additionally, we have many employee-led networks reflecting aspects of Diversity and Inclusion and the Menopause Café. The Parental Leave Policy has played a key role in enabling the Jersey Public Service to be more competitive and, has had a significant impact in attracting talent and helping to address the gender pay gap.

## Exit Packages (All States of Jersey Employees) - Audited

Reason	Total	£
Compulsory / Voluntary Redundancy	22	£84,650.51
Loss of office*	6	£225,565.37
Other Reasons	17	£198,690.37
<b>Total</b>	<b>45</b>	<b>£508,906.45</b>

Note:

\*Loss of office is a settlement agreement

A total of 45 individuals received an overall total of £508,905.45 in severance and ex-gratia payments between them during 2023. In 2022, 27 individuals received a total of £737,487 in severance and ex-gratia payments between them. The average payment in 2023 was £11,309 compared to £27,300 in 2022. These payments were for compulsory and voluntary redundancy and loss of office. The other reasons include conciliation payments, notice and contractual annual leave payments.

An increase in compulsory / voluntary redundancies relates to the ceasing of COVID pandemic staffing. These roles were made compulsory redundant as the pandemic emergency work ceased, and statutory and contractual redundancy rights applied.

## Voluntary Release Scheme

There was no voluntary release scheme available during 2023.

## Remuneration and Staff Report

## Staff Numbers by Department - Audited

The number of employees as at 31 December by employee and full-time equivalent roles.

Department	2023		2022	
	Number of Employees	Full-time Equivalent	Number of Employees	Full-time Equivalent
Children, Young People, Education and Skills	2,727	2,304	2,503	2,048
Health and Community Services	2,509	2,354	2,439	2,266
Justice and Home Affairs	802	762	728	689
Infrastructure and Environment	681	659	629	607
CABO: Chief Operating Office	379	372	329	323
Treasury & Exchequer	345	338	346	338
Customer and Local Services	297	277	349	325
Non-Ministerial Departments	226	213	213	199
CABO: Strategic Policy, Planning and Performance	201	187	190	180
CABO: Office of the Chief Executive	75	72	71	68
States Assembly (States Greffe)	54	51	46	44
Department for the Economy	52	50	46	45
Department of External Relations	13	13	15	15
Subsidiaries	473	471	450	448
<b>TOTAL</b>	<b>8,834</b>	<b>8,124</b>	<b>8,354</b>	<b>7,595</b>

Note:

FTE figures are rounded to the nearest whole figure.

CABO stands for Cabinet Office, which is the consolidation of the three previous departments shown in the table above.

Please refer to 'Annex – Departmental Reports' for further narrative surrounding changes in headcount and for further details around specific recruitment campaigns.

End of Year 2023 headcount figures are up by 457 from 2022. Over 83% of the increased headcount are in front line departments, as outlined below. This is in large part due to successful recruitment campaigns across the public service to address vacancies in front line roles.

In addition, 70 vacant roles, which were being backfilled by Zero Hour staff, have now been filled by permanent employees across the organisation, and across all departments. The Zero Hour review was a key commitment by the States Employment Board.

It should also be noted that 34 roles in the 2023 figure for Strategic Policy, Planning and Performance were in the 'Covid Vaccination Programme' directorate. All substantive roles in the Covid Vaccination Programme directorate bar one have since been stood down (as at 29 February 2024). A further 34 roles were associated with Arms-Length Bodies rather than the main department.

## Remuneration and Staff Report

Despite the difficult recruitment market and challenges in bringing new starters into Jersey, recruitment activity has successfully increased the staff in post in Health and Community Services by over 200 staff through 2023 across all staff groups.

In the Department for Children, Young People, Education and Skills, a new recruitment process was started to employ teaching assistants for both primary and secondary schools. Over 70 new teaching assistants have been recruited, trained, and employed to support our young people. All schools now also have a fully qualified Special Educational Needs Coordinator (SENco) following the completion of the National SENco qualification at Winchester university.

There has been a focus on addressing teacher shortages, this was achieved by ensuring the central and school focused recruitment of primary teachers and through the Jersey Graduate Teacher Training Programme (JGTP) which trained 20 new teachers during the 2022/23 academic year and also recruited a further 18 for the programme in 2023/24. In addition, 34 primary teachers and 42 secondary teachers were recruited during 2023.

Within Children's Social Care there has been significant focus on increasing permanent staff. In 2023 an additional 13 permanent staff were recruited into the service in a range of qualified social work and management positions.

Additional increases are predominately due to a reduction in agency staff utilisation and marginal growth in some functions for project specific work, specifically ITS Cyber Security, ITS Connect and Sewerage Works. The increase in these circumstances is predominantly on a Fixed-Term basis rather than Permanent employment.

## Internal Movers

It is to be noted that the increase in headcount in the Chief Operating Office (COO) is in main due to the line management and data reporting of 47 roles in the People Hub being transferred from Customer and Local Services (CLS). However, the formal budget transfer was part of Government Plan 2024-27 and so did not occur until 1st January 2024.

## Staff Composition

The number of male / female employees and full-time equivalent persons employed by seniority in 2023 is set out in the following table. 'Senior Staff' are defined as any Personal Contract Holder, Tier 2 or Tier 3 employee earning above a Civil Servant Grade 15:4 role. The data is based on end of year headcount as outlined in the above tables.

Government of Jersey Core								
	FEMALE		MALE		PREFER NOT TO SAY		TOTAL HEADCOUNT	TOTAL FTE
	Headcount	FTE	Headcount	FTE	Headcount	FTE		
Directors (ELT)	3	3	10	10	-	-	13	13
Senior staff	26	26	44	44	-	-	70	70
Other staff	5,278	4,675	2,995	2,889	5	5	8,278	7,569
Total Employees	5,307	4,705	3,049	2,943	5	5	8,361	7,653

## Remuneration and Staff Report

Subsidiaries			
	Headcount		FTE
	Female	Male	
Directors	6	9	15
Senior staff	10	12	21
Other staff	136	300	435
Total Employees	152	321	471

## Employees by Contract Type

Government of Jersey Core	2023		2022	
	Headcount	FTE	Headcount	FTE
Fixed Term Employees	467	417	657	579
Permanent Employees	7,894	7,236	7,247	6,568
Total Employees	8,361	7,653	7,904	7,147

## Segmental Analysis

Following the 7.9% pay increase awarded to employees during the year, public servants belonging to the following pay scales all had grades which had a basic salary under £100,000 in 2022, but which increased to over £100,000 in 2023: Headteachers, Medical Consultants, Legal Advisers, Nurses & Midwives and Civil Servants (grade 15). Full details of our pay scales can be found here: [Public sector pay scales \(gov.je\)](https://www.gov.je/public-sector-pay-scales). As a result, 6.17% of our employees received total remuneration exceeding £100,000 in 2023, compared to 4.53% in 2022. Remuneration includes salaries and wages, benefits and pension contributions paid by the Government of Jersey. Further details and a breakdown of remuneration by band, and as a percentage of the total wage bill, can be found in the States Employment Board [Annual Report](#).

## Employee Costs – Audited

The tables below provide a breakdown of employees across core Government and non-ministerial departments. A full breakdown of employee costs across the group can be found in note 4.7 Staff Costs.

2023 Year End FTE	Department	Salary and Wages	Pension	Social Security	Total
		£000's	£000's	£000's	£000's
2354	Health and Community Services	181,593	19,999	8,545	210,137
2304	Children, Young People, Education and Skills	133,490	15,614	7,601	156,704
762	Justice and Home Affairs	48,519	6,562	2,693	57,774
620	Infrastructure and Environment	32,078	5,075	2,126	39,279
338	Treasury & Exchequer	21,750	3,721	1,225	26,697
213	Non-Ministerial Departments	17,622	2,897	906	21,426
372	CABO: Chief Operating Office	17,003	2,972	1,200	21,175
277	Customer and Local Services	14,372	2,308	950	17,630
187	CABO: Strategic Policy, Planning and Performance	12,719	1,665	679	15,064

## Remuneration and Staff Report

2023 Year End FTE	Department	Salary and Wages	Pension	Social Security	Total
		£000's	£000's	£000's	£000's
51	States Assembly	6,401	551	194	7,146
50	Department for the Economy	5,585	847	295	6,727
72	CABO: Office of the Chief Executive	4,591	696	258	5,545
13	Department of External Relations	1,674	125	58	1,856
<b>7613</b>	<b>Department Total</b>	<b>497,397</b>	<b>63,032</b>	<b>26,730</b>	<b>587,160</b>
20	Jersey Fleet Management	1,024	154	65	1,244
19	Jersey Car Parks	815	128	52	995
<b>39</b>	<b>Trading Operations Total</b>	<b>1,839</b>	<b>282</b>	<b>117</b>	<b>2,239</b>
<b>471</b>	<b>Subsidiaries</b>	<b>26,963</b>	<b>3,267</b>	<b>1,527</b>	<b>31,757</b>
	Social Security Eliminations			(28,374)	-
<b>8124</b>	<b>Grand Total</b>	<b>526,199</b>	<b>66,580</b>	<b>-</b>	<b>592,779</b>

## Note:

Jersey Car Parks and Jersey Fleet Management sit under the Department for Infrastructure and Environment in previous headcount tables in this report. In this section they are split out to show costs separately.

2022 Year End FTE	Department	Salary and Wages	Pension	Social Security	Total
		£000's	£000's	£000's	£000's
2,266	Health and Community Services	151,734	17,694	7,726	177,154
2048	Children, Young People, Education and Skills	115,534	13,939	6,640	136,113
689	Justice and Home Affairs	42,452	5,897	2,412	50,761
567	Infrastructure and Environment	28,085	4,317	1,757	34,159
338	Treasury & Exchequer	19,328	2,819	1,103	23,250
323	CABO: Chief Operating Office	18,264	2,651	1,055	21,970
199	Non-Ministerial Departments	15,044	2,504	783	18,331
180	CABO: Strategic Policy, Planning and Performance	15,034	1,451	838	17,323
325	Customer and Local Services	14,165	2,112	883	17,160
44	States Assembly	5,882	460	163	6,505
68	CABO: Office of the Chief Executive	4,198	615	229	5,042
45	Department for the Economy	3,651	526	170	4,347
15	Department of External Relations	1,115	134	41	1,290
<b>7,107</b>	<b>Department Total</b>	<b>434,486</b>	<b>55,119</b>	<b>23,800</b>	<b>513,405</b>
21	Jersey Fleet Management	956	142	61	1,159
19	Jersey Car Parks	748	118	48	914
<b>40</b>	<b>Trading Operations Total</b>	<b>1,704</b>	<b>260</b>	<b>109</b>	<b>2,073</b>
<b>448</b>	<b>Subsidiaries</b>	<b>25,709</b>	<b>3,038</b>	<b>1,410</b>	<b>30,157</b>
	Social Security Eliminations			(25,319)	(25,319)
<b>7,595</b>	<b>Grand Total</b>	<b>461,899</b>	<b>58,417</b>	<b>-</b>	<b>520,316</b>

## Note:

Jersey Car Parks and Jersey Fleet Management sit under the Department for Infrastructure and Environment in previous headcount tables in this report. In this section they are split out to show costs separately.

## Remuneration and Staff Report

## Employee Costs by Paygroup

Paygroup	2023	2022
	£000's	£000's
Chief Officers, Judicial Greffe, Crown Appointments, Law Draftsmen and Other Personal Contract Holders	7,393	9,364
Civil Servants (including A Grades)	220,157	185,306
Doctors and Consultants	31,344	24,188
Energy From Waste Operations	2,116	1,748
Heads and Deputy Heads, Highlands Managers	8,385	6,850
Law Officers	6,185	4,650
Manual Workers	28,115	26,570
Nurses and Midwives	60,808	56,526
Other Health Pay Groups*		5,282
Work Force Modernisation	5,450	
Teachers and Lecturers	60,548	55,035
Uniformed Services	29,265	26,815
Youth Service	1,795	1,807
Subsidiaries	28,327	25,709
Other Accounting Adjustments	(235)	3,575
Amount Shown in Other Employee Costs	1,369	1,355
Non-States Staff Costs	47,586	31,596
Staff-Capital Recharges	(12,409)	(4,477)
<b>Total Salaries and Wages</b>	<b>526,199</b>	<b>461,899</b>
Pension	66,580	58,417
Social Security	28,374	25,319
Social Security eliminations	(28,374)	(25,319)
<b>Grand Total</b>	<b>592,779</b>	<b>520,316</b>

Note:

'Other Health Pay Groups' changed to 'Workforce Modernisation' in 2023

## Remuneration and Staff Report

## Employee Costs by Payment Type

Payment Type	2023	2022
	£000's	£000's
Basic Pay	455,644	405,600
Overtime	13,292	12,460
Shift Allowances	12,281	12,002
Skill Related Payments	3,451	2,732
Ad Hoc Payments / Supplements	2,975	2,833
Standby Payments	2,858	2,409
Relocation Expenses	712	357
Benefits	677	713
Other Time Payments	370	505
Business Expenses	238	51
Purchased Annual Leave	(466)	(334)
Sickness Offsets from Social Security	(2,143)	(1,811)
Other Accounting Adjustments	(235)	(4,092)
Amount Shown in Other Employee Costs	1,369	1,355
Non-States Staff Costs	47,586	31,596
Staff-Capital Recharges	(12,409)	(4,477)
<b>Total Salaries and Wages</b>	<b>526,199</b>	<b>461,899</b>
Pension	66,580	58,417
Social Security	28,374	25,319
Social Security eliminations	(28,374)	(25,319)
<b>Grand Total</b>	<b>592,779</b>	<b>520,316</b>

## Employee sickness absence

Employee Sickness Absence for 2023		
	2023	2022
Total hours lost	429,351	500,136
Total days lost	58,020	67,586
Average Days Sick Per Employee*	7.1	8.8
% Working Time Lost	4.3%	4.4%

\*Average days sickness has decreased, and wellbeing support has improved with an emphasis on supporting employees to remain in the workplace and by better facilitating Occupational Health referrals and supporting adjustments that may be required to ensure successful returns to work.



## Turnover

Year	Turnover Percentage
2020	8.9%
2021	9.2%
2022	8.9%
2023	8.0%

The Government turnover percentage has remained consistent during 2020 to 2023. Trends are monitored and work continues on initiatives to increase employee engagement and retention.

## Expenditure on Consultancy, Fixed Term Employees and Agency Staff

As part of our commitment to transparency, we release a comprehensive report, known as the Proposition 59/2019 report, encompassing a thorough analysis of consultancy, temporary employees and related expenditure. The definitions used in the previous annual report are aligned with certain criteria but not all. Consequently, we have revised our figures to conform to the Proposition 59/2019 report. We anticipate providing the Proposition 59/2019 report and related analysis at a subsequent date.

In the future, the P59 will continue to be promptly reported as the primary source for such information as below.

Proposition 59/2019	H1 2022 £'000,000	H2 2022 £'000,000	H1 2023 £'000,000	H2 2023 £'000,000
Fixed Term Contractors	15	13	8	9
Contingent Labour	13	16	11	14
Consultancy	16	19	21	22
Agency Local	3	2	1	2
Agency Healthcare and Social Worker	10	13	17	20
<b>Total</b>	<b>57</b>	<b>63</b>	<b>58</b>	<b>67</b>

In 2023, there was an increase in Agency Healthcare and Social Worker costs, due to the heightened costs of providing healthcare for Islanders given the global trend towards more agency healthcare workers. Furthermore, consultancy spending on major incidents is included in the figures, reflecting the need for specialist crisis response agents.

The rise in recent years in consultancy and related expenditure usage can be attributed to several key factors. Firstly, the implementation of a new IT system necessitates specialized expertise. Secondly, ongoing pressures in healthcare demand flexible staffing solutions. Lastly, the need to fill vacant governmental positions adds to the demand.

Engagement of consultants is governed by the Public Finances Manual.

# Political Accountability Report

## Statement of Outturn against Approvals

This section provides a breakdown of how much the government has received in income and spent against the approvals made by the States Assembly. It is presented consistently with approvals made under the Public Finances (Jersey) Law 2019 and in the Government Plan 2023 -2026.

The budgeting system, and the consequential presentation of the Statement of Outturn against Approvals (SoOaA) and related notes has different objectives to IFRS-based accounts. The system supports the achievement of macro-economic stability by ensuring that public expenditure is controlled, with relevant States approval, in support of the Government's fiscal framework.

This section of the Annual Report and Accounts is Subject to audit as described in the Independent auditor's report to the Minister for Treasury and Resources

## Political Accountability Report

## Statement of Revenue Outturn against Approvals

2022 Actual	Reference	2023 Government Plan	2023 Final Approved Budget <sup>1</sup>	2023 Actual	Difference from Approval	
£'000		£'000	£'000	£'000	£'000	
1,028,317	States Net General Revenue Income	A	1,075,657	1,075,657	1,077,927	2,270
(873,361)	Departmental Net Revenue Expenditure - Near Cash	B & D	(989,244)	(1,049,829)	(1,019,582)	30,247
<b>154,956</b>	<b>Net Operating Surplus</b>		<b>86,413</b>	<b>25,828</b>	<b>58,345</b>	<b>32,517</b>
(54,835)	Departmental Depreciation/Amortisation and Other Non Cash		(55,736)	(55,736)	(56,717)	(981)
<b>100,121</b>	<b>Operating Surplus/(Deficit)</b>		<b>30,677</b>	<b>(29,908)</b>	<b>1,628</b>	<b>31,536</b>
(26,774)	Revenue Expenditure on Projects and Reclassified in Year	E			(28,230)	
(8,376)	Our Hospital AUCC Impairment	E			(2,017)	
6,490	Other Income/(Expenditure) <sup>2</sup>				4	
	<b>Net Revenue Expenditure - Consolidated Fund</b>				<b>(28,615)</b>	
3,553	Trading Operations Net Revenue Income / (Expenditure) <sup>3</sup>				1,747	
(222,461)	Net Revenue Income/(Expenditure) of Social Security Funds				165,958	
(90,191)	Net Revenue Income/(Expenditure) of Other States Funds				97,044	
	<b>Net revenue Income - Core Entities</b>				<b>236,134</b>	
(2,748)	Net Revenue Income/(Expenditure) of SOJDC				7,605	
(7,838)	Net Revenue (Expenditure) of Andium Homes				(45,583)	
(17,372)	Net Revenue Income/(Expenditure) of Ports of Jersey				6,822	
(2,509)	Consolidation Adjustments <sup>4</sup>				-	
<b>(268,105)</b>	<b>Net Revenue Income/(Expenditure) as Reported in the SoCNE</b>		<b>30,677</b>	<b>(29,908)</b>	<b>204,978</b>	<b>31,536</b>

<sup>1</sup> Reconciliation of Approvals (note d) provides a summary of the approved changes to the budgets approved by the States Assembly in the Government Plan to the Final Approved Budget

<sup>2</sup> This includes other Consolidated fund items, including movements in Pension Liabilities, charges relating to Finance Leases and movements in hedging arrangements.

<sup>3</sup> Including Depreciation

<sup>4</sup> Accounting Standards require that all transactions and balances between entities within the States of Jersey group are eliminated in the consolidated accounts.

## Political Accountability Report

## Reconciliation of movement in Unallocated Consolidated Fund Balance

<b>Unallocated Consolidated Fund Balance</b>		
	2023 £'000	2022 £'000
<b>Opening balance</b>	<b>99,644</b>	<b>122,298</b>
<b>Carry forwards from previous year</b>	74,639	106,153
<b>Net General Revenue Income</b>	1,077,927	1,028,317
<b>Net Departmental expenditure - near cash</b>		
Revenue	(1,019,260)	(873,362)
Capital	(322)	(3,638)
<b>Project spend</b>		
Capital	(106,103)	(96,698)
Revenue	(30,248)	(35,148)
<b>Other near-cash spend</b>		
<b>Asset disposal proceeds</b>		
<b>Capital repayment to currency fund</b>	<b>(736)</b>	<b>(709)</b>
<b>Transfers from</b>		
Strategic reserve fund		
Hospital Financing costs	3,424	499
Capital repayment	1,000	11,320
Hospital Project costs	38,331	2,712
Criminal Offences Confiscation Fund	356	2,985
Jersey Innovation Fund	-	3,000
Loans funds	-	5,700
Fiscal stimulus fund	-	(19,359)
<b>Transfers to</b>		
Climate Emergency Fund	(4,160)	(3,913)
Strategic Reserve Fund		
Proceeds (RCF)	(41,800)	10,000
Proceeds (Bond)	-	(24,000)
Past Service Liability	(1,790)	-
Technology Accelerator Fund	-	(20,000)
Insurance Fund	-	(1,244)
<b>Borrowing</b>		
Movements in RCF	41,800	(74,806)
Bond issuance	-	487,562
Past service liability repayment	-	(472,731)
<b>Realisation of PYB 2019 tax debtor</b>	<b>11,328</b>	<b>19,289</b>
<b>Other Movements</b>	<b>1,060</b>	<b>216</b>
<b>Consolidated Fund movement</b>	<b>(39,193)</b>	<b>52,145</b>
Closing balance before carry forwards	145,251	174,443
Carry forward to subsequent year	(50,507)	(74,799)
<b>Closing Balance</b>	<b>94,744</b>	<b>99,644</b>

## Political Accountability Report

## Notes to the Statement of Outturn Against Approvals - Revenue Expenditure

### a. Net General Revenue Income against Estimate (Summary Table 1)

Actuals		Government Plan 23 (GP 23)	Income	Expenditure	Actual	Difference from GP 23
2022		2023	2023	2023	2023	2023
£'000		£'000	£'000	£'000	£'000	£'000
<b>Income Tax</b>						
599,427	Personal Income Tax	619,320	623,507	-	623,507	4,187
121,544	Corporate Income Tax	131,000	142,245	-	142,245	11,245
(1,306)	Provision for Bad Debts	(3,000)	-	(1,966)	(1,966)	1,034
<b>719,665</b>	<b>Net Income Tax</b>	<b>747,320</b>	<b>765,752</b>	<b>(1,966)</b>	<b>763,786</b>	<b>16,466</b>
<b>Goods and Services Tax (GST)</b>						
104,891	Goods and Services Tax	94,820	102,871	-	102,871	8,051
12,808	International Service Entities Fees	12,630	12,835	-	12,835	205
<b>117,699</b>	<b>Goods and Services Tax</b>	<b>107,450</b>	<b>115,706</b>	<b>-</b>	<b>115,706</b>	<b>8,256</b>
<b>Impôts Duties</b>						
7,269	Spirits	7,585	7,126	-	7,126	(459)
8,863	Wines	9,209	8,754	-	8,754	(455)
993	Cider	860	899	-	899	39
6,548	Beer	6,710	6,172	-	6,172	(538)
13,862	Tobacco	19,483	18,698	-	18,698	(785)
25,880	Fuel	27,960	25,974	-	25,974	(1,986)
895	Goods (Customs)	1,000	688	-	688	(312)
2,416	Vehicle Emissions Duty	4,337	3,083	-	3,083	(1,254)
(42)	Impôts Other	-	-	-	-	-
<b>66,684</b>	<b>Impôts Duties</b>	<b>77,144</b>	<b>71,394</b>	<b>-</b>	<b>71,394</b>	<b>(5,750)</b>
<b>Stamp Duty and Land Transaction Tax</b>						
46,715	Stamp Duty	51,026	28,425	-	28,425	(22,601)
4,429	Land Transaction Tax	6,861	8,113	-	8,113	1,252
3,160	Probate	2,700	2,654	-	2,654	(46)
-	Enveloped Property Transaction Tax	1,000	345	-	345	(655)
<b>54,304</b>	<b>Stamp Duty</b>	<b>61,587</b>	<b>39,537</b>	<b>-</b>	<b>39,537</b>	<b>(22,050)</b>
<b>Other Income</b>						
14,578	Parish Rates	15,555	16,429	-	16,429	874
12,389	Dividend Income	29,669	16,964	-	16,964	(12,705)
28,613	Income from Andium Homes and Housing Trusts	29,156	29,061	-	29,061	(95)
14,385	Other Non-dividend Income	7,776	25,047	3	25,050	17,274
<b>69,965</b>	<b>Other Income</b>	<b>82,156</b>	<b>87,501</b>	<b>3</b>	<b>87,504</b>	<b>5,348</b>
<b>1,028,317</b>	<b>Net General Revenue Income</b>	<b>1,075,657</b>	<b>1,079,890</b>	<b>(1,963)</b>	<b>1,077,927</b>	<b>2,270</b>

## Political Accountability Report

General Revenue Income in 2023 was broadly in line with the estimates in the Government Plan 2023-2026. However, the mix of income changed, as anticipated in the latest Income Forecasting Group forecast and the Government Plan 2024-2027. This was driven mainly by changes to economic assumptions, which are provided by the Fiscal Policy Panel. In particular the conditions in the housing market have seen a decrease in levels of stamp duty. The Special Dividend Income from JT was also reprofiled, meaning lower receipts in the year.

## Political Accountability Report

**b. Revenue Heads of Expenditure against Approval (Summary Table 5i)**

Actuals 2022 £'000	Government Plan 2023			Final Approved Budget			2023 Outturn			Difference from Final Approved Budget £'000
	Income £'000	Expenditure £'000	Net Budget £'000	Income £'000	Expenditure £'000	Net Budget £'000	Income £'000	Expenditure £'000	Net Outturn £'000	
<b>Ministerial Departments</b>										
56,042	(2,780)	70,116	67,336	(3,662)	76,654	72,992	(3,678)	74,336	70,658	(2,334)
175,864	(21,220)	210,908	189,688	(21,220)	222,828	201,608	(22,072)	223,427	201,355	(253)
92,274	(10,452)	105,755	95,303	(10,452)	107,212	96,760	(11,112)	107,660	96,548	(212)
36,472	(22,950)	68,201	45,251	(25,415)	79,476	54,061	(24,849)	78,881	54,032	(29)
12,354	(8,227)	18,481	10,254	(6,212)	17,424	11,212	(6,211)	17,047	10,836	(376)
246,645	(26,207)	275,239	249,032	(27,851)	330,644	302,793	(27,851)	330,643	302,792	(1)
14,602	-	17,700	17,700	-	17,700	17,700	(35)	17,733	17,698	(2)
31,862	(4,530)	39,700	35,170	(4,930)	48,022	43,092	(4,800)	47,730	42,930	(162)
26,432	(234)	27,342	27,108	(234)	32,456	32,222	(294)	32,515	32,221	(1)
3,084	(290)	3,378	3,088	(330)	3,644	3,314	(342)	3,632	3,290	(24)
30,326	-	32,526	32,526	-	35,242	35,242	(60)	35,015	34,955	(287)
6,271	-	7,738	7,738	-	7,862	7,862	-	7,791	7,791	(71)
74,507	(3,355)	70,743	67,388	(4,052)	75,100	71,048	(3,724)	74,772	71,048	-
(9,401)	(174)	13,956	13,782	(174)	13,956	13,782	(173)	13,955	13,782	-
<b>Non-Ministerial States Funded Bodies and the States Assembly</b>										
2,653	(68)	2,192	2,124	(68)	2,529	2,461	(35)	2,495	2,460	(1)
973	(80)	1,158	1,078	(80)	1,158	1,078	(87)	1,129	1,042	(36)
7,039	(2,382)	11,509	9,127	(2,382)	11,825	9,443	(2,422)	9,579	7,157	(2,286)
10,091	(237)	11,118	10,881	(237)	13,437	13,200	(388)	13,588	13,200	-
868	(107)	946	839	(107)	1,007	900	(191)	1,057	866	(34)
625	(53)	738	685	(53)	773	720	(53)	744	691	(29)
2,330	(88)	2,732	2,644	(88)	2,912	2,824	(44)	2,693	2,649	(175)
7,479	(68)	8,814	8,746	(68)	9,132	9,064	(58)	8,514	8,456	(608)
1,000	(826)	2,928	2,102	(826)	3,081	2,255	(1,189)	3,052	1,863	(392)
<b>Other Heads of Expenditure</b>										
43,034	-	25,211	25,211	-	17,665	17,665	(150)	17,666	17,516	(149)
873,462	(104,328)	1,029,129	924,801	(108,441)	1,131,739	1,023,298	(109,818)	1,125,654	1,015,836	(7,462)

## Political Accountability Report

Actuals 2022 £'000	Government Plan 2023			Final Approved Budget			2023 Outturn			Difference from Final Approved Budget £'000
	Income	Expenditure	Net Budget	Income	Expenditure	Net Budget	Income	Expenditure	Net Outturn	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
	<b>Capital Spend in Ministerial Departments<sup>5</sup></b>									
-	-	-	-	-	109	109	-	109	109	-
2,178	-	-	-	-	(5)	(5)	-	(5)	(5)	-
-	-	-	-	-	16	16	-	16	16	-
-	-	-	-	-	202	202	-	202	202	-
1,460	-	-	-	-	-	-	-	-	-	-
3,638	-	-	-	-	322	322	-	322	322	-
	-	43,506	43,506	-	5,226	5,226	-	-	-	(5,226)
	-	16,737	16,737	-	16,786	16,786	-	-	-	(16,786)
	-	60,243	60,243	-	22,012	22,012	-	-	-	(22,012)
(65)	-	4,200	4,200	-	4,200	4,200	-	3,424	3,424	(776)
876,999	(104,328)	1,093,572	989,244	(108,441)	1,158,273	1,049,832	(109,818)	1,129,400	1,019,582	(30,250)

Reconciliation of Approvals (Note d) provides a summary of the approved changes to the budgets approved by the States Assembly in the Government Plan to the Final Approved Budget. This includes allocations from the Reserve for pay awards, and other transfers.

Whilst overall expenditure was within the total approval, it was necessary to allocate additional funding to some departments to meet financial pressures – most notably the Health and Community Services department. Additional funding was allocated to HCS in the Government Plan 2024, and the department has put in place a Financial Recovery plan to ensure that it spends within the budget set moving forwards.

<sup>5</sup> Whilst most Capital spend is through project heads of expenditure, small amounts are spent against departmental heads of expenditure.



## Political Accountability Report

*c. Trading Operations Net Revenue Expenditure against Approval (Summary Table 6)*

Actuals 2022	Government Plan 2023			Final Approved Budget*			2023 Outturn			Difference from Final Approved Budget	
	Income	Expenditure	Net Government Plan Budget	Income	Expenditure	Net Government Plan Budget	Income	Expenditure	Net Government Plan Budget		
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
(3,544)	Jersey Car Parking	7,661	(5,862)	1,799	8,393	(6,594)	1,799	8,404	(5,647)	2,757	958
(2,525)	Jersey Fleet Management	5,434	(3,228)	2,206	5,434	(3,278)	2,156	5,833	(3,609)	2,224	68
<b>(6,069)</b>	<b>Net Revenue Income/(Expenditure) – Trading Operations</b>	<b>13,095</b>	<b>(9,090)</b>	<b>4,005</b>	<b>13,827</b>	<b>(9,872)</b>	<b>3,955</b>	<b>14,237</b>	<b>(9,256)</b>	<b>4,981</b>	<b>1,026</b>

## Political Accountability Report

*d. Reconciliation of Approvals*

Department	2023 Approved Budget Near Cash is comprised of						
	2023 Government Plan As Amended £'000	Carry Forward from 2022 £'000	Allocation Of Reserves £'000	Transfers to/from Projects £'000	2023 Approved Budget Near Cash £'000	2023 Capital Budget £'000	2023 Revenue Budget £'000
<b>Ministerial Departments</b>							
Cabinet Office	67,336	962	3,953	741	72,992	-	72,992
Children, Young People, Education and Skills	189,688	160	11,760	-	201,608	-	201,608
Customer and Local Services	95,303	-	1,566	-	96,869	109	96,760
Infrastructure	45,251	1,671	6,838	296	54,056	(5)	54,061
Environment	10,254	-	1,295	(337)	11,212	-	11,212
Health and Community Services	249,032	1,034	42,688	10,038	302,792	-	302,792
Jersey Overseas Aid	17,700	-	-	-	17,700	-	17,700
Justice and Home Affairs	35,170	-	7,938	-	43,108	16	43,092
States of Jersey Police Service	27,108	-	5,316	-	32,424	202	32,222
Ministry of External Relations	3,088	-	226	-	3,314	-	3,314
Economic Development, Tourism, Sport and Culture	32,526	-	2,716	-	35,242	-	35,242
Financial Services	7,738	-	124	-	7,862	-	7,862
Treasury & Exchequer	67,388	-	3,660	-	71,048	-	71,048
Past Service Pension Liabilities Refinancing	13,782	-	-	-	13,782	-	13,782
<b>Total</b>	<b>861,364</b>	<b>3,827</b>	<b>88,080</b>	<b>10,738</b>	<b>964,009</b>	<b>322</b>	<b>963,687</b>
<b>Non-Ministerial and Other States Bodies</b>							
Bailiff's Chambers	2,124	-	336	-	2,460	-	2,460
Comptroller and Auditor General	1,078	-	-	-	1,078	-	1,078
Judicial Greffe	9,127	-	316	-	9,443	-	9,443
Law Officers Department	10,881	-	2,319	-	13,200	-	13,200
Office of the Lieutenant Governor	839	-	61	-	900	-	900
Official Analyst	685	-	35	-	720	-	720
Probation	2,644	-	180	-	2,824	-	2,824
States Assembly	8,746	-	318	-	9,064	-	9,064
Viscounts Department	2,102	-	153	-	2,255	-	2,255
<b>Total</b>	<b>38,226</b>	<b>-</b>	<b>3,718</b>	<b>-</b>	<b>41,944</b>	<b>-</b>	<b>41,944</b>
<b>Covid-19 Response</b>							
Covid-19 Response	25,211	2,454	38	(10,038)	17,665	-	17,665
<b>Total</b>	<b>25,211</b>	<b>2,454</b>	<b>38</b>	<b>(10,038)</b>	<b>17,665</b>	<b>-</b>	<b>17,665</b>

## Political Accountability Report

Department	2023 Approved Budget Near Cash is comprised of						
	2023 Government Plan As Amended £'000	Carry Forward from 2022 £'000	Allocation Of Reserves £'000	Transfers to/from Projects £'000	2023 Approved Budget Near Cash £'000	2023 Capital Budget £'000	2023 Revenue Budget £'000
<b>Other Heads of Expenditure</b>							
Reserve	43,506	5,433	(43,713)	-	5,226	-	5,226
General Reserve	16,737	49,614	(49,566)	-	16,785	-	16,785
	<b>60,243</b>	<b>55,047</b>	<b>(93,279)</b>	<b>-</b>	<b>22,011</b>	<b>-</b>	<b>22,011</b>
Healthcare Facilities - Financing Costs	4,200	-	-	-	4,200	-	4,200
<b>Net Revenue Expenditure</b>	<b>989,244</b>	<b>61,328</b>	<b>(1,443)</b>	<b>700</b>	<b>1,049,829</b>	<b>322</b>	<b>1,049,507</b>

The Minister for Treasury and Resources presents a report to the States Assembly every six months covering "Finance Law Delegations", including budget transfers. The relevant reports for 2023 are [R.132/2023](#) and [R.32/2024](#), available on the States Assembly website.

## Political Accountability Report

## Project Expenditure

### e. Project Expenditure from the Consolidated Fund Against Approval

Head of Expenditure	Major Project	Sponsor Department	Delivery Department	Government Plan 2023	Carry Forward	Allocations from Reserves	Transfers to / from Projects	Available Budget	2023 Capital Expenditure	2023 Revenue Expenditure	Total 2023 Expenditure	Unspent Project Approvals as at 31 December 2023
				£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Feasibility</b>				1,830	220	1,963	-	4,013	684	-	684	3,329
<b>Estates</b>												
Oakfield and Fort Regent Decant	M	I&E	I&E	5,000	-	-	-	5,000	285	-	285	4,715
Inspiring Active Places - Sports Strategy	M	I&E	I&E	1,300	208	-	-	1,508	1,508	-	1,508	-
Office Modernisation	M	I&E	I&E	460	-	-	-	460	-	370	370	90
Vehicle Testing Centre		I&E	I&E	100	86	-	-	186	-	-	-	186
Orchard House		I&E	I&E	449	1,319	2,456	-	4,224	4,224	-	4,224	-
Other IHE Estate Projects		I&E	I&E	1,700	-	-	-	1,700	540	794	1,334	366
Victoria College Capital Projects		CYPES	CYPES	-	135	-	-	135	-	-	-	135
Jersey Opera House	M	ECON	ECON	6,270	2,079	-	-	8,349	857	-	857	7,492
Elizabeth Castle		ECON	ECON	2,027	-	520	-	2,547	-318	2,865	2,547	-
Learning Difficulties - Specialist Accommodation	M	HCS	I&E	1,700	-	-	(500)	1,200	71	742	813	387
Health Services Improvements Programme		HCS	HCS	5,000	-	-	1,400	6,400	-	6,399	6,399	1
In-Patient/Support Services Refurbishments		HCS	HCS	749	-	-	-	749	-	747	747	2
New School and Educational Developments		CYPES	CYPES	3,504	-	-	-	3,504	2,938	-	2,938	566
Upgrade to CYPES Estate		CYPES	CYPES	13,621	-	-	-	13,621	2,195	3	2,198	11,423
Ambulance, Fire & Rescue Headquarters	M	JHA	I&E	800	-	-	-	800	184	-	184	616
Army and Sea Cadets Headquarters		JHA	I&E	960	-	-	-	960	35	-	35	925
Magistrates' Court conversion		JG	JG	750	-	-	-	750	16	-	16	734
Firearms Range		SoJP	SoJP	1,775	217	-	-	1,992	22	-	22	1,970
Dewberry House - Sexual Assault Referral Centre		SoJP	SoJP	2,851	-	-	-	2,851	316	-	316	2,535
Prison Improvement Works		JHA	I&E	2,985	386	-	-	3,371	1,216	-	1,216	2,155
<b>Total Estates</b>				<b>52,001</b>	<b>4,430</b>	<b>2,976</b>	<b>900</b>	<b>60,307</b>	<b>14,089</b>	<b>11,920</b>	<b>26,009</b>	<b>34,298</b>
<b>Infrastructure</b>												
Infrastructure Rolling Vote and Regeneration Including St. Helier	M	I&E	I&E	14,715	-	-	-	14,715	13,996	604	14,600	115
Sewage Treatment Works (M)	M	I&E	I&E	11,966	-	(967)	-	10,999	10,562	(1,917)	8,645	2,354
Other Infrastructure - Solid Waste		I&E	I&E	2,950	-	(350)	-	2,600	891	1	892	1,708
<b>Total Infrastructure</b>				<b>29,631</b>	<b>-</b>	<b>(1,317)</b>	<b>-</b>	<b>28,314</b>	<b>25,449</b>	<b>(1,312)</b>	<b>24,137</b>	<b>4,177</b>
<b>Information Technology</b>												

## Political Accountability Report

Head of Expenditure	Major Project	Sponsor Department	Delivery Department	Government Plan 2023	Carry Forward	Allocations from Reserves	Transfers to / from Projects	Available Budget	2023 Capital Expenditure	2023 Revenue Expenditure	Total 2023 Expenditure	Unspent Project Approvals as at 31 December 2023
				£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
MS Foundation (M)	M	CBO	CBO	1,300	-	(423)	-	877	(4,331)	5,196	865	12
Cyber & Cyber ORI (M)	M	CBO	CBO	5,000	154	-	-	5,154	559	4,542	5,101	53
Integrated Technology Solution Release 1 & 2	M	CBO	CBO	9,778	2,099	3,020	-	14,897	13,505	68	13,573	1,324
ITS Release 3 & 4	M	CBO	CBO	2,300	1,281	(1,900)	-	1,681	1,681	-	1,681	-
ITS Release 3 Additional	M	CBO	CBO	17	119	-	-	136	136	-	136	-
Other Government Wide IT Projects		CBO	CBO	3,399	210	(700)	-	2,909	2,285	-	2,285	624
IT for Migration Services		CBO	CBO	-	610	-	-	610	432	-	432	178
Revenue Transformation Programme (Phase 3) - Capital	M	T&E	T&E	3,105	242	-	-	3,347	364	2,317	2,681	666
Digital Care Strategy	M	HCS	CBO	5,300	-	-	-	5,300	3,405	1,328	4,733	567
Jersey Care Model - Digital Systems		HCS	CBO	1,050	-	-	-	1,050	143	431	574	476
Next Passport Project		JHA	JHA	250	-	-	-	250	-	-	-	250
Combined Control IT		JHA	JHA	567	769	-	-	1,336	364	-	364	972
Electronic Patient Records		JHA	JHA	191	223	-	-	414	236	-	236	178
Regulation Group Digital Assets		I&E	I&E	1,252	533	-	-	1,785	1,643	-	1,643	142
Probation/Prison Case Management system		Prob	Prob	440	-	-	-	440	43	-	43	397
Phoenix Software		VD	VD	300	45	-	-	345	-	-	-	345
Court Digitisation		JG	JG	1,639	-	-	-	1,639	441	-	441	1,198
<b>Total Information Technology</b>				<b>35,888</b>	<b>6,285</b>	<b>(3)</b>	<b>-</b>	<b>42,170</b>	<b>20,906</b>	<b>13,882</b>	<b>34,788</b>	<b>7,382</b>
<b>Replacement Assets and Minor Capital</b>												
Replacement Assets and Minor Capital		I&E	I&E	3,930	409	350	-	4,689	4,412	10	4,422	267
Replacement Assets and Minor Capital		CYPES	CYPES	250	-	-	(250)	-	-	-	-	-
Replacement Assets and Minor Capital		HCS	HCS	3,755	-	870	(650)	3,975	2,742	1,232	3,974	1
Replacement Assets and Minor Capital		SoJP	SoJP	200	-	-	-	200	151	-	151	49
Replacement Assets and Minor Capital		JHA	JHA	162	-	-	-	162	168	(55)	113	49
Replacement of Aerial Ladder Platform		JHA	JHA	768	-	-	-	768	743	-	743	25
Replacement Assets and Minor Capital		CBO	CBO	3,000	-	-	-	3,000	445	2,555	3,000	-
Replacement Assets and Minor Capital		VD	VD	-	65	-	-	65	-	-	-	65
<b>Total Replacement Assets and Minor Capital</b>		<b>-</b>	<b>-</b>	<b>12,065</b>	<b>474</b>	<b>1,220</b>	<b>(900)</b>	<b>12,859</b>	<b>8,661</b>	<b>3,742</b>	<b>12,403</b>	<b>456</b>
<b>Others</b>												
Community Fund	M	T&E	T&E	670	-	-	-	670	-	-	-	670
Reserve for Central Risk and Inflation Funding		T&E	T&E	8,100	1,900	(4,096)	-	5,904	-	-	-	5,904
Healthcare Facilities	M	HCS	HCS	51,500	-	-	-	51,500	36,314	2,016	38,330	13,170
<b>Total Others</b>				<b>60,270</b>	<b>1,900</b>	<b>(4,096)</b>	<b>-</b>	<b>58,074</b>	<b>36,314</b>	<b>2,016</b>	<b>38,330</b>	<b>19,744</b>
<b>Grand Total</b>				<b>191,685</b>	<b>13,309</b>	<b>743</b>	<b>-</b>	<b>205,737</b>	<b>106,103</b>	<b>30,248</b>	<b>136,351</b>	<b>69,386</b>

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Political Accountability Report

In the year departments spent a total of £136.4 million on capital and other projects, against a total available approval of £205.7 million. The difference is primarily due to the timing of projects, for example due to delays in achieving planning. In recent years a greater focus has been given to ensuring that the level of capital allocated is deliverable, which has reduced the scale of underspends. More detail on capital expenditure is included in the Financial Review.

## Political Accountability Report

*f. Capital Expenditure from Trading Funds Against Approval  
(Summary Table 7)*

	Total Project Expenditure	Total Allocated Budget	Remaining Unspent Budget
	£'000	£'000	£'000
<b>Jersey Car Parking</b>			
Anne Court Car Park	1,068	3,177	2,109
Automated Charging System	-	31	31
Car Park Enhancement & Refurbishment	1,434	8,691	7,257
<b>Jersey Car Parking Total</b>	<b>2,502</b>	<b>11,899</b>	<b>9,397</b>
<b>Jersey Fleet Management</b>			
Vehicle & Plant Replacement	1,650	2,000	350
<b>Jersey Fleet Management Total</b>	<b>1,650</b>	<b>2,000</b>	<b>350</b>
<b>Total</b>	<b>4,152</b>	<b>13,899</b>	<b>9,747</b>

## Other Accountability Disclosures

### Personal Data Related Incidents

There were 12 personal data related incidents reported to the Office of the Information Commissioner in 2023. Not all incidents reported will be upheld as a data breach by the Information Commissioner.

An incident is defined as a loss, unauthorised disclosure or insecure disposal of personal data. Protected personal data is information that links an identifiable living person with information about them which, if released, would put the individual at risk of harm or distress. The definition includes sources of information that, because of the nature of the individuals or the nature, source or extent of the information, is treated as protected personal data by the States.

### Gifts

A gift is defined as something voluntarily donated, with no preconditions and without the expectation of any return. Transfers of assets between States entities, grants, social benefits, retirement gifts and long service awards are specifically not classified as gifts. As per the JFRm, only gifts over £10,000 in value are to be disclosed. No gifts were made in 2023 (2022: nil)

### Losses and special payments

Losses and special payments		
	2023 £'000	2022 £'000
Losses	4,505	11,063
Fruitless payments	51	622
Special payments	1,196	1,625
<b>Total</b>	<b>5,752</b>	<b>13,310</b>

Losses and special payments are items that the States would not have contemplated when it agreed budgets or passed legislation. By their nature they are items that ideally should not arise.

The term loss includes the loss of money or property belonging to a States entity. Examples include overpayments of grants, social benefits and to employees as well as theft, fraud, physical loss and abandoned debts, damage or loss of inventory and impairments.

A fruitless payment is a payment for which liability ought not to have been incurred, or where the demand for the goods and service in question could have been cancelled in time to avoid liability. Because fruitless payments will be legally due to the recipient they are not regarded as special payments. However, as due benefit will not have been received in return, they



## Political Accountability Report

should be regarded as losses. Fruitless payments include abandoned capital schemes and constructive losses. Significant individual items are disclosed separately.

Special payments include compensation payments made under legal obligations, extra payments to contractors, ex gratia payments, severance payments and regulatory payments.

A further breakdown of losses and special payments is provided in Note 4.22.

## Statement of responsibilities

The Treasurer of the States is required by the Public Finances (Jersey) Law 2019 to prepare the annual accounts and financial statements of the States of Jersey. The annual financial statements must be prepared in accordance with Generally Accepted Accounting Principles, and accounting standards prescribed by the Treasurer of the States with the approval of the Minister for Treasury and Resources. Under the Social Security (Jersey) Law 1974, Health Insurance (Jersey) Law 1967 and Long-Term Care (Jersey) Law 2012, accounts of the relevant funds are to be prepared in such form, manner and at such times as the Minister for Social Security may determine. The consolidation of the Funds into the States of Jersey Accounts is considered to be sufficient for statutory reporting requirements.

The Public Finances (Jersey) Law 2019 came into force in June 2019 and confirmed arrangements introduced by amendments to that Law in 2018 which made the Chief Executive, as Principal Accountable Officer, legally and financially accountable for the decisions and budgets of the Government of Jersey, with appropriate delegation of accountability to Accountable Officers for departments and projects. Detailed arrangements are set out in the Public Finances Manual.

In preparing the accounts, detailed in the following pages, the Treasurer has:

- applied the going-concern principle to all entities included within the accounts.
- applied appropriate accounting policies in a consistent manner.
- made reasonable and prudent judgements and estimates.

The Treasurer confirms that, so far as he is aware, there is no relevant audit information of which the States' auditors are unaware; and he has taken all steps that he ought to have taken as Treasurer to make himself aware of any relevant audit information and to establish that the States' auditors are aware of that information.

**Richard Bell**

Treasurer of the States

Date: 30 April 2024

# Independent auditor's report to the Minister for Treasury and Resources

# Report on the audit of the financial statements

## *Opinion*

We have audited the financial statements of the States of Jersey Core Entities and its subsidiaries specified for consolidation in the Government of Jersey Financial Reporting Manual (the 'group') for the year ended 31 December 2023 which comprise the:

- Consolidated Statement of Comprehensive Net Expenditure;
- Consolidated Statement of Financial Position;
- Consolidated Statement of Changes in Taxpayers' Equity;
- Consolidated Statement of Cash Flows; and
- Notes to the financial statements, including material accounting policy information.

The financial reporting framework that has been applied in their preparation is applicable law and the 2023 Government of Jersey Financial Reporting Manual (the 'JFReM'), which applies UK adopted International Financial Reporting Standards (IFRS) in place as at 1 January 2023 as adapted or interpreted for the Public Sector in Jersey.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the group as at 31 December 2023 and of the States of Jersey Core Entities and the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with the JFReM;
- have been prepared in accordance with the requirements of the Public Finances (Jersey) Law 2019; and
- properly represent the activities of the States of Jersey.

## *Basis for opinion*

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), the Code of Audit Practice (December 2023) issued by the Comptroller & Auditor General, and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the States of Jersey Core Entities and of the group in accordance with the ethical requirements that are relevant to audits of financial statements in the UK, including the FRC's Ethical Standard as applied to public interest entities and listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## *Conclusions relating to going concern*

In auditing the financial statements, we have concluded that the Treasurer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our audit procedures to evaluate the Treasurer's assessment of the States of Jersey Core Entities and of the group's ability to continue to adopt the going concern basis of accounting included but were not limited to:

- the interpretation of going concern in the public sector context as reflected in the JFReM;
- undertaking an initial assessment at the planning stage of the audit to identify events or conditions that may cast significant doubt on the States of Jersey Core Entities and group's ability to continue as a going concern;
- making enquiries of the Treasurer, the Minister for Treasury and Resources, and the Chair of the Risk and Audit Committee in relation to the appropriateness of the adoption of the going concern assumption; and
- evaluating the appropriateness of the Treasurer's disclosures in the financial statements on going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the States of Jersey Core Entities or on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

### *Key audit matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We summarise below the key audit matters in forming our audit opinion above, together with an overview of the principal audit procedures performed to address each matter and key observations arising from those procedures.

These matters, together with our findings, were communicated to those charged with governance through our Audit Completion Memorandum.

## Key Audit Matter

### Risk of fraud in revenue recognition – personal income tax (States of Jersey Core Entities)

Risk of fraud in revenue recognition (presumed to be a significant risk because of the potential to inappropriately shift the timing and basis of revenue recognition as well as the potential to record fictitious revenues or fail to record actual revenues).

We have determined the risk of fraud in revenue recognition as being principally in relation to the personal income tax revenue because of the value and the estimation involved in accounting for and recognising the income.

As disclosed in the note 4.3 of the financial statements, personal income taxation is identified by the States as a key source of estimation uncertainty.

Personal income tax recognised in the 2023 SoCNE was £623m. Of this, £628m is based on the personal income tax estimate for 2023. The reduction to the estimate of £5m relates to previous years where the estimated income was higher than the actual income.

## How our scope addressed this matter

Our audit procedures involved the engagement of our own actuarial experts and included:

- evaluating the design and implementation of controls over the tax estimation methodology by reviewing the model and its objectives;
- challenging the methodology and the assumptions used in the tax estimate by checking for consistency with the Fiscal Policy Panel's forecasts;
- considering the historical accuracy of the estimates made for the 2022 financial year by comparing them against actual tax revenues for that period;
- challenging any changes in methodology for the current year estimate compared to the prior year; and
- substantively testing the source data used in the estimate by testing a sample of income tax to submitted tax returns.

### Our observations

We obtained sufficient, appropriate audit evidence that the estimate for personal income tax recognised was not materially misstated for the year ended 31 December 2023.

### Valuation of land, buildings, social housing, networked assets and other structures (States of Jersey Core Entities and Group)

The net book value of Property, Plant and Equipment at the 31 December 2023 was £4.6 billion.

As disclosed in the note 4.3 of the financial statements, the valuation of these assets is identified by the States as a key source of estimation uncertainty.

Note 4.10 discloses the following net book values at 31 December 2023:

- Land: £380m
- Buildings: £745m
- Social Housing: £1,039m
- Networked Assets (including land): £1,533m
- Other Structures: £368m

Management makes key judgements, estimates and assumptions depending on the asset type when valuing these assets. Small changes in the judgements and assumptions used in valuing these assets could result in a material change to the net book value.

Our audit procedures included:

- obtaining an understanding of the design and implementation of controls over the valuation process by conducting a walkthrough test;
- considering the reasonableness of the valuations by engaging our in-house valuations expert to support our challenge of the key assumptions used in the valuation;
- obtaining an understanding of the competence, skills and experience of the States of Jersey valuer and considering the appropriateness of the instructions issued to the States of Jersey valuer;
- substantively testing the source data provided to and used by the States of Jersey valuer; In particular, evaluating the appropriateness of data provided to the valuer by management by agreeing it to supporting evidence; and
- sample testing individual assets to ensure the basis of valuations completed in 2023 was appropriate by agreeing the details to supporting evidence.

The work done by our in-house valuations expert included consideration of the methodology and assumptions used in the 2023 valuations.

For the valuation of social housing held in Andium Homes Limited, we critically assessed the work performed by the component auditor in accordance with

Key Audit Matter	How our scope addressed this matter
<p><b>Valuation of strategic investments (States of Jersey Core Entities)</b></p> <p>Strategic investments as at 31 December 2023 were £307m, and represent the four subsidiaries that the JFRM requires to be valued rather than consolidated in the group accounts.</p> <p>As disclosed in the note 4.3 of the financial statements, the valuation of strategic investments is identified by the States as a key source of estimation uncertainty.</p> <p>One subsidiary is a Level 1 investment as it is listed, and the other three subsidiaries are Level 3 investments where the valuation is based on inputs that are not readily observable.</p> <p>The assets are valued at fair value and the Level 3 assets require judgements regarding comparative data on which to base the fair value estimate. The assets are valued at fair value and require judgements which could be sensitive to change in markets.</p>	<p>our group audit instructions including meeting with the component auditor and the Andium Homes valuer.</p> <p><b>Our observations</b></p> <p>We obtained sufficient, appropriate audit evidence that the valuation of land, buildings, social housing, networked assets and other structures was not materially misstated as at 31 December 2023.</p> <p>Our audit procedures involved the engagement of our own experts and included:</p> <ul style="list-style-type: none"> <li>obtaining an understanding of the design and implementation of controls over the valuation process by performing a walkthrough;</li> <li>critically assessing and challenging the valuation methodology and the assumptions used by calculating a value for each non-listed strategic investment and comparing this to management's valuation; and</li> <li>substantively testing the accuracy of the source data used in the valuation by agreeing to supporting evidence.</li> </ul> <p>We tested that the valuations have been accurately reflected in the financial statements and that the disclosures are in line with the reporting framework.</p> <p><b>Our observations</b></p> <p>We obtained sufficient, appropriate audit evidence that the valuation of strategic investments was not materially misstated as at 31 December 2023.</p>
<p><b>Valuation of unquoted investments for which a market price is not readily available (States of Jersey Core Entities)</b></p> <p>As at 31 December 2023 the Common Investment Fund (CIF) had assets of in the region of £3.5bn. This included £1bn of assets valued as Level 3 investments. Valuation of these assets involves significant judgements given the unobservable inputs.</p> <p>As disclosed in the note 4.3 of the financial statements, these valuations are identified as a key source of estimation uncertainty. Note 4.11(d) of the financial statements detail the sensitivity of Level 3 investments to movements assumptions.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>obtaining an understanding of the design and implementation of controls over the valuation process by performing a walkthrough test;</li> <li>understanding and testing the source of data used in the valuations to ensure it is independent by obtaining third party confirmations;</li> <li>agreeing the valuation to supporting documentation including the investment manager valuation statements and cash flows for any adjustments made to the investment manager valuation by obtaining third party confirmations from the Fund Manager and Custodian;</li> <li>critically assessing methodologies used to value the investments as set out in investment manager valuation policies or other relevant documentation by considering service organisation controls reports;</li> <li>agreeing the investment manager valuation to audited accounts or other independent supporting documentation, where available;</li> <li>inspecting control reports, and where relevant, bridging letters, from investment managers to</li> </ul>

Key Audit Matter	How our scope addressed this matter
	<p>identify any matters impacting on the valuation; and</p> <ul style="list-style-type: none"> <li>considering the method of accounting for the CIF and ensured it was in line with the JFREM.</li> </ul>
	<p><b>Our observations</b></p> <p>We obtained sufficient, appropriate audit evidence that the valuation of unquoted investments was not materially misstated as at 31 December 2023.</p>

### *Our application of materiality*

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	States of Jersey Core Entities	States of Jersey Group
Overall materiality	£90.54m	£96.09m
How we determined it	1% of total assets	
Rationale for benchmark applied	We consider total assets to be the key focus of users of the financial statements	
Performance materiality	£72.44m	£76.87m
	Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole.	
Reporting threshold	£2.72m	£2.88m
	This is the level above which we agreed we would report misstatements identified during the audit, as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.	

In our view, a lower materiality level was appropriate for the Consolidated Statement of Comprehensive Net Expenditure, where the Statement of Outturn against Approvals and regularity nature of reporting is particularly relevant. We considered total expenditure to be a focus of the user in this Statement and as such we based our specific materiality around this benchmark.



We set a materiality threshold at 1% of total expenditure, resulting in overall materiality of £16.08m, performance materiality of £12.87m and a reporting threshold of £0.48m for the Consolidated Statement of Comprehensive Net Expenditure.

Other specific materiality levels set were related party transactions (£100k), losses and special payments (£100k) and remuneration disclosures (£5k).

### *An overview of the scope of our audit*

As part of designing our audit, we assessed the risk of material misstatement in the financial statements, whether due to fraud or error, and then designed and performed audit procedures responsive to those risks. In particular, we looked at where the Treasurer made subjective judgements such as making assumptions on significant accounting estimates.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of a risk assessment, our understanding of the States of Jersey Core Entities and of the group, their environment, controls and critical business processes, to consider qualitative factors in order to ensure that we obtained sufficient coverage across all financial statement line items.

Our group audit scope included an audit of the financial statements of the States of Jersey Core Entities and of the group. The group comprises the States of Jersey Core Entities, which include Government Departments and a number of non-ministerial bodies and operations, and three wholly owned subsidiaries.

Based on our risk assessment, Andium Homes Limited and Ports of Jersey Limited were subject to full scope audit, and Jersey Development Company was subject to specific review. The work required for group audit purposes was undertaken by the component auditor of each subsidiary.

Subsidiary	Share of 2023 Group Total Assets of £9.6 billion	Share of 2023 Group Total Expenditure of £1.7 billion	Scope
States of Jersey Core Entities	80.4%	92.9%	Full scope audit (Mazars)
Andium Homes Limited	12.8%	4.2%	Full scope audit (separate component auditor)
Ports of Jersey Limited	5.4%	2.5%	Full scope audit (separate component auditor)
Jersey Development Company	1.4%	0.4%	Specific review (separate component auditor)
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	

We issued group audit instructions for the work that we required from the component auditors to support the Group audit opinion. We provided component auditors with materiality levels to apply for the purposes of the group audit. We liaised with the component auditors on an ongoing basis during the audit. We received formal reports from the component auditors on the outcomes of their work, and we reviewed key working papers relating to the components under full scope audit.

We also tested the consolidation process and carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information.

### *Other information*

The other information comprises the information included in the Annual Report and Accounts other than the financial statements and our auditor's report thereon. The Treasurer is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### *Responsibilities of the Treasurer and Principal Accountable Officer*

As explained more fully in the "Statement of responsibilities" set out within the Accountability Report, the Treasurer is responsible for the preparation of the financial statements. The JFRoM requires that the Treasurer should only approve the financial statements if they are satisfied that they give a true and fair view of the financial position. As explained in the Accountability Report, the Principal Accountable Officer and Accountable Officers are responsible for the proper financial management of the resources under their control and must ensure that robust governance arrangements are in place, which include a sound system of internal control and arrangements for the management of risk. These arrangements are necessary to enable the Treasurer to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Treasurer is responsible for assessing the States of Jersey Core Entities and the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the States Assembly either intends to liquidate the States of Jersey Core Entities or the group or to cease operations, or has no realistic alternative but to do so.

## *Auditor's responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the States of Jersey and of the group, we identified that the principal risks of non-compliance with laws and regulations related to the Public Finances (Jersey) Law 2019, and we considered the extent to which non-compliance might have a material effect on the financial statements.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- at the planning stage of our audit, gaining an understanding of the legal and regulatory framework applicable to the States of Jersey Core Entities and to the group, and the structure of the States of Jersey Core Entities and of the group, and considering the risk of acts by the States of Jersey Core Entities and by the group which were contrary to applicable laws and regulations;
- discussing with the Treasurer the policies and procedures in place regarding compliance with laws and regulations;
- discussing amongst the engagement team the identified laws and regulations, and remaining alert to any indications of non-compliance; and
- during the audit, focusing on areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience, through discussions with the Treasurer and the Risk and Audit Committee, from inspection of correspondence, and from review of minutes of meetings of the Council of Ministers in the year.

In addition, we evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our procedures in relation to fraud included but were not limited to:

- making enquiries of the Treasurer, the Chair of the Risk and Audit Committee and the Minister for Treasury and Resources on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;

- discussing amongst the engagement team the risks of fraud, such as opportunities for fraudulent manipulation of financial statements, and determined that the principal risks were related to posting manual journal entries to manipulate financial performance and management bias through judgements and assumptions in significant accounting estimates; and
- addressing the risks of fraud through management override of controls and the risk of fraud in revenue recognition.

The primary responsibility for the prevention and detection of irregularities including fraud rests with both those charged with governance and management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

The risks of material misstatement that had the greatest effect on our audit (whether or not due to fraud) are discussed in the key audit matters section of this report.

A further description of our responsibilities is available on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### *Other matters which we are required to address*

We were appointed by the Comptroller and Auditor General on 9 October 2020 to audit the financial statements for the year ended 31 December 2020 and subsequent financial periods. The period of total uninterrupted engagement to date is four years, covering the year ended 31 December 2020, the year ended 31 December 2021, the year ended 31 December 2022 and the year ended 31 December 2023.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the States of Jersey Core Entities or to the group and we remain independent of the States of Jersey Core Entities and the group in conducting our audit.

Our audit opinion is consistent with the additional report to the Minister for Treasury and Resources and the Risk and Audit Committee, which comprises our Audit Completion Memorandum and follow up letter.

## Report on regularity

### *Opinion on regularity*

In our opinion, in all material respects:

- the Statement of Outturn Against Approvals properly presents the outturn against the budget approved by the States Assembly for the year ended 31 December 2023 and shows whether those totals have been exceeded; and
- the income and expenditure relating to the States of Jersey Core Entities in the Statement of Comprehensive Net Expenditure for the year ended 31 December 2023 have been applied to the purposes intended by the States Assembly and the financial transactions recorded in the financial statements confirm to the authorities which govern them.

### *Basis for opinion on regularity*

We are required to give reasonable assurance that the Statement of Outturn Against Approvals properly presents the outturn against amounts approved by the States Assembly and that those totals have not been exceeded. We are also required to obtain evidence sufficient to give reasonable assurance that the income and expenditure recorded in the financial statements have been applied to the purposes intended by the States Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

## Report on other legal and regulatory requirements

### *Opinion on other matters prescribed by the Code of Audit Practice*

We are required by the Code of Audit Practice (December 2023) issued by the Comptroller & Auditor General to give an opinion on whether the part of the Remuneration Report to be audited has been properly prepared in accordance with the relevant accounting and reporting framework.

In our opinion, the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with the JFRoM.

## Matters on which we are required to report by exception under the Code of Audit Practice

We are required by the Code of Audit Practice (December 2023) issued by the Comptroller & Auditor General to report, by exception, where the Corporate Governance Report included in the Annual Report and Accounts:

- does not comply with any requirements for its compilation stated in the Annual Report and Accounts of the States of Jersey or directed in the Public Finances Manual, as issued by the Minister for Treasury and Resources under Article 31 of the Public Finances (Jersey) Law 2019; or
- is misleading or inconsistent with information of which the auditor is aware as a result of their audit.

We have nothing to report in these respects.

## Use of our report

This report is made solely to the Minister for Treasury and Resources in accordance with Article 12(1) of the Comptroller and Auditor General (Jersey) Law 2014. Our audit work has been undertaken so that we might state to the Minister for Treasury and Resources those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Minister for Treasury and Resources for our audit work, for this report, or for the opinions we have formed.

**Mark Kirkham**

Partner

for and on behalf of Mazars LLP

5th Floor  
3 Wellington Place  
Leeds  
LS1 4AP

30 April 2024

# Report of the Comptroller and Auditor General to the States Assembly

# Certificate of the Comptroller and Auditor General to the States Assembly

In accordance with Article 12(1) of the Comptroller and Auditor General (Jersey) Law 2014, I have ensured that an audit of the financial statement of the States of Jersey for the year ended 31 December 2023 has been completed. I have no matters to which I wish to draw the States' attention in accordance with Article 12(3) of the Comptroller and Auditor General (Jersey) Law 2014.

**Lynn Pamment CBE**  
Comptroller and Auditor General

Jersey Audit Office  
de Carteret House  
7 Castle Street  
St Helier  
Jersey  
JE2 3BT

30 April 2024



# Financial Statements

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### 3.1 Consolidated Statement of Comprehensive Net Expenditure for the year ended 31 December 2023

	Note <sup>1</sup>	States of Jersey Core Entities	States of Jersey Group	States of Jersey Core Entities Restated <sup>2</sup>	States of Jersey Group Restated <sup>2</sup>
		2023	2023	2022	2022
		£'000	£'000	£'000	£'000
<b>Revenue</b>					
Levied by the States of Jersey	4.6	(1,312,661)	(1,311,158)	(1,256,724)	(1,255,461)
Earned through Operations	4.6	(181,552)	(270,868)	(170,909)	(237,738)
<b>Total Revenue</b>		<b>(1,494,213)</b>	<b>(1,582,026)</b>	<b>(1,427,633)</b>	<b>(1,493,199)</b>
<b>Expenditure</b>					
Social Benefit Payments	4.7	514,245	514,245	471,137	471,137
Staff Costs	4.8	562,549	592,779	491,569	520,316
Other Operating Expenses		361,733	396,345	314,642	346,717
Grants and Subsidies Payments	4.9	74,060	74,103	70,064	70,247
Depreciation and Amortisation	4.10	63,778	99,487	54,856	89,140
Impairments	4.10	4,104	18,599	14,539	17,643
Finance Costs	4.11	27,876	30,612	32,385	34,163
Net Foreign-Exchange Losses/(Gain)		124	204	(132)	(107)
<b>Total Expenditure</b>		<b>1,608,469</b>	<b>1,726,374</b>	<b>1,449,060</b>	<b>1,549,256</b>
<b>Operating Net Revenue Expenditure/(Income)</b>		<b>114,256</b>	<b>144,348</b>	<b>21,427</b>	<b>56,057</b>
<b>Other Non-Operating Revenue/Expenditure</b>					
Gains on Disposal of Non-Current Assets		(140)	(135)	(96)	(58)
Loss/(Gains) on Financial Assets	4.11	(350,250)	(349,191)	224,414	220,216
Movement in Past Service Liability		-	-	(8,110)	(8,110)
<b>Net Revenue Expenditure/(Income)</b>		<b>(236,134)</b>	<b>(204,978)</b>	<b>237,635</b>	<b>268,105</b>
<b>Other Comprehensive Income</b>					
Items that will not be reclassified to Net Revenue Expenditure					
Revaluation of Property, Plant and Equipment	4.10	(34,364)	(42,261)	(79,884)	(185,335)
Remeasurements of the Net Defined Benefit Pension Scheme Liability	4.20	799	799	(1,580)	(1,580)
Items that may be reclassified subsequently to Net Revenue Expenditure					
(Gain)/Loss on Revaluation of Financial Instruments held at FVTOCI	4.11	20,616	20,616	87,485	87,485
<b>Total Other Comprehensive Expenditure/(Income)</b>		<b>(12,949)</b>	<b>(20,846)</b>	<b>6,021</b>	<b>(99,430)</b>
<b>Total Comprehensive Expenditure/(Income)</b>		<b>(249,083)</b>	<b>(225,824)</b>	<b>243,656</b>	<b>168,675</b>

<sup>1</sup> The Notes in section 4 of this report form part of the financial statements.

<sup>2</sup> 2022 figures have been restated to reflect changes detailed in Note 4.5.

## 3.2 Consolidated Statement of Financial Position (SoFP) as at 31 December 2023

<b>States of Jersey Group</b>			
	Note <sup>1</sup>	2023 £'000	2022 Restated <sup>2</sup> £'000
<b>Non-Current Assets</b>			
Property, Plant and Equipment	4.10	4,570,558	4,469,822
Intangible Assets		81,993	67,096
Other Financial Assets > 1 year	4.11	3,869,665	3,614,379
Derivative Financial Instruments Expiring > 1 year		-	6,068
Interest in Joint Venture		7,034	5,883
Trade and Other Receivables > 1 year	4.13	316,228	327,935
<b>Total Non-Current Assets</b>		<b>8,845,478</b>	<b>8,491,183</b>
<b>Current Assets</b>			
Other Non-Current Assets Classified as Held for Sale		7,571	6,120
Inventories	4.12	96,874	73,706
Other Financial Assets < 1 year		36,311	68,821
Derivative Financial Instruments Expiring < 1 year	4.11	2,650	77
Trade and Other Receivables < 1 year	4.13	544,381	493,756
Cash and Cash Equivalents	4.14	75,636	108,455
<b>Total Current Assets</b>		<b>763,423</b>	<b>750,935</b>
<b>Total Assets</b>		<b>9,608,901</b>	<b>9,242,118</b>
<b>Current Liabilities</b>			
Trade and Other Payables < 1 year	4.15	288,259	259,753
External Borrowings < 1 year	4.16	108,313	21,000
Currency in Circulation	4.17	97,259	104,682
Provisions < 1 year	4.19	1,589	924
<b>Total Current Liabilities</b>		<b>495,420</b>	<b>386,359</b>
<b>Total Assets Less Current Liabilities</b>		<b>9,113,481</b>	<b>8,855,759</b>
<b>Non-Current Liabilities</b>			
Trade and Other Payables > 1 year	4.15	39	-
External Borrowing > 1 year	4.16	880,195	857,707
Provisions > 1 year	4.19	58,380	49,247
Derivative Financial Instruments Expiring < 1 year	4.11	1,246	-
Defined Benefit Pension Schemes Net Liability > 1 year	4.20	2,521	1,417
<b>Total Current Liabilities</b>		<b>942,381</b>	<b>908,371</b>
<b>Assets Less Liabilities</b>		<b>8,171,100</b>	<b>7,947,388</b>
<b>Taxpayers' Equity</b>			
Accumulated Revenue and Other Reserves		6,051,704	5,848,458
Revaluation Reserve		1,873,854	1,832,491
Investment Reserve		245,542	266,439
<b>Total Taxpayers' Equity</b>		<b>8,171,100</b>	<b>7,947,388</b>

The financial statements were approved and authorised for issue on:

**Elaine Millar**  
Minister for Treasury and Resources  
Date: 30 April 2024

**Richard Bell**  
Treasurer of the States  
Date: 30 April 2024

<sup>1</sup> The Notes in section 4 of this report form part of the financial statements.

<sup>2</sup> 2022 figures have been restated to reflect changes detailed in Note 4.5.

### 3.3 Consolidated Statement of Changes in Taxpayers' Equity (SoCiTE) for the year ended 31 December 2023

States of Jersey Group	Note <sup>1</sup>	Accumulated Revenue and Other Reserves	Revaluation Reserve	Investment Reserve	Total
		£'000	£'000	£'000	£'000
<b>Balance at 1 January 2022</b>		<b>6,108,724</b>	<b>1,665,758</b>	<b>353,445</b>	<b>8,127,927</b>
Net Revenue Expenditure		(268,105)	-	-	(268,105)
<b>Revenue</b>					
Revaluation of Property, Plant and Equipment	4.10	-	185,335	-	<b>185,335</b>
Revaluation Losses for Financial Instrument held at FVTOCI	4.11	-	-	(87,485)	<b>(87,485)</b>
Remeasurements of the Net Defined Benefit Pension Scheme Liability	4.20	1,580	-	-	<b>1,580</b>
<b>Total Other Comprehensive Income</b>		<b>1,580</b>	<b>185,335</b>	<b>(87,485)</b>	<b>99,430</b>
<b>Other Movements</b>					
Release of Revaluation Reserve on Disposal of Property, Plant and Equipment		19,162	(19,162)	-	-
Other Reserve Adjustments		(12,903)	560	479	<b>(11,864)</b>
<b>Total Other Movements</b>		<b>6,259</b>	<b>(18,602)</b>	<b>479</b>	<b>(11,864)</b>
<b>Total Movements in Reserves</b>		<b>(260,266)</b>	<b>166,733</b>	<b>(87,006)</b>	<b>(180,539)</b>
<b>Balance at 31 December 2022</b>		<b>5,848,458</b>	<b>1,832,491</b>	<b>266,439</b>	<b>7,947,388</b>
Net Revenue Income		204,978	-	-	<b>204,978</b>
<b>Other Comprehensive Income</b>					
Revaluation of Property, Plant and Equipment	4.10	-	42,261	-	<b>42,261</b>
Revaluation Losses for Financial Instrument held at FVTOCI	4.11	-	-	(20,616)	<b>(20,616)</b>
Remeasurements of the Net Defined Benefit Pension Scheme Liability	4.20	(799)	-	-	<b>(799)</b>
<b>Total Other Comprehensive Income</b>		<b>(799)</b>	<b>42,261</b>	<b>(20,616)</b>	<b>20,846</b>
<b>Other Movements</b>					
Other Reserve Adjustments		(933)	(898)	(281)	<b>(2,112)</b>
<b>Total Other Movements</b>		<b>(933)</b>	<b>(898)</b>	<b>(281)</b>	<b>(2,112)</b>
<b>Total Movements in Reserves</b>		<b>203,246</b>	<b>41,363</b>	<b>(20,897)</b>	<b>223,712</b>
<b>Balance at 31 December 2023</b>		<b>6,051,704</b>	<b>1,873,854</b>	<b>245,542</b>	<b>8,171,100</b>

<sup>1</sup> The Notes in section 4 of this report form part of the financial statements.

### 3.4 Consolidated Statement of Cash Flows (SoCF) for the year ended 31 December 2023

		States of Jersey Group	
	Note <sup>1</sup>	2023	2022
		£'000	Restated <sup>2</sup> £'000
<b>Cash Flows from Operating Activities</b>			
Net Revenue (Expenditure)/Income	SoCNE	204,978	(268,105)
<b>Adjustments for Non-Cash Transactions</b>			
Depreciation of Property, Plant and Equipment	4.10	91,956	87,410
Amortisation of Intangible Assets		7,531	1,732
Impairments & Abortive Costs		18,599	17,643
Investment Income	4.11	(23,541)	(45,079)
Finance Costs	4.11	30,612	34,193
<b>Adjustments for Non-Operating Activities</b>			
Loss/(Gains) on Other Financial Assets	4.11	(349,191)	213,228
Losses/(Gain) on Disposal of Non-Current Assets		(135)	(58)
Movement in Pension Liabilities		1,903	(10,008)
Payment of Pension Liability		-	(5,508)
Net Foreign Exchange Loss		204	526
Fair value losses/(gains) on Investment property		-	17,900
Repayment of pension liabilities		-	(472,731)
<b>Movement in Other Liabilities</b>			
Increase/(Decrease) in Provisions	4.19	9,798	10,775
Increase/(Decrease) in Currency in Circulation	4.17	(7,423)	(12,253)
<b>Operating Cash Flows before movements in Working Capital</b>		<b>(14,709)</b>	<b>(430,335)</b>
<b>Adjustments for movements in Working Capital</b>			
(Increase)/Decrease in Inventories	4.12	(23,168)	(35,535)
Increase in Trade and Other Receivables	4.13	(41,587)	(35,869)
Increase in Trade and Other Payables	4.15	28,545	41,541
<b>Net Cash (Outflow)/Inflow from Operating Activities</b>		<b>(50,919)</b>	<b>(460,198)</b>
<b>Cash Flows from Investing Activities</b>			
Purchases of Property, Plant and Equipment		(191,438)	(202,614)
Proceeds from disposal of Property, Plant and Equipment		27,449	272
Purchases of Intangible Assets		(22,428)	(30,956)
Proceeds from disposal of Assets Held for Sale		(6,141)	31,292
Interest Received		6,577	1,888
Dividends Received		16,964	43,191
Interest in Joint Venture		(1,151)	999
Net (Purchases)/Proceeds from disposal/purchase of Financial Assets		109,079	65,932
<b>Net Cash Outflow from Investing Activities</b>		<b>(61,089)</b>	<b>(89,996)</b>
<b>Cash Flows from Financing Activities</b>			
Proceeds of External Borrowings		143,500	597,288
Repayments of External Borrowings		(33,737)	(110,806)
Bond Interest Paid		(24,705)	(19,596)
Other Interest Paid		(4,146)	(3,613)
Bank and Other Charges		(1,723)	-
<b>Net Cash Inflow from Financing Activities</b>		<b>79,189</b>	<b>463,273</b>
<b>Net (Decrease)/Increase in Cash and Cash Equivalents</b>		<b>(32,819)</b>	<b>(86,921)</b>
Cash and Cash Equivalents at the Beginning of the Year	4.14	108,455	195,376
<b>Cash and cash equivalents at the end of the year</b>		<b>75,636</b>	<b>108,455</b>

<sup>1</sup> The Notes in section 4 of this report form part of the financial statements.

<sup>2</sup> 2022 figures have been restated to reflect changes detailed in Note 4.5.

# Notes to the accounts

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**Notes to the Accounts**

- 4.1 Basis of financial statements preparation
- 4.2 Critical accounting judgements
- 4.3 Key sources of estimation uncertainty
- 4.4 Segmental analysis
- 4.5 Prior period adjustment for Accounting Policy changes and Correction of Error

**Notes supporting the Consolidated Statement of Comprehensive Net Expenditure**

- 4.6 Revenue
- 4.7 Social Benefit Payments
- 4.8 Staff costs
- 4.9 Grants

**Notes supporting the Consolidated Statement of Financial Position**

- 4.10 Property, plant and equipment
- 4.11 Financial Instruments
- 4.12 Inventories
- 4.13 Trade and Other Receivables
- 4.14 Cash and Cash equivalents
- 4.15 Trade and Other Payables
- 4.16 External borrowings
- 4.17 Currency in Circulation
- 4.18 Leasing
- 4.19 Provisions
- 4.20 Defined benefit pension schemes

**Other Notes and Disclosures**

- 4.21 Contingent assets and liabilities
- 4.22 Losses and Special Payments
- 4.23 Related Party Transactions
- 4.24 Third Party Assets
- 4.25 Entities within the accounting boundary
- 4.26 Social Security Funds
- 4.27 Events after the reporting period
- 4.28 Publication and distribution of the annual report and accounts

# Notes to the Accounts



## 4.1 Basis of financial statements preparation

### a. Introduction

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not been disclosed in the other notes. These policies have been consistently applied to all the years presented, unless otherwise stated.

### b. Purpose

The purpose of this note is to outline the basis on which the consolidated financial statements for the SOJ Group have been prepared.

Significant accounting policies that are relevant to understanding the consolidated financial statements are provided throughout the notes to the consolidated financial statements. Except as otherwise noted, the accounting policies detailed in this note and throughout the consolidated financial statements are applicable to all entities consolidated within the Group.

### c. Basis of preparation

#### **Compliance with the 2023 JFReM**

These consolidated accounts have been prepared in accordance with the 2023 States of Jersey Financial Reporting Manual (JFReM) issued by the Minister for Treasury and Resources to meet the requirements of the Public Finances (Jersey) Law 2019. The accounting policies contained in the JFReM apply UK adopted International Financial Reporting Standards (IFRS) in place as at 1 January 2023 as adapted or interpreted for the Public Sector in Jersey. These accounts are prepared on a going concern basis. The JFReM includes details of all material interpretations and adaptations of IFRS applied by the States of Jersey. It can be found in full on the States Assembly website.

The JFReM applicable to the 2023 financial year (including comparators) is based on the UK Financial Reporting Manual (FReM) for the UK financial year ending 31 March 2023 which is prepared by HM Treasury following consultation with the Financial Reporting Advisory Board (FRAB).

Where the JFReM permits a choice of accounting policy, the accounting policy which has been judged to be most appropriate to the circumstances of the States of Jersey for the purpose of giving a true and fair view has been selected. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

In adopting the going concern basis for preparing the financial statements, the Treasurer has considered the government's power to set tax rates to meet its funding requirements, as well as controls over public spending, which ensure that the government will continue to exercise its functions.

## Accounting convention

These accounts have been prepared under the historical cost convention, modified where appropriate to account for the revaluation of certain assets and liabilities as set out in these accounting policies.

## Accounting standards in issue but not yet effective in the JFReM

The following new standards and amendments to standards have been issued but not yet effective:

Accounting standard	Key dates	Summary and impact
IFRS 16 'Leases'	<ul style="list-style-type: none"> <li>IASB effective date 1 Jan 2018</li> <li>EU effective date 1 Jan 2019</li> <li>FReM 2022-23</li> <li>Expected in JFReM 2024</li> </ul>	<p>Largely removes the distinction between operating and finance leases for lessees by introducing a single lessee accounting model that requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. This is a significant change in lessee accounting and will bring assets and corresponding liabilities formerly not recognised on the statement of financial position on to the statement of financial position.</p> <p>Impact: The impact is expected to be as follows for the year ended 31 December 2023:</p> <ul style="list-style-type: none"> <li>- Input of Right of Use Asset: £21 million</li> <li>- Input of Right of Use Liability: £20 million</li> <li>- Averaged expected SOCNE impact: £(1) million</li> </ul>

There are no other IFRS or International Financial Reporting Interpretations Committee (IFRIC) interpretations not yet effective that would be expected to have a material impact on these accounts.

## d. Basis of consolidation

These accounts consolidate all material entities within the States of Jersey consolidation boundary (the 'accounting boundary') as set out in the JFReM. Entities that fall within the accounting boundary, but which are immaterial to the accounts, as a whole, have not been consolidated. Entities that fall within the accounting boundary but not consolidated are listed as Minor Entities in Note 4.25.

Subsidiaries are all entities (including structured entities) over which the group has control. In accordance with the interpretation of direct control applied in the JFReM which is based on the States, Council of Ministers or a Minister exercising in year control over operating practices, four entities are not consolidated in these accounts and are held as strategic investments.

The group controls an entity where the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. Where this principle is not met and an entity within the accounting boundary has an investment in an entity outside the accounting boundary, this holding is treated as an investment in the group accounts.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

The Statement of Comprehensive Net Expenditure (SOCNE) has been split to show results for Core Entities (excluding subsidiary companies) and the Group (note 4.25).

## e. Foreign currency translation

### **Functional and presentation currency**

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in British Pounds (GBP), which is the States' functional and presentation currency.

### **Transactions and balances**

Foreign currency transactions undertaken in a foreign currency are translated into GBP at the rate ruling at the date of each transaction. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income (FVOCI).

## f. Taxpayers' equity

Taxpayers' Equity represents the taxpayers' interest in the States of Jersey, which equates to both the total value of Net Assets held by the States, and an accumulation of Net Income

and other gains and losses over the years. Reserves are split based on how the interest has arisen (as explained below).

**Accumulated Revenue and Other Reserves**

The Accumulated Revenue and Other Reserves represent the cumulative balances of surpluses and deficits recorded by the States of Jersey.

**Revaluation Reserve**

The Revaluation Reserve reflects the unrealised balance of cumulative revaluation adjustments to Property, Plant and Equipment and Intangible Non-Current Assets. When an asset is disposed any balance in the revaluation reserve is transferred to the Accumulated Revenue and Other Reserves.

**Investment Reserve**

The Investment Reserve reflects the cumulative balance of unrealised gains and losses on financial instruments classed as Fair Value through Other Comprehensive Income (FVTOCI). Gains and losses on FVTOCI instruments are only recognised as income within Net Revenue Expenditure when the instruments are disposed.

## 4.2 Critical accounting judgements

Judgements and estimates are subject to periodic review, including through the receipt of actuarial advice. Judgements and estimates are based on historical experience, various other assumptions believed to be reasonable under the circumstances and, where appropriate, practices adopted by other entities.

Judgements and estimates made by States of Jersey Group entities that have the most significant impact on the amounts recorded in these financial statements include:

Significant accounting judgements/estimates	Notes
Taxation revenue - Personal Tax Forecast	4.6
Revenue recognition - whether revenue from contracts with customers is recognised over time or at a point in time	4.6
Impairment - key assumptions and methodologies used to estimate the recoverability of accounts receivable, statutory debts and the value of inventory and fixed assets	4.10, 4.11, 4.12, 4.13
Fair value - assumptions used in valuation techniques for the fair value of financial assets and liabilities, including derivatives	4.11

### a. Recognition of pension schemes:

Public Employees Pension Fund (PEPF) and Jersey Teachers Superannuation Fund (JTJSF)

The PEPF is a combination of the final-salary section known as the Public Employees Contributory Retirement Scheme (PECRS) and the career average section known as the Public Employees' Pension Scheme (PEPS). The schemes are recognised as defined contribution schemes in accordance with IAS 19 on the following basis:

The employer contributions rate to the PEPS is 16% with a legal cap of 16.5% so the States of Jersey cannot legally be required to make additional contributions. Whilst the employer contribution rate is not currently at the cap set in legislation, there is only scope for a 0.5% increase and it is considered to be fixed at the current rate of 16% on the basis that:

- Scheme contribution rates have never been increased;
- Scheme member communication materials clearly inform scheme members that a pension increase in line with Jersey RPI is not guaranteed and is dependent on the performance of the funds; and
- Precedent has demonstrated that employee/scheme member benefits were reduced in 2010, 2011 and 2012 to address actuarial deficits in the scheme.

The Jersey Teacher Superannuation Fund shares many attributes with the PECRS and has been recognised as a defined contribution scheme accordingly. The employer contribution into JTJSF is fixed at 16.4% and defined in the Teachers' Superannuation (New Members) (Jersey) Order 2007 which was introduced at the point in time the Pension Increase Debt was established. There is no facility in Regulations for employers to pay a different amount other than to fund ill-health or early retirement of scheme members.

This judgement has been written in to the JFRm as an interpretation of IAS 19.

## 4.3 Key sources of estimation uncertainty

Preparing financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the year-end and the amounts reported for income and expenditure during the year. Estimates and assumptions are made taking into account historical experience, current trends and other relevant factors. However, the nature of estimation means that the actual results could differ from the assumptions and estimates.

Item	Uncertainties	Effect if actual results differ from assumptions	Carrying amount (£'000)
Valuation of Social Housing	Social Housing is valued using an Existing Use Value for Social Housing (EUV-SH) method via a discounted cash flow of future rental streams. A discount rate of 5.75% (6.0% for high rise properties) has been applied by the external valuers Jones Lang LaSalle to reflect their judgement of the risk associated with the long term income.	While the impact has not been quantified, any variation in the discount rate will have a significant impact on the valuation.	1,038,682
Valuation of drainage within networked assets	Due to the age and nature of the Island's drainage network, the records held do not include details of all pipe depths and infrastructure characteristics which can have a significant bearing on replacement cost of these assets. A judgement has been made to apportion the lengths of the drainage network where no depth or pipe characteristic data is held using information available for drains that do have this data on record. The value of drainage assets uses an estimated base cost factor for Jersey. This factor is based on UK replacement costs but inflated to the higher costs of tender prices and professional fees in Jersey.	Drainage assets are valued at £220m (2022: £220m).  If drainage pipes were 5% larger than estimated this would increase the value of drainage assets by £11m (2022: £11m). Conversely a 5% reduction in estimated pipe diameter would reduce the value of drainage assets by £11m (2022: £11m). An increase/(decrease) to the base cost factor by +/- 5% would increase/ (decrease) the value of this asset class by £11m (2022: £11m).	219,510
Valuation of Property, Plant and Equipment - General	Valuations require a number of judgements around key inputs on: <ul style="list-style-type: none"> <li>• Unit material costs for modern equivalent depreciated replacement cost valuations;</li> <li>• Location factors to determine the local prices based on build cost indices;</li> <li>• Useful economic lives;</li> <li>• Condition of assets; and</li> <li>• Dimensions of the networked assets where historical records do not exist.</li> </ul>	While the impact has not been quantified, any variation in these inputs will have a significant impact on the valuation.	4,063,675
Personal Income Taxation	In recognising personal income taxation (PIT) based on forecasts for the year, there is a degree of uncertainty involved as the actual outcome could differ from the estimate used.  The main uncertainty relates to the impact to the Jersey economy of high inflation and tightening monetary policy.  This is partially mitigated by using Revenue Jersey data on earnings	Several sensitivity analyses have been carried out. <ol style="list-style-type: none"> <li>1. Statistical analysis indicates that there is a 2/3 likelihood that the impact of any variation in earned income will be within a range of +/- £5.4m around the central forecast (0.9%).</li> <li>2. There is a 2/3 likelihood that the impact of any variation in pension income will be within a range of +/- £1.0m (0.2%).</li> </ol>	628,661

Item	Uncertainties	Effect if actual results differ from assumptions	Carrying amount (£'000)
	<p>reported by employers through the Income Tax Instalment System (ITIS). And by using the latest (July) economic forecasts from the Fiscal Policy Panel (FPP) and any available outturn data since then.</p>	<p>3. There is a 2/3 likelihood that the impact of any variation in investment income will be within a range of +/- £2.8m (0.4%).</p> <p>4. Faster or slower growth in allowances, for example the aggregate value of basic exemption thresholds varying by +/-1.5%, that leads to a variation in the average effective rate of 0.1pp would result in a variation in the PIT estimate of +/-£2.7m (0.4%).</p>	
Our Hospital Impairment	<p>A decision on the revised solution for the replacement hospital facility has not yet been made. Various options exist that would make differing use of the work already done on the single-site solution at Overdale.</p> <p>The impairment recognised in the accounts in 2022 was an estimate of the costs incurred to date on the previous scheme that would not be re-usable for a future solution. It was based on a range of scenarios and assumptions but there remains significant uncertainty until the revised solution is known.</p> <p>This judgement has been revisited in 2023, and based on the additional information now available a further impairment has been recognised.</p> <p>The next likely decision milestone will be in the Government Plan 2025 which should inform an updated disclosure in the 2024 Annual Report and Accounts.</p>	<p>The impairment of £2 million relates to any costs spent on the single site solution.</p> <p>This leaves a total value of £31 million of costs relating to the Our Hospital not written down.</p>	31,018
Strategic Investments	<p>The fair value of investments that are not traded in an active market is determined using valuation techniques. These company valuations apply judgement in the selection of comparable companies and use company outturn versus forecasts and market multiples. Differences in geographical area, markets, regulatory environments and organisation structure make direct comparisons for valuation uncertain.</p>	<p>See sensitivity analysis in Note 4.11d. Any valuation movement is recognised through the OCI and does not affect the operating net revenue expenditure/income.</p>	314,605
Valuation of level 3 Other Financial Instruments	<p>The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The investment managers use their judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.</p>	<p>For details of the key assumptions used and the impact of changes to these assumptions see note 4.11d / 4.11e</p>	1,380,073

## 4.4 Segmental analysis

The Segmental analysis is presented to be consistent with the elements of the group set out within note 4.25. Further breakdowns of expenditure approved by the States Assembly are also included in the Statement of Outturn against Approval.

Reporting Segments	Operational Activity
Consolidated Fund	This segment provides a range of services which include educational tuition, planning control, healthcare, police, firefighters, the States' legal system as well as the States Assembly. Taxation revenue is the main source of funding collected by Revenue Jersey within the Treasury and Exchequer department.
Social Security Funds	Collected by Revenue Jersey, social contributions are disaggregated. This is due to the substance of the receipts not being for the purpose of the departments and instead being due back to the public in the form of benefits. Due to the length of time between initial contributions receipts and benefits paid (support and retirement) the surplus contribution receipts are invested, primarily in the Social Security (Reserve) Fund, to grow in order to maintain the initial value when given against inflation and other factors that affect the time value of money.
Trading Operations	Income consists of fees for the provision of parking services by members of the public that use the service and maintaining a central fleet of vehicles that are leased/hired out to other SOJ departments to gain efficiencies.
Other States Funds	This segment holds amounts which are allocated for specific purposes as decided by the States Assembly. The primary revenue source is from investment income.
States of Jersey Development Company	Purpose is to purchase land and buildings for development to sell. The primary revenue source is from property development.
Andium Homes Limited	Holding and development of property for the purposes of providing Islanders sufficient and affordable housing. Income consists of rental income, capital appreciation and development to sell (in combination with housing bonds).
Ports of Jersey Limited	Providing necessary infrastructure to allow Jersey Airport and Harbours' operations to take place. Income sources consist of airport and harbour charges as well as concession fees on retail sales.

The tables below illustrates the disaggregated information presented in the Consolidated Primary Statements.



## a. Segmental Analysis - Statement of Comprehensive Net Expenditure for the year ended 31 December 2023

States of Jersey Comprehensive Net Expenditure 2023	Consolidated Fund	Social Security Funds	Trading Operations	Other States Funds	Total States of Jersey Core Entities	States Of Jersey Development Company	Andium Homes Limited	Ports of Jersey Limited	Total States Of Jersey Group
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Revenue</b>									
Levied by the States of Jersey	(1,021,958)	(349,945)	(720)	(5)	(1,372,628)	-	-	(24)	(1,372,652)
Earned through Operations	(169,821)	(2,027)	(13,517)	(35,118)	(220,483)	(14,107)	(66,589)	(51,108)	(352,287)
Less: Internal Core Revenue	31,860	59,968	5,352	1,718	98,898	-	-	-	98,898
Less: Internal Subsidiary Revenue	-	-	-	-	-	-	-	-	44,015
<b>Total Revenue</b>	<b>(1,159,919)</b>	<b>(292,004)</b>	<b>(8,885)</b>	<b>(33,405)</b>	<b>(1,494,213)</b>	<b>(14,107)</b>	<b>(66,589)</b>	<b>(51,132)</b>	<b>(1,582,026)</b>
<b>Expenditure</b>									
Social Benefit Payments	130,924	416,737	-	-	547,661	-	-	-	547,661
Staff Costs	589,133	-	2,250	1,016	592,399	1,436	5,785	24,536	624,156
Other Operating Expenses	345,712	11,621	5,098	28,198	390,629	4,452	16,102	17,699	428,882
Grants and Subsidies Payments	71,516	-	1,775	3,747	77,038	-	1	42	77,081
Depreciation and Amortisation	59,658	749	3,368	3	63,778	44	18,369	17,296	99,487
Impairments	4,388	(264)	-	(20)	4,104	66	30,845	(16,416)	18,599
Finance Costs	19,106	2	129	9,491	28,728	504	10,921	1,098	41,251
Net Foreign-Exchange Losses/(Gain)	69	-	-	55	124	-	-	80	204
Less: Internal Core Expenditure	(83,483)	(8,830)	(2,925)	(754)	(95,992)	-	-	-	(95,992)
Less: Internal Subsidiary Expenditure	-	-	-	-	-	-	-	-	(14,955)
<b>Total Expenditure</b>	<b>1,137,023</b>	<b>420,015</b>	<b>9,695</b>	<b>41,736</b>	<b>1,608,469</b>	<b>6,502</b>	<b>82,023</b>	<b>44,335</b>	<b>1,726,374</b>
<b>Operating Net Revenue Expenditure/(Income)</b>	<b>(22,896)</b>	<b>128,011</b>	<b>810</b>	<b>8,331</b>	<b>114,256</b>	<b>(7,605)</b>	<b>15,434</b>	<b>(6,797)</b>	<b>144,348</b>
<b>Other Non-Operating Revenue/Expenditure</b>									
(Gains) / Loss on Disposal of Non-Current Assets	(5)	-	(135)	-	(140)	-	5	-	(135)
Fair value Loss / (Gains) on Financial Assets	-	(242,831)	-	(104,416)	(347,247)	-	30,144	(24)	(317,127)
Movement in Past Service Liability	-	-	-	-	-	-	-	-	-
Less: Internal Core Expenditure	-	-	-	(3,003)	(3,003)	-	-	-	(3,003)
Less: Internal Subsidiary Expenditure	-	-	-	-	-	-	-	-	(29,061)
<b>Net Revenue Expenditure/(Income)</b>	<b>(22,901)</b>	<b>(114,820)</b>	<b>675</b>	<b>(99,088)</b>	<b>(236,134)</b>	<b>(7,605)</b>	<b>45,583</b>	<b>(6,821)</b>	<b>(204,978)</b>
<b>Other Comprehensive Income</b>									
Revaluation of Property, Plant and Equipment	(34,364)	-	-	-	(34,364)	-	(7,897)	-	(42,261)
Remeasurements of the Net Defined Benefit Pension Scheme Liability	799	-	-	-	799	-	-	-	799
(Gain)/Loss on Revaluation of Financial Instruments held at FVTOCI	20,616	-	-	-	20,616	-	-	-	20,616
<b>Other Comprehensive Income</b>	<b>(12,949)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(12,949)</b>	<b>-</b>	<b>(7,897)</b>	<b>-</b>	<b>(20,846)</b>
<b>Total Comprehensive Expenditure/(Income)</b>	<b>(35,850)</b>	<b>(114,820)</b>	<b>675</b>	<b>(99,088)</b>	<b>(249,083)</b>	<b>(7,605)</b>	<b>37,686</b>	<b>(6,821)</b>	<b>(225,824)</b>

## b. Segmental Analysis - Statement of Comprehensive Net Expenditure for the year ended 31 December 2022

States of Jersey Comprehensive Net Expenditure 2022 - Restated	Consolidated Fund	Social Security Funds	Trading Operations	Other States Funds	Total States of Jersey Core Entities	States Of Jersey Development Company	Andium Homes Limited	Ports of Jersey Limited	Total States Of Jersey Group
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Revenue</b>									
Levied by the States of Jersey	(985,688)	(325,848)	(886)	-	(1,312,422)	-	-	(22)	(1,312,444)
Earned through Operations	(92,815)	(723)	(13,216)	4,908	(101,846)	(3,668)	(59,551)	(45,939)	(211,004)
Less: Internal Core Revenue	(42,231)	55,698	5,660	(32,492)	(13,365)	-	-	-	(13,365)
Less: Internal Subsidiary Revenue	-	-	-	-	-	-	-	-	43,614
<b>Total Revenue</b>	<b>(1,120,734)</b>	<b>(270,873)</b>	<b>(8,442)</b>	<b>(27,584)</b>	<b>(1,427,633)</b>	<b>(3,668)</b>	<b>(59,551)</b>	<b>(45,961)</b>	<b>(1,493,199)</b>
<b>Expenditure</b>									
Social Benefit Payments	126,897	376,050	-	-	502,947	-	-	-	502,947
Staff Costs	515,785	-	2,073	339	518,197	1,611	4,723	23,824	548,355
Other Operating Expenses	296,860	10,509	4,466	(12,133)	299,702	3,186	13,185	18,431	334,504
Grants and Subsidies Payments	68,568	-	1,275	13,860	83,703	-	1	182	83,886
Depreciation and Amortisation	51,413	591	2,849	3	54,856	32	17,155	17,097	89,140
Impairments	14,460	252	(174)	-	14,538	-	498	2,606	17,642
Finance Costs	38,941	1	153	(17)	39,078	357	8,003	571	48,009
Net Foreign-Exchange Losses/(Gain)	31	-	-	(797)	(766)	-	-	25	(741)
Less: Internal Core Expenditure	(81,915)	(8,209)	(2,463)	29,392	(63,195)	-	-	-	(63,195)
Less: Internal Subsidiary Expenditure	-	-	-	-	-	-	-	-	(11,291)
<b>Total Expenditure</b>	<b>1,031,040</b>	<b>379,194</b>	<b>8,179</b>	<b>30,647</b>	<b>1,449,060</b>	<b>5,186</b>	<b>43,565</b>	<b>62,736</b>	<b>1,549,256</b>
<b>Operating Net Revenue Expenditure/(Income)</b>	<b>(89,694)</b>	<b>108,321</b>	<b>(263)</b>	<b>3,063</b>	<b>21,427</b>	<b>1,518</b>	<b>(15,986)</b>	<b>16,775</b>	<b>56,057</b>
<b>Other Non-Operating Revenue/Expenditure</b>									
(Gains) / Loss on Disposal of Non-Current Assets	34	-	(130)	-	(96)	-	(11)	49	(58)
Fair value Loss / (Gains) on Financial Assets	(97,902)	161,628	-	84,128	147,854	1,230	23,836	549	173,469
Movement in Past Service Liability	(8,110)	-	-	-	(8,110)	-	-	-	(8,110)
Less: Internal Core Expenditure	86,049	(161,582)	-	152,093	76,560	-	-	-	76,560
Less: Internal Subsidiary Expenditure	-	-	-	-	-	-	-	-	(29,813)
<b>Net Revenue Expenditure/(Income)</b>	<b>(109,623)</b>	<b>108,367</b>	<b>(393)</b>	<b>239,284</b>	<b>237,635</b>	<b>2,748</b>	<b>7,839</b>	<b>17,373</b>	<b>268,105</b>
<b>Other Comprehensive Income</b>									
Revaluation of Property, Plant and Equipment	(73,372)	(639)	(5,873)	-	(79,884)	-	(70,731)	(34,720)	(185,335)
Remeasurements of the Net Defined Benefit Pension Scheme Liability	(1,580)	-	-	-	(1,580)	-	-	-	(1,580)
(Gain)/Loss on Revaluation of Financial Instruments held at FVTOCI	87,485	-	-	-	87,485	-	-	-	87,485
<b>Other Comprehensive Income</b>	<b>12,533</b>	<b>(639)</b>	<b>(5,873)</b>	<b>-</b>	<b>6,021</b>	<b>-</b>	<b>(70,731)</b>	<b>(34,720)</b>	<b>(99,430)</b>
<b>Total Comprehensive Expenditure/(Income)</b>	<b>(97,090)</b>	<b>107,728</b>	<b>(6,266)</b>	<b>239,284</b>	<b>243,656</b>	<b>2,748</b>	<b>(62,892)</b>	<b>(17,347)</b>	<b>168,675</b>

## 4.5 Prior period adjustment for Accounting Policy changes and Correction of Error

### Accounting Policy

#### **Prior period adjustment**

Under IAS 8 a change in an accounting policy and correction of error has been employed. Changes in accounting policy and correction of error should be applied retrospectively.

Retrospective application is applying a new accounting policy to transactions or correction of error, other events and conditions as if that policy had always been applied.

The Common Investment Fund (CIF) is the States arrangement to pool Fund assets for investment purposes. This includes Funds which are not consolidated in the States accounts and instead produce their own Financial Statements, most materially the Jersey Teachers Superannuation Fund.

After reviews of the JFReM 2022, it is evident that the accounting policy, consistent with historic practice, pertaining to the CIF is not sufficiently detailed within the JFReM 2022, and therefore the previously used approach of Proportionate Consolidation Approach is considered an error.

Proportionate Consolidation Approach is an accounting method where an entity includes its proportional share of assets, liabilities, revenues, and expenses, on a line-by-line basis, reflecting the extent of its ownership or control. This has been re-assessed in 2023 to holding the CIF at Fair Value through Profit or Loss (FVTPL).

Neither the Proportionate Consolidation approach nor the new accounting policy modify the net asset position or net return of investments consolidated into the accounts. However they are presentationally different.

Under the new policy:

- Investment Income (e.g. interest income) and Expenses (e.g. investment manager fees) will be shown as part of the Fair Value Gain/Loss on CIF Investments – which now represents the net return on assets under investments.
- All relevant assets and liabilities will be shown as part of Investment in the CIF. For example, this means the cash or debtors held as part of the investment portfolio will be included within the total value of investments.
- Amounts invested on behalf of entities outside of the group boundary will be netted off the asset, so that the value of the asset shown in the accounts is the value attributable to the SOJ Group.
- More detail will still be included for disclosure purposes.

This new accounting policy has been applied for the following reasons:

- The CIF does not qualify to be accounted for under a Proportionate Consolidation Approach and therefore should not be recognised as such.
- The CIF is an administrative arrangement used for investment purposes which fits the criteria of IFRS 9.

- The reporting of the CIF in this way will provide more understandable and relevant information.

Given the nature of the CIF the Net Asset Value has been used as the basis for fair value. Consequently, there is no impact on Taxpayers' Equity or on Other Comprehensive Income.

#### Restatement of Statement of Comprehensive Net Expenditure:

States of Jersey Comprehensive Net Expenditure	Originally Stated	Restatement	Restated
	2022 £'000	2022 £'000	2022 £'000
<b>Revenue</b>			
Levied by the States of Jersey	(1,255,461)	-	(1,255,461)
Earned through Operations	(272,075)	34,337	(237,738)
<b>Total Revenue</b>	<b>(1,527,536)</b>	<b>34,337</b>	<b>(1,493,199)</b>
<b>Expenditure</b>			
Social Benefit Payments	471,137	-	471,137
Staff Costs	520,316	-	520,316
Other Operating Expenses	387,379	(40,662)	346,717
Grants and Subsidies Payments	70,247	-	70,247
Depreciation and Amortisation	89,140	-	89,140
Impairments	17,643	-	17,643
Finance Costs	34,193	(30)	34,163
Net Foreign-Exchange Losses/(Gain)	526	(633)	(107)
<b>Total Expenditure</b>	<b>1,590,581</b>	<b>(41,325)</b>	<b>1,549,256</b>
<b>Operating Net Revenue Expenditure/(Income)</b>	<b>63,045</b>	<b>(6,988)</b>	<b>56,057</b>
<b>Other Non-Operating Revenue/Expenditure</b>			
Gains on Disposal of Non-Current Assets	(58)	-	(58)
Fair value Loss/(Gains) on Financial Assets	213,228	6,988	220,216
Movement in Past Service Liability	(8,110)	-	(8,110)
<b>Net Revenue Expenditure/(Income)</b>	<b>268,105</b>	<b>-</b>	<b>268,105</b>

## Restatement of Consolidated Statement of Financial Position at 31 December 2022 and 31 December 2021:

Consolidated Statement of Financial Position at 1 January 2022	31 December 2022	increase / (decrease)	31 December 2022 Restated	31 December 2021	increase / (decrease)	31 December 2021 Restated
	2022 £'000	2022 £'000	2022 £'000	2021 £'000	2021 £'000	2021 £'000
<b>Non-Current Assets</b>						
Property, Plant and Equipment	4,469,822	-	4,469,822	4,229,174	-	4,229,174
Investment Property	-	-	-	17,900	-	17,900
Intangible Assets	67,096	-	67,096	37,872	-	37,872
Other Financial Assets > 1 year	3,383,677	230,701	3,614,378	3,856,160	149,938	4,006,098
Derivative Financial Instruments Expiring > 1 year	6,068	-	6,068	-	-	-
Interest in Joint Venture	5,883	-	5,883	6,882	-	6,882
Trade and Other Receivables > 1 year	327,935	-	327,935	342,930	-	342,930
<b>Total Non-Current Assets</b>	<b>8,260,481</b>	<b>230,701</b>	<b>8,491,182</b>	<b>8,490,918</b>	<b>149,938</b>	<b>8,640,856</b>
<b>Current Assets</b>						
Other Non-Current Assets Classified as Held for Sale	6,120	-	6,120	3,262	-	3,262
Inventories	73,706	-	73,706	38,171	-	38,171
Other Financial Assets < 1 year	165,410	(96,588)	68,822	202,984	(91,926)	111,058
Derivative Financial Instruments Expiring < 1 year	11,281	(11,204)	77	804	(178)	626
Trade and Other Receivables < 1 year	498,235	(4,479)	493,756	452,586	(15,814)	436,772
Cash and Cash Equivalents	228,737	(120,282)	108,455	195,376	(43,427)	151,949
<b>Total Current Assets</b>	<b>983,489</b>	<b>(232,553)</b>	<b>750,936</b>	<b>893,183</b>	<b>(151,345)</b>	<b>741,838</b>
<b>Total Assets</b>	<b>9,243,970</b>	<b>(1,852)</b>	<b>9,242,118</b>	<b>9,384,101</b>	<b>(1,407)</b>	<b>9,382,694</b>
<b>Current Liabilities</b>						
Trade and Other Payables < 1 year	261,605	(1,852)	259,753	228,889	(1,407)	227,482
External Borrowings < 1 year	21,000	-	21,000	96,518	-	96,518
Currency in Circulation	104,682	-	104,682	116,935	-	116,935
Provisions < 1 year	924	-	924	4,758	-	4,758
Past Service Pension Provision < 1 year	-	-	-	9,003	-	9,003
<b>Total Current Liabilities</b>	<b>388,211</b>	<b>(1,852)</b>	<b>386,359</b>	<b>456,103</b>	<b>(1,407)</b>	<b>454,696</b>
<b>Non-Current Liabilities</b>						
External Borrowing > 1 year	857,707	-	857,707	296,052	-	296,052
Provisions > 1 year	49,247	-	49,247	34,638	-	34,638
Defined Benefit Pension Schemes Net Liability > 1 year	1,417	-	1,417	3,269	-	3,269
Past Service Pension Provision > 1 year	-	-	-	466,112	-	466,112
<b>Total Current Liabilities</b>	<b>908,371</b>	<b>-</b>	<b>908,371</b>	<b>800,071</b>	<b>-</b>	<b>800,071</b>
<b>Assets Less Liabilities</b>	<b>7,947,388</b>	<b>-</b>	<b>7,947,388</b>	<b>8,127,927</b>	<b>-</b>	<b>8,127,927</b>
<b>Taxpayers' Equity</b>						
Accumulated Revenue and Other Reserves	5,848,458	-	5,848,458	6,108,724	-	6,108,724
Revaluation Reserve	1,832,491	-	1,832,491	1,665,758	-	1,665,758
Investment Reserve	266,439	-	266,439	353,445	-	353,445
<b>Total Taxpayers' Equity</b>	<b>7,947,388</b>	<b>-</b>	<b>7,947,388</b>	<b>8,127,927</b>	<b>-</b>	<b>8,127,927</b>

# Notes supporting the Consolidated Statement of Comprehensive Net Expenditure

## 4.6 Revenue

### Accounting Policy

#### Revenue recognition

Revenue from transactions arise from interactions between the States of Jersey and other entities, including households, private corporations, the not-for-profit sector and other governments. It excludes gains and losses on financial assets, which are disclosed separately in Note 4.11b.

Whilst IFRS 15 does not cover non-exchange transactions that are “Levied by the States of Jersey” such as taxation, fines and penalties, the JFRoM extends the standard to this type of expenditure. Non-exchange income is therefore accounted for on an accruals basis, provided that a reasonable estimate of that income can be determined. Recognition points for non-exchange income are:

Revenue type	Recognition point
Social Security Contributions, Long-term Care Contributions and Personal income tax	Accrued for in the year the assessable income is earned.
Corporation tax	Accrued for in the year company tax returns are due unless no return was submitted and it is impracticable to make an estimate of tax due, i.e. year after assessable income is earned based on company returns.
Goods and Services Tax (GST)	Accrued for in the year the taxable activity occurs.
Impôts Duties	When the goods are landed in Jersey.
Island rates	Accrued in the year the Island Rates are charged for on a calendar year basis. Income is recognised in the period for which the rates are charged.
Fines and penalties	Accrued for when the fines and penalties are imposed. Generally, subsequent remissions and write-offs of such penalties and interest are treated as an expense. Penalties and interest that are imposed by law and immediately cancelled are not recognised as revenue or expense.

Taxpayers are entitled to dispute amounts assessed by the States of Jersey. Where the States considers that the probable outcome will be a reduction in the amount of tax owed by a taxpayer, an allowance for credit amendment (if the disputed debt is unpaid) or a provision for refund (if the disputed debt has been paid) will be created and there will be a corresponding reduction in revenue.

#### Earned through operations

Goods, services and rental income under “Earned through Operations” do meet IFRS 15’s application criteria.

Revenue from sale of goods and services is measured based on the fair value of the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

In general, income is recognised in the period when good or services are provided. Non-refundable fees and other income are treated as income on receipt.

GST charged/paid is fully recoverable, and so income and expenditure is shown net of GST.



## Accounting Policy

**Investment income**

Interest is recognised on a time-proportionate basis using the effective interest method. Interest income includes interest from cash and cash equivalents and from financial assets at fair value through profit or loss (FVTPL).

Dividend income is recognised when the right to receive a dividend payment is established. Any amount not received by the end of the reporting period is recognised as a current receivable.

Revenue	2023 £'000	Restated 2022 £'000
<b>Levied by the States of Jersey</b>		
<b>Taxation Revenue</b>		
Personal Income Tax	623,535	599,426
Corporation Tax	142,245	121,669
Goods and Services Tax (GST)	115,706	117,976
<b>Total Taxation Revenue</b>	<b>881,486</b>	<b>839,071</b>
<b>Total Social Security Contributions</b>	<b>288,453</b>	<b>268,741</b>
<b>Island rates, duties, fees, fines and penalties</b>		
Impôts Duty	71,394	66,726
Stamp Duty and Land Transfer Tax	39,537	54,304
Island Wide Rates	16,429	14,578
Fines and Penalties	13,859	12,041
<b>Total Island rates, duties, fees, fines and penalties</b>	<b>141,219</b>	<b>147,649</b>
<b>Total Levied by the States of Jersey</b>	<b>1,311,158</b>	<b>1,255,461</b>
<b>Earned through operations</b>		
<b>Revenue from Contracts with Customers</b>		
Sale of Goods	10,600	10,578
Sale of Services	107,521	102,929
Other Fees and Charges	14,731	11,452
<b>Total Revenue from Contracts with Customers</b>	<b>132,852</b>	<b>124,959</b>
<b>Investment Income</b>		
Interest Income	6,577	1,337
Dividend Income	16,964	9,405
<b>Total Investment Income</b>	<b>23,541</b>	<b>10,742</b>
<b>Other Revenue</b>		
Hire & Rentals	87,885	80,256
Other Income <sup>i</sup>	26,590	21,781
<b>Total Other Revenue</b>	<b>114,475</b>	<b>102,037</b>
<b>Total Earned through operations</b>	<b>270,868</b>	<b>237,738</b>
<b>Net Revenue Expenditure/(Income)</b>	<b>1,582,026</b>	<b>1,493,199</b>



## Highlights

Analysis providing an explanation of the key year on year movements in revenue can be found in the Financial Review within the Performance Report.

<sup>i</sup> Other income includes: Financial Services returns, recovered costs, coverage payments and other income that does not fall into any other category.



## 4.7 Social Benefit Payments



### Accounting Policy

Social benefits payments are accounted for as expenditure in the period to which they relate.

Social benefits payments include income support, which are recognised over the period for which the claim assessed is due. Where under or overpayments are identified, either during the award year or subsequently, adjustments are made to expenditure.

2023 - Department	2023	2022
Social Benefits	£'000	£'000
Pensions	239,898	227,706
Income Support	79,152	73,154
Incapacity Allowance, Pensions and Survivors' Benefits	57,101	53,176
Long Term Care Benefits	75,609	61,057
Health Benefits	45,424	33,490
Covid-19 Related Benefit Payments <sup>i</sup>	-	5,301
Education and Other: Allowances and Student Grants	17,061	17,253
<b>Total Social Benefits</b>	<b>514,245</b>	<b>471,137</b>



### Highlights

Whilst most benefit lines saw increases due to changes in volumes and the uprating of payment amounts, the most significant change in 2023 is the increase in Health Benefits. This followed action by the Social Security Minister to provide extra support for Islanders, including the provision of a £20 reduction in individual's cost of GP surgery appointments, and free access to surgery consultations for children under the age of 18.

<sup>i</sup> Covid-19 benefit payments relate to the co-funded payroll scheme, emergency support payments, stimulus payments and vouchers.

## 4.8 Staff costs

### Accounting Policy

Staff costs include salaries and wages, the costs of pensions and other employee benefits. Staff costs that can be attributed directly to the construction of an asset have been capitalised. Average staff numbers reported in the Staff Report include staff engaged on capital projects.

	2023	Notes	Salaries and Wages	Pension Contributions	Social Security	Total
			£'000	£'000	£'000	£'000
Departments & Trading Operations			458,506	63,313	26,861	548,680
Subsidiary Companies		i	28,327	3,267	1,527	33,121
Non-States Staff Costs		ii	47,586	-	-	47,586
States Members Remuneration			2,820	-	-	2,820
Other Staff Costs		iii	1,369	-	-	1,369
Capitalised Staff Costs			(12,409)	-	-	(12,409)
Elimination of Social Security Contributions		iv	-	-	(28,388)	(28,388)
<b>Total</b>			<b>526,199</b>	<b>66,580</b>	<b>-</b>	<b>592,779</b>

	2022	Notes	Salaries and Wages	Pension Contributions	Social Security	Total
			£'000	£'000	£'000	£'000
Departments & Trading Operations			405,078	55,379	23,910	484,367
Subsidiary Companies		i	25,186	3,038	1,410	29,634
Non-States Staff Costs		i	31,601	-	-	31,601
States Members Remuneration			2,638	-	-	2,638
Other Staff Costs		i	1,873	-	-	1,873
Capitalised Staff Costs			(4,477)	-	-	(4,477)
Elimination of Social Security Contributions		i	-	-	(25,320)	(25,320)
<b>Total</b>			<b>461,899</b>	<b>58,417</b>	<b>-</b>	<b>520,316</b>

### Highlights

There has been an increase in staff numbers and costs in 2023. The increase in costs includes the impact of pay awards in 2023. Staff numbers have increased across a number of departments, and the total cost of Non-States staff, including contingent workers, have also increased in the year.

More information on the number of staff and what pay awards were given in 2023 is provided in the Staff and Remuneration Report.

<sup>i</sup> Further details can be found in the separately published Jersey Development Company / Andium Homes/ Ports of Jersey accounts.

<sup>ii</sup> Non-States staff costs includes the costs of individuals who do not hold an employment contract with the States, but who are acting as States Employees.

<sup>iii</sup> Other staff costs include redundancy, voluntary redundancy, severance payments and adjustments for the cost of accumulated compensated absences.

<sup>iv</sup> Social Security Contributions paid by States Entities to the Social Security Fund and Health Insurance Fund are internal to the States Accounts, and so eliminated on consolidation. This note has been drafted to show the full staff costs as well as the consolidated position.

## 4.9 Grants

### Accounting Policy

Grants made are recognised as Grants and Subsidies Payments within the Consolidated Statement of Comprehensive Net Expenditure (SOCNE) to match the underlying event or activity that gives rise to a liability.

Issuing Department	Grantee	2023 £'000	2022 £'000	Reason for Grant
<b>Significant Grants (£75,000 and over)</b>				
CLS	Jersey Employment Trust (JET)	1,629	1,105	Grant to support employment for people with a Disability and / or Long-Term Health Conditions - employment and employability skills training, a range of paid, unpaid and voluntary employment opportunities, assistance in their induction period and through to sustained employment.
CLS	Jersey Employment Trust (JET) - Workforce Solutions Ltd (VDS)	800	800	Grant to support a program offering life and social pre-employment skills for people with a learning disability, those on the Autistic Spectrum or others with a disability or long-term health condition who require support to move them towards entering the employment market.
CLS	Shelter Trust	1,501	1,444	Grant to continue providing accommodation and support as well as outreach for the homeless and those without income or housing on the island.
CLS	Jersey Women's Refuge	300	215	Grant to support the charity to protect and empower women and children who have experienced domestic abuse
CLS	Jersey Citizens Advice Bureau	282	271	Grant to support championing the rights of individuals and promote equality and justice for all citizens by providing free advice and maintaining the Jersey online Directory including upgrading its development.
CLS	Home Call	107	103	Grant to support providing services to elderly and vulnerable Islanders. Services include organising home grocery and prescription deliveries, arranging transport to appointments at the hospital, organizing social events.
CYPES	Beaulieu Convent School	2,367	2,389	Grant to support the operation of the schools in delivering the Jersey Curriculum to its students.
CYPES	De La Salle College	1,889	1,945	Grant to support the operation of the schools in delivering the Jersey Curriculum to its students.
CYPES	FCJ Primary School	270	322	Grant to support the operation of the schools in delivering the Jersey Curriculum to its students.
CYPES	Jersey Child Care Trust	134	134	To support the operation of Jersey Child Care Trust who promote high quality, affordable childcare for families in Jersey
CYPES	Digital Jersey (Geek Talent)	435	217	To provide financial support for the running costs of the Digital Jersey Academy
CYPES	Best Start Partnership	-	116	Early years best start initiative
CYPES	Brighter Futures	332	-	To support the operation of Brighter Futures who supports parents, carers, children and young people in Jersey
CYPES	Jersey Cares	500	-	To support the operation of Jersey Cares
IHE	Serco (Jersey) Limited	307	436	To provide financial support for the running costs of the Waterfront Pool
JOA	Overseas Aid Grants (Grant Aid)	9,731	7,707	To provide life-changing assistance to people in developing countries since 1968

Issuing Department	Grantee	2023 £'000	2022 £'000	Reason for Grant
JOA	Overseas Aid Grants (Local Charities)	2,835	1,658	To support local community work project initiatives.
JOA	Overseas Aid Grants (Disaster Fund)	4,441	3,995	To provide disaster and emergency relief.
JOA	Overseas Aid Grants	203	600	To provide humanitarian aid for Ukraine residents.
MER	Government of Jersey London Office	646	621	To provide financial support for the running costs of the Jersey Government's London Office.
MER	Bureau de Jersey Ltd	125	100	To provide financial support for operating costs for the representation of the Governments of Jersey in France
MER	Channel Islands Brussels Office	359	264	To provide financial support for operating costs for the representation of the Governments of Jersey in Belgium
ECON	Jersey Finance Ltd	6,354	5,747	Grant to support the operation of the business which promotes the finance sector and provides technical support to Government.
ECON	Digital Jersey Ltd	2,325	2,225	Grant to support the operation of the business which promotes the digital sector and provides technical support to Government.
ECON	Jersey Competition Regulatory Authority	747	897	Grant towards cost of organisation that seeks to create a more competitive commercial environment
ECON	Jersey Island Genetics Ltd	188	185	Cattle testing.
ECON	Jersey National Park Ltd	250	200	Grant towards costs of safeguarding and developing the Jersey National Park.
ECON	Jersey Arts Centre Association	850	640	To provide financial support for the operating costs.
ECON	Jersey Opera House	511	366	To provide financial support for the operating costs.
ECON	Jersey Heritage	5,500	5,529	Grant to protect and promote Jersey's unique culture and heritage
ECON	Jersey Heritage	2,547	-	Grant for the refurbishment of Elizabeth Castle's Hospital and Officers' block
ECON	Jersey Rugby Football Club	370	50	Grants provided for the maintenance of the Rugby Club
ECON	Jersey Battle of Flowers (Events) Ltd	150	177	Grant to provide financial support for costs of the event.
ECON	Art House Jersey	1,130	915	Grant to support artists in the creation of ambitious work that has a positive impact on our Island community and international audiences
ECON	Jersey Business Limited	1,650	860	Grant to support delivery of the objectives contained within the JBL's business plan
ECON	Jersey Sport Limited	2,142	1,962	Grant helping to drive sport and physical activity forward in Jersey
ECON	Jersey Consumer Council	137	112	To continue the operation of the JCC
ECON	Visit Jersey Limited	5,650	5,750	Grant to promote the Island's unique history, culture and community
ECON	Ballet d'Jèrri Limited	330	-	New grant provided for the Jersey Ballet to encourage culture on Jersey
ECON	Jersey Products Promotion 2017 Limited	189	222	To continue the support of Genuine Jersey products.
ECON	Jersey Office of the Information Commissioner	70	250	Grant to provide financial support to an organisation that enforces data protection legislation
ECON Funds	Technology Accelerator Fund	325	230	Grant to accelerate the use of technology which supports economic, environmental and social priorities
ECON Funds	Jersey Reclaim Fund	1,000	-	Grant to support distribution of funds transferred under the Dormant Bank Accounts (Jersey) Law 2017 for charitable purposes
SPPP	Jersey Advisory and Conciliation Service (JACS)	455	355	To continue the operations of the employment relations service
T&E Funds	Dormant Bank Accounts	-	560	Provided charitable donations from bank accounts considered dormant. These were only provided in 2022.

Issuing Department	Grantee	2023 £'000	2022 £'000	Reason for Grant
T&E Funds	Association of Jersey Charities	-	1,524	The distribution of funds for charitable purposes made through the Channel Islands Lottery in 2022.
ECON	Ports of Jersey Ltd	-	685	Paid in 2022, and no longer paid in 2023
<b>Total Significant Grants</b>		<b>62,063</b>	<b>53,883</b>	
<b>Economic Support Grants (2022)</b>				
CLS	Jersey Employment Trust (JET) - Acorn	-	256	Fiscal stimulus grants in 2022
CLS	Unemployment Support Scheme	-	167	Fiscal stimulus grants in 2022
CYPES	Trinity Youth Centre	-	208	Fiscal stimulus grants in 2022
CYPES	Jersey Scouts	-	367	Fiscal stimulus grants in 2022
CYPES	Beaulieu Convent School (FSF)	-	445	Fiscal stimulus grants in 2022
CYPES	Local Church - Ebenezer	-	11	Fiscal stimulus grants in 2022
IHE	Jersey Cricket Limited	-	300	Fiscal stimulus grants in 2022
IHE	Padel for All Limited	-	425	Fiscal stimulus grants in 2022
IHE	Durell Wildlife Conservation Trust	-	980	Fiscal stimulus grants in 2022
IHE	Jersey Baptist Church	-	7	Fiscal stimulus grants in 2022
IHE	The Jersey Race Club	-	15	Fiscal stimulus grants in 2022
IHE	Healing Waves Ocean Therapy	-	392	Fiscal stimulus grants in 2022
IHE	The Jersey Biodiversity Centre	-	22	Fiscal stimulus grants in 2022
JHA	Jersey Air Cadets (FS)	-	204	Fiscal stimulus grants in 2022
ECON	Jersey Heritage (La Hougue Bie)	-	237	Fiscal stimulus grants in 2022
ECON	Jersey Heritage (Hamptonne)	-	869	Fiscal stimulus grants in 2022
ECON	Jersey Heritage (Systems)	-	101	Fiscal stimulus grants in 2022
ECON	Royal Jersey Agricultural & Horticultural Society	-	298	Fiscal stimulus grants in 2022
ECON	National Trust for Jersey	-	1,639	Fiscal stimulus grants in 2022
ECON	Jersey Consumer Council (confidence)	-	19	Fiscal stimulus grants in 2022
ECON	Tantivy Blue Coach Tours Ltd	-	75	Economic Recovery grants in 2022
ECON	Jersey Business Ltd (Covid)	-	1,460	Economic Recovery grants in 2022
ECON	Digital Jersey Ltd (Covid)	-	251	Economic Recovery grants in 2022
ECON	Jersey Bus Tours	-	12	Economic Recovery grants in 2022
ECON	St Brelades College	-	31	Economic Recovery grants in 2022
ECON	Jersey Lavender Ltd	-	16	Economic Recovery grants in 2022

Issuing Department	Grantee	2023 £'000	2022 £'000	Reason for Grant
ECON	La Mare Vineyards Ltd	-	14	Economic Recovery grants in 2022
ECON	Waverley Coaches	-	41	Economic Recovery grants in 2022
ECON	Jersey Finance Ltd (covid)	-	299	Economic Recovery grants in 2022
ECON	Airline Services (CI) Ltd	-	47	Economic Recovery grants in 2022
ECON	CRES Reallocation	-	1	Economic Recovery grants in 2022
ECON	C I Travel Group	-	-	Economic Recovery grants in 2022
ECON	Individual - Sayers Martin Mr	-	-	Economic Recovery grants in 2022
ECON	Polar Cars Ltd	-	30	Economic Recovery grants in 2022
ECON	Europcar Jersey	-	-213	Economic Recovery grants in 2022
ECON	Spellbound Holdings Ltd	-	30	Economic Recovery grants in 2022
ECON	Visitor Accommodation Support Scheme (VASS) - Various	-	1,225	Economic Recovery grants in 2022
ECON	Fixed Cost Support Scheme (FCSS) - Various	-	150	Economic Recovery grants in 2022
<b>Total Economic Support Grants</b>		<b>-</b>	<b>10,431</b>	
<b>Significant Grant Schemes (individual grants less than £75,000, but in total over £75,000)</b>				
ECON	Rural Initiative Scheme	1,026	1,499	Grant to support businesses adapt to meet future challenges in the marketplace by supporting diversification, enterprise and innovation
ECON	Rural Support Scheme	3,046	913	Transitional support to allow the industry to implement their Dairy Industry Recovery Programme.
ECON	Marine Support Scheme	321	-	Grant to support the fishing and associated industries manage rising costs while encouraging businesses to become more environmentally friendly and efficient
ECON	Arts Grant	95	-	Grant to support the development of a new project or artistic skills on island
OCE	Provision For Pilot Scheme	497	-	A one-off grant to a third party to support with set up costs
IHE	Covid Social recovery for Country access	142	-	Grant to support an environmental improvement scheme which offers financial incentives to support and reward initiatives designed to look after Jersey's countryside
SPPP Funds	Electric Vehicles Grant	814	-	The purchase incentive aims to speed up Jersey's transition to electric vehicles by bringing down the cost of electric vehicles to be closer to petrol or diesel alternatives
SPPP Funds	Low carbon heating systems Grant	630	-	Grant to support Islanders to move to low carbon heating systems (greenhouse gas emissions )
SPPP Funds	Energy Performance Certificate Grant	227	-	Grant supporting homeowners with the cost of Home Energy Audits which includes both a carbon dioxide emissions rating and an energy costs rating
CYPES	Nursery Education Fund (NEF)	3,379	2,869	Grant for a funded nursery place at a Government of Jersey primary school or a NEF registered provider
CYPES	Other Subsidies	156	-	Grants regarding school functionalities and focus on assistance to needs.
CYPES	Private School Bursaries	424	-	Grant to assist students in the payment of fees - bursaries are awarded based on means testing criteria
CLS	Ukraine Support	172	-	Subsidy payments provided as part of the Ukraine framework agreement

Issuing Department	Grantee	2023 £'000	2022 £'000	Reason for Grant
CLS	Post-Covid Culture & Physical Activity projects	485	250	Grant to support projects that promote mental or physical health for Islanders that may have been affected by the pandemic.
CLS	Various Back to Work	179	140	Grant to support a range of measures to encourage additional employment opportunities for the unemployed, including employment incentives, Community Jobs Fund and industry specific training
<b>Total Significant Grant Schemes</b>		<b>11,593</b>	<b>5,671</b>	
<b>Other amounts including Grants under £75k, adjustments and eliminations</b>		<b>447</b>	<b>262</b>	
<b>Total Grants and Subsidies expense recorded</b>		<b>74,103</b>	<b>70,247</b>	



### Highlights

In 2023 there were no further grants to support economic recovery following the pandemic, but this was offset by increases in other grants made leading to an overall increase. This included significant increases in grants relating to overseas aid, rural support and heritage as well as new schemes introduced through the climate emergency fund.

# Notes supporting the Consolidated Statement of Financial Position



## 4.10 Property, plant and equipment

### Accounting Policy

#### Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the States and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

Property, Plant and Equipment is recognised where the initial cost or value exceeds £10,000. There is no threshold for the capitalisation of subsequent expenditure on an asset. On completion, Assets Under Course of Construction are transferred into the appropriate asset category.

#### Measurement

Assets are initially measured at cost, comprising:

- The purchase price;
- Any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management;
- The cost of dismantling and removing the item and restoring the site on which it is located.

Property, plant and equipment is subsequently measured as follows:

Asset category	Measurement basis
Non-specialised operational assets	Existing Use Value (EUV)
Social housing	Existing Use Value – Social Housing (EUV-SH)
Specialised assets and networked assets	Depreciated Replacement Cost (DRC)
Surplus assets with access to the market	Fair value
Surplus assets with restrictions preventing access to the market	Existing Use Value (EUV)
Assets under Construction	Cost
Short life and low value assets	Depreciated historical cost (DHC) <sup>i</sup>

Non-specialised assets are valued in accordance with the RICS Valuation Global Standards 2017, as updated for the UK, on a 5-yearly cycle with a 3-year revaluation for higher value assets. The value of assets not revalued in the current year is indexed to the year-end using available appropriate indices. Assets are independently valued by RICS registered valuers, the Valuation Office Agency.

Social housing stock is valued annually at EUV-SH in line with the UK Housing Statement of Recommended Practice (SoRP) using the discounted cashflow approach. The stock is independently valued by RICS registered valuers, Jones Lang LaSalle.

Specialised assets and networked assets are valued in accordance with the RICS Valuation Global Standards 2017, as updated for the UK, on a 5-yearly cycle with a 3-year revaluation for higher value assets using the modern equivalent basis of DRC

<sup>i</sup> The States has elected to use DHC as a proxy for fair value for assets with a short useful life or a low value.

valuation. Cyclical valuations are supplemented by annual desktop valuations by the external valuer.

Subsequent expenditure on assets is capitalised where it enhances or replaces the service potential. Spending that does not replace or enhance service potential is expensed.

### Revaluation

Revaluation gains are recorded in the revaluation reserve and presented in Other Comprehensive Income.

Downward revaluations are recorded in the revaluation reserve to the extent that they reverse previous upward revaluations. Downward revaluations below the historic cost of the asset are recorded as an impairment in Net Revenue Expenditure/Income.

### Depreciation

Depreciation for Property, Plant and Equipment, other than for networked assets, is calculated by amortising the carrying value of the asset less its estimated residual value over its useful economic life on a straight-line basis. Depreciation is recognised in the Statement of Comprehensive Net Expenditure. The principal asset categories and their range of useful economic lives are outlined below:

Asset category	Life
Land	Not depreciated
Buildings	Up to 75 years
Social housing	Up to 80 years
Other structures	Up to 100 years
Plant, machinery, furniture & fittings	3 to 50 years
Transport equipment	2 to 20 years
Information Technology Equipment	3 to 10 years
Antiques and Works of Art	Depreciation is not required on heritage assets which have indefinite lives
Networked assets (Road networks, sewer systems and sea defences)	The annual depreciation charge for networked assets is the value of the service potential replaced through the maintenance programme, adjusted for any change in condition as identified by a condition survey. The value of the maintenance work undertaken is used as an indication of the value of the replaced part.

Residual Values and Useful Economic Lives of Property, Plant and Equipment are reviewed annually and, if appropriate, amended at the end of each reporting period.

Where an asset consists of several components which are significant in relation to the overall cost of the asset and with different useful economic lives, these will be componentised.

### Disposal

On disposal of Property, Plant and Equipment, gains or losses on disposal are measured by deducting the carrying value of the asset and any directly attributable transaction costs from the sale proceeds and are reported in Net Revenue Expenditure/Income.

2023	Land	Buildings	Social Housing (inc Land)	Networked Assets (inc Land)	Other Structures	Transport Equipment	Plant and Machinery, Furniture and Fittings	Information Technology Equipment	Antiques and Works of Art	Assets Under Course of Construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>											
<b>At 1 January 2023</b>	<b>452,354</b>	<b>1,015,549</b>	<b>1,068,801</b>	<b>1,477,296</b>	<b>473,612</b>	<b>18,943</b>	<b>279,958</b>	<b>7,383</b>	<b>5,073</b>	<b>385,906</b>	<b>5,184,875</b>
Additions	-	1,630	6,903	-	-	36	31	53	-	182,778	191,431
Disposals	(250)	-	-	-	-	(601)	(256)	-	-	-	(1,107)
Transfers	355	2,252	94,112	13,389	39,604	59	47,634	81	-	(197,486)	-
Revaluations/Revaluation Reversal	(7,189)	(1,129)	(2,102)	20,794	-	-	-	-	-	-	10,374
Assets reclassified (to)/from Non-Current Assets Held For Sale and Other Adjustments	1,025	25,685	(24,948)	42,965	(41,218)	618	538	161	-	-	4,826
<b>At 31 December 2023</b>	<b>446,295</b>	<b>1,043,987</b>	<b>1,142,766</b>	<b>1,554,444</b>	<b>471,998</b>	<b>19,055</b>	<b>327,905</b>	<b>7,678</b>	<b>5,073</b>	<b>371,198</b>	<b>5,390,399</b>
<b>Accumulated Depreciation and Impairment</b>											
<b>At 1 January 2023</b>	<b>(62,841)</b>	<b>(258,710)</b>	<b>(62,990)</b>	<b>(18,775)</b>	<b>(102,676)</b>	<b>(10,470)</b>	<b>(184,998)</b>	<b>(5,156)</b>	<b>(61)</b>	<b>(8,376)</b>	<b>(715,053)</b>
Depreciation charge	-	(36,427)	(17,840)	(10,000)	(12,837)	(1,814)	(12,163)	(875)	-	-	(91,956)
Disposals	-	-	31	-	-	525	251	-	-	-	807
Transfers	-	-	-	-	-	-	-	-	-	-	-
Revaluations/Revaluation Reversals	-	13,908	9,764	8,214	-	-	-	-	-	-	31,886
Impairment/Impairment Reversals	(1,621)	6,140	(33,049)	688	11,598	-	-	-	-	324	(15,920)
Assets reclassified (to)/from Non-Current Assets Held For Sale and Other Adjustments	(2,315)	(24,393)	-	(1,677)	(8)	(611)	(360)	(241)	-	-	(29,605)
<b>At 31 December 2023</b>	<b>(66,777)</b>	<b>(299,482)</b>	<b>(104,084)</b>	<b>(21,550)</b>	<b>(103,923)</b>	<b>(12,370)</b>	<b>(197,270)</b>	<b>(6,272)</b>	<b>(61)</b>	<b>(8,052)</b>	<b>(819,841)</b>
<b>Net Book Value: 31 December 2023</b>	<b>379,518</b>	<b>744,505</b>	<b>1,038,682</b>	<b>1,532,894</b>	<b>368,075</b>	<b>6,685</b>	<b>130,635</b>	<b>1,406</b>	<b>5,012</b>	<b>363,146</b>	<b>4,570,558</b>
<b>Net Book Value: 1 January 2022</b>	<b>389,513</b>	<b>756,839</b>	<b>1,005,811</b>	<b>1,458,521</b>	<b>370,936</b>	<b>8,473</b>	<b>94,960</b>	<b>2,227</b>	<b>5,012</b>	<b>377,530</b>	<b>4,469,822</b>
<b>Asset Financing</b>											
Purchased	337,939	736,172	1,036,505	1,532,894	368,075	6,635	130,435	1,406	4,290	363,146	4,517,497
Donated	34,527	-	-	-	-	50	200	-	722	-	35,499
Leased	7,052	8,333	2,177	-	-	-	-	-	-	-	17,562
<b>Net Book Value: 31 December 2023</b>	<b>379,518</b>	<b>744,505</b>	<b>1,038,682</b>	<b>1,532,894</b>	<b>368,075</b>	<b>6,685</b>	<b>130,635</b>	<b>1,406</b>	<b>5,012</b>	<b>363,146</b>	<b>4,570,558</b>

2022	Land	Buildings	Social Housing (inc Land)	Networked Assets (inc Land)	Other Structures	Transport Equipment	Plant and Machinery, Furniture and Fittings	Information Technology Equipment	Antiques and Works of Art	Assets Under Course of Construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>											
<b>At 1 January 2022</b>	<b>415,711</b>	<b>986,656</b>	<b>989,691</b>	<b>1,400,861</b>	<b>443,202</b>	<b>17,634</b>	<b>284,530</b>	<b>7,149</b>	<b>5,073</b>	<b>304,734</b>	<b>4,855,241</b>
Additions	270	1,092	23,930	-	-	158	152	-	-	177,012	202,614
Disposals	-	-	(19,025)	-	(57)	(1,297)	(9,905)	(18)	-	-	(30,302)
Transfers	4,954	15,195	47,275	13,182	6,511	2,448	5,181	252	-	(94,998)	-
Revaluations/Revaluation Reversals	36,006	45,427	45,553	79,278	26,895	-	-	-	-	-	233,159
Impairments/Impairment Reversals	(4,587)	(32,821)	14,627	(16,025)	(2,939)	-	-	-	-	-	(41,745)
Assets reclassified (to)/from Non-Current Assets Held For Sale	-	-	(33,250)	-	-	-	-	-	-	(842)	(34,092)
<b>At 31 December 2022</b>	<b>452,354</b>	<b>1,015,549</b>	<b>1,068,801</b>	<b>1,477,296</b>	<b>473,612</b>	<b>18,943</b>	<b>279,958</b>	<b>7,383</b>	<b>5,073</b>	<b>385,906</b>	<b>5,184,875</b>
<b>Accumulated Depreciation</b>											
<b>At 1 January 2022</b>	<b>(64,207)</b>	<b>(231,985)</b>	<b>(77,032)</b>	<b>18,019</b>	<b>(84,483)</b>	<b>(10,048)</b>	<b>(171,999)</b>	<b>(4,276)</b>	<b>(58)</b>	<b>-</b>	<b>(626,069)</b>
Depreciation charge	-	(32,387)	(16,694)	(11,314)	(12,784)	(1,558)	(11,772)	(898)	(3)	-	(87,410)
Disposals	-	-	19,025	-	-	1,136	(1,227)	18	-	-	18,952
Transfers	-	(279)	279	-	-	-	-	-	-	-	-
Revaluations/Revaluation Reversals	(3,318)	13,837	14,030	(23,969)	(5,409)	-	-	-	-	-	(4,828)
Impairment/Impairment Reversals	4,684	(7,896)	(2,599)	(1,511)	-	-	-	-	-	(8,376)	(15,698)
<b>At 31 December 2022</b>	<b>(62,841)</b>	<b>(258,710)</b>	<b>(62,991)</b>	<b>(18,775)</b>	<b>(102,676)</b>	<b>(10,470)</b>	<b>(184,998)</b>	<b>(5,156)</b>	<b>(61)</b>	<b>(8,376)</b>	<b>(715,053)</b>
<b>Net Book Value: 31 December 2022</b>	<b>389,513</b>	<b>756,839</b>	<b>1,005,811</b>	<b>1,458,521</b>	<b>370,936</b>	<b>8,473</b>	<b>94,960</b>	<b>2,227</b>	<b>5,012</b>	<b>377,530</b>	<b>4,469,822</b>
<b>Net Book Value: 1 January 2022</b>	<b>351,504</b>	<b>754,671</b>	<b>912,659</b>	<b>1,418,880</b>	<b>358,719</b>	<b>7,586</b>	<b>112,531</b>	<b>2,873</b>	<b>5,015</b>	<b>304,734</b>	<b>4,229,172</b>
<b>Asset Financing</b>											
Purchased	344,697	747,734	1,003,771	1,458,521	370,936	8,440	94,615	2,227	4,288	377,530	4,412,759
Donated	35,406	30	-	-	-	33	345	-	724	-	36,538
Leased	9,410	9,075	2,040	-	-	-	-	-	-	-	20,525
<b>Net Book Value: 31 December 2022</b>	<b>389,513</b>	<b>756,839</b>	<b>1,005,811</b>	<b>1,458,521</b>	<b>370,936</b>	<b>8,473</b>	<b>94,960</b>	<b>2,227</b>	<b>5,012</b>	<b>377,530</b>	<b>4,469,822</b>

The table below includes valuation details of assets measured using the valuation model and the amount at which assets stated at revalued amounts would have been stated at had those assets been carried under the cost model:

	Land	Buildings	Social Housing (inc Land)	Networked Assets (inc Land)	Other Structures	Transport Equipment	Plant and Machinery, Furniture and Fittings	Information Technology Equipment	Antiques and Works of Art	Assets Under Course of Construction
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Revaluation or Cost Model</b>	Revaluation	Revaluation	Revaluation	Revaluation	Revaluation			Cost		
<b>Independent Valuer</b>	Valuation Office Agency	Valuation Office Agency	Jones Lang LaSalle	Valuation Office Agency	Valuation Office Agency & Buckley					
<b>Valuation Methodology</b>	Market Value	Market Value and Depreciated Replacement Cost	Existing Use Value	Depreciated Replacement Cost	Depreciated Replacement Cost			N/A		
<b>Frequency of Full Valuation</b>	Quinquennial	Quinquennial	Quinquennial	Quinquennial	Quinquennial					
<b>Date of last full valuation</b>	December 2022	December 2022	December 2022	December 2023	December 2022					
<b>Effective Date of Valuation</b>	December 2023	December 2023	December 2023	December 2023	December 2023					
<b>Carrying Amount at Cost</b>	314,292	410,635	767,990	987,994	132,627	6,685	130,634	1,403	5,015	371,198
<b>Revaluation Surplus / Deficit</b>	65,228	333,870	270,690	554,899	235,449	-	-	-	-	(8,052)
<b>Revaluation /Impairment Movement in Year</b>	(8,810)	18,919	(25,386)	29,697	11,598	-	-	-	-	324



## Highlights

The increase in the overall net book value of property, plant and equipment assets is largely driven by the net revaluation increases during 2023 as well as additional expenditure recognised as 'Assets under course of construction' during the year. These increases are partly offset by depreciation and disposals.

The Valuation Office Agency performed a full infrastructure valuation as at 31 December 2023 increasing the value of assets by £30.4m, including:

- Revaluation of the Road Network by £25.2m
- Revaluation of Sea Defences by £21m
- Impairment of the land associated with Infrastructure Assets by £15.7m
- Impairment of the Drainage Network by £0.16m

Valuation movements are largely driven by build costs where depreciated replacement cost is used. The significant increase in the cost of building materials and the sales and rental values of residential and commercial properties over recent years has led to an overall increase in the value of land, buildings and infrastructure assets. Following from the full land and buildings valuations completed as at 31 December 2022, an indexation for the year has been applied for the valuations as at 31 December 2023, resulting in a reduced increase.

Social Housing had a net increase in value due to transfers of £94.1m of new social housing offsetting a net impairment of £25.4m, driven by the impact of rents and economic factors in the valuation method, and not the quality of the stock.

During the year, the Sewage Treatment Works was completed and became operational, with £66.8m transferred from AUCC to operational assets as a result. Other transfers include £13.3m for Infrastructure Assets and £8.5m for the Energy recovery facility.

## Capital Commitments

This amount includes the following amounts which are committed via a contractual arrangement, but not yet incurred/provided for.

Capital Commitments	2023	2022
	£'000	£'000
<b>Tangible</b>		
Andium: Ann Street Brewery	64,185	-
Andium: Northern Quarter	36,130	-
Andium: The Mayfair	29,601	46,319
CABO: Replacement Assets	11,336	451
HCS: Health Service Improvements	5,496	1,908
I&E: DVS Registration Systems	5,430	-
Andium: The Limes	4,705	23,951
HCS: Healthcare Facilities	4,452	-
JFM: Vehicle and Plant Replacement	2,697	3,347
I&E: Liquid Waste Strategy	1,757	3,001
SOJDC: International Finance Centre 2	1,550	-
CABO: MS Foundation	1,485	19
I&E: Countryside Infrastructure	1,371	-
POL: Police Firearms Range	1,227	10
JCP: Carpark Maintenance and Refurbishment	1,132	3
CABO: Cyber Security	986	398
Andium: Cyril Le Marquand Court	963	-
CABO: Service Digitisation	910	5
I&E: Inspiring Active Places	890	59
Andium: Edinburgh House	822	-
I&E: Replacement Assets	715	-
Other Tangible <sup>i</sup>	6,604	66,273
<b>Total Tangible</b>	<b>184,444</b>	<b>145,744</b>
<b>Intangible</b>		
CABO: Integrated Technology Solution	796	4,454
SSF: Benefits System Replacement	119	201
SSF: LTC Support System	101	-
Other Intangible	83	4,040
<b>Total Intangible</b>	<b>1,099</b>	<b>8,695</b>
<b>Total Capital Commitments</b>	<b>185,543</b>	<b>154,439</b>

<sup>i</sup> The table above is based on the 2023 projects. Within Other Tangibles the 2022 comparable includes the spend during 2023. The breakdown of the 2022 commitments is set out in the Annual Report and Accounts for the States of Jersey 2022, which is available on the gov.je website.

## 4.11 Financial Instruments



### Accounting Policy

#### Classification

The group classifies its financial assets at amortised cost or fair value either through profit or loss (FVTPL) or through other comprehensive income (FVTOCI). The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Category	Criteria for classification	Financial Assets
Amortised Cost	Amortised cost for financial assets whose cash flows are solely payments of principal and interest and the business model of which is to hold those financial assets in order to collect contractual cash flows. They are initially recognised at fair value and thereafter at amortised cost using the effective interest method less any impairment. The effective interest rate method is a method of calculating the amortised cost of a financial asset and of recognising and allocating interest income over the relevant period.	Loans and advances, contractual trade receivables and cash and cash equivalents
FVTPL	Fair value through profit or loss (FVTPL) for any financial assets that are not measured at amortised cost or FVTOCI. This category includes derivatives and investments in equity instruments, unless an irrevocable election is made on initial recognition to classify as FVTOCI. The election is only available to equity instruments that are not held for trading. Transactions costs and any subsequent movements in the valuation of assets held at FVTPL are recognised in the Statement of Comprehensive Net Expenditure.	Investments units in the Common Investment Fund, housing property bonds and derivatives
FVTOCI	FVTOCI includes debt instruments whose cash flows are the sole payments of principal and interest and held within the business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets. The GoJ accounts do not hold any debt instruments at fair value through other comprehensive income. FVTOCI also includes equity instruments where an irrevocable election has been made to fair value through other comprehensive income. The group has made the irrevocable election to present the Strategic Investments (as defined in note 11(a)) as fair value through other comprehensive income.	Strategic investments

The group classifies its financial liabilities at either amortised cost or fair value through profit or loss (FVTPL)

Category	Criteria for classification	Financial Liabilities
Amortised Cost	Most of the government's financial liabilities are classified at amortised cost.	Bank borrowings, bond, credit facility and contractual trade payables
FVTPL	Meets the IFRS 9 definition of a financial guarantee contract, contingent consideration or financial liability at fair value through profit or loss. Financial liabilities that arise where a transfer of a financial asset does not qualify for derecognition. Commitments to provide a loan at a below-market interest rate.	Derivatives



## Recognition and derecognition

Purchases and sales of financial assets are recognised on trade date, being the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership. Differences between derecognised financial instruments' carrying value and cashflows received to transfer ownership are recognised as realised gains/losses in Consolidated Statement of Comprehensive Net Expenditure (SOCNE).

Financial assets are derecognised when the rights to receive future cash flows have expired or are transferred and the risks and rewards of ownership have been substantially transferred.

## Measurement

At initial recognition, an entity shall measure FVTPL financial instruments at their fair value. Amortised cost and FVTOCI financial instruments shall be measured at their fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial instrument. Except for contractual trade receivables which are initially measured at IFRS 15's transaction price.

Subsequent measurement of Financial Assets is as follows:

Category	Subsequent measurement
Amortised Cost	Interest income is calculated using the effective interest rate method. Any gain/(loss) arising on derecognition is presented in finance income or cost.
FVTPL	Changes in fair value movements are recognised through the profit and loss under (Gains)/Losses on Financial Assets.
FVTOCI	Changes in fair value movements are recognised through Other Comprehensive Income (OCI). Impairment losses or reversals, interest income (using the effective interest rate method) and foreign exchange gains and losses, are recognised in profit or loss. On derecognition, the cumulative gain/loss previously recognised in OCI is reclassified from equity to profit or loss.

Subsequent measurement of Financial Liabilities is as follows:

Category	Subsequent measurement
Amortised Cost	Interest expenses are included in finance costs using the effective interest rate method. Fees paid to establish loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates. Any gain/(loss) arising on derecognition or remeasurement is presented in finance income or cost.
FVTPL	Fair value movements are recognised through the profit and loss.

Derivative contracts within the Common Investment Fund (CIF) have the legal right of set-off and thus can be settled net.

## Impairment of Financial Assets

Financial assets other than equity instruments and those at FVTPL are assessed for impairment at each reporting date using the expected credit loss model as introduced by IFRS 9, and impairments are recognised in the Statement of Comprehensive Net Expenditure.

The group assesses on a forward-looking basis the expected credit losses, and annual assessments for impairment are carried out. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

IFRS 9 impairment requirements for financial assets apply to:

- Debt instruments – loans, trade receivables and debt securities measured at amortised cost or fair value through other comprehensive income (FVTOCI)
- Lease receivables
- Contract assets within the scope of IFRS 15
- Certain financial guarantees and loan commitments.

### **Trade receivables**

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2020 or 1 January 2021 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

## a. Financial Instruments by Category

Financial Instruments by Category	2023		2022 - Restated	
	Long term £'000	Short Term £'000	Long term £'000	Short Term £'000
<b>Financial Assets</b>				
<b>Amortised Cost</b>				
Cash and cash equivalents (Note 4.14)	-	75,636	-	108,455
Trade and other receivables (Note 4.13)	6,946	91,465	11,744	61,116
Loans and advances	17,524	2,779	14,896	2,434
Liquid Investments	-	33,531	17	66,387
Preference shares	7,400	-	7,400	-
<b>Total Amortised Cost</b>	<b>31,870</b>	<b>203,411</b>	<b>34,057</b>	<b>238,392</b>
<b>Fair value through OCI</b>				
Strategic investments	307,205	-	327,821	-
<b>Total Fair value through OCI</b>	<b>307,205</b>	<b>-</b>	<b>327,821</b>	<b>-</b>
<b>Fair value through profit and loss assets</b>				
Housing Bonds	49,820	-	46,423	-
Investment Units in the CIF	3,487,716	-	3,217,822	-
Derivatives	-	1,404	6,068	77
<b>Total Fair value through profit and loss assets</b>	<b>3,537,536</b>	<b>1,404</b>	<b>3,270,313</b>	<b>77</b>
<b>Total financial assets<sup>i</sup></b>	<b>3,876,611</b>	<b>204,815</b>	<b>3,632,191</b>	<b>238,469</b>
<b>Financial Liabilities</b>				
<b>Amortised Cost</b>				
Trade and other payables (Note 15)	(39)	(64,905)	-	(55,261)
External borrowing (Note 16)	(880,195)	(108,313)	(857,707)	(21,000)
<b>Total Amortised Cost</b>	<b>(880,234)</b>	<b>(173,218)</b>	<b>(857,707)</b>	<b>(76,261)</b>
<b>Total financial liabilities</b>	<b>(880,234)</b>	<b>(173,218)</b>	<b>(857,707)</b>	<b>(76,261)</b>

### Loans and advances

Loans and advances include a loan to Blue Islands furthering the continuity of a business which was critical to the economic recovery following the restrictions placed on islanders as a result of the COVID 19 pandemic, loans to assist first time house buyers from the Dwelling Houses Loan Fund, loans to housing associations from the Housing Development Fund and other smaller loans from specific Funds.

<sup>i</sup> Other Financial Assets excludes Cash and cash equivalents and Trade and Other Receivables which are already presented on the Statement of Financial Position and disclosed separately as referenced above.

## Strategic Investments

Strategic Investments are the investment holdings in utility companies (JT Group, Jersey Electricity and Jersey Water) and a logistic company (Jersey Post) summarised below. The irredeemable preference shares are a separate holding in Jersey Water and JT Group.

Strategic Investments			
Company Name	Shareholding	2023 £'000	2022 £'000
Jersey Electricity PLC	62% (19,000,000 Ordinary Shares of 5p)	81,700	96,900
JT Group Limited	100% (20,000,000 £1 Ordinary shares)	157,497	182,900
Jersey Waterworks Company Limited	74% (4,620,000 (100%) "A" Ordinary Shares, 2,520,000 (50%) Ordinary Shares <sup>i</sup> )	44,015	35,900
Jersey Post International Limited	100% (5,000,000 £1 Ordinary shares)	23,993	12,121
<b>Total Jersey Strategic Investments</b>		<b>307,205</b>	<b>327,821</b>

## Investment Units in the Common Investment Fund ("CIF")

As disclosed in note 4.5, the accounting policy has been changed. The breakdown of the CIF is as follows:

Value of Investment Units held by the States of Jersey		
CIF Unit Name	2023 £'000	2022 £'000
Equity Pool CIF Units	1,692,886	1,512,363
Government Bond CIF Units	127,504	122,655
Corporate Bond CIF Units	7	125
Absolute Return Bond CIF Units	115	286,275
Absolute Return CIF Units	531,176	496,088
Property CIF Units	92,629	100,086
Opportunities CIF Units	503,519	472,158
Alternative Risk CIF Units	152,114	153,818
Cash Investments CIF Units	90,444	74,254
Risk Seeking Credit CIF Units	297,321	-
	<b>3,487,715</b>	<b>3,217,822</b>

Investment Units in the CIF are those held across various investment managers and asset classes. Within the Financial Review there is a detailed description of the performance of the CIF during 2024.

<sup>i</sup> 900,000 (100%) 10% Cumulative Fifth Preference shares are also held

## Total CIF Balance Sheet Breakdown

	2023 £'000	2022 £'000
<b>Non-Current Assets</b>		
Equity Class	1,972,716	1,731,935
Corporate Bond Class	-	731
Property Class	159,745	186,517
Absolute Return Class	681,046	607,383
Absolute Return Bond Class	-	338,371
Opportunities Class	611,841	535,849
Alternative Risk Premia Class	228,832	235,065
Risk Seeking Credit	351,850	-
Liquid Investments and gilts	104,250	192,109
<b>Total Non-Current Assets</b>	<b>4,110,280</b>	<b>3,827,960</b>
<b>Current Assets</b>		
Trade and other receivables	3,715	2,205
Cash, cash equivalents and Liquid Investments	178,882	139,678
Derivatives <sup>i</sup>	17,848	16,865
<b>Total Current Assets</b>	<b>200,445</b>	<b>158,748</b>
<b>Current Liabilities</b>		
Trade and other payables	(6,357)	(2,148)
<b>Total Current Liabilities</b>	<b>(6,357)</b>	<b>(2,148)</b>
<b>Net Assets</b>	<b>4,304,368</b>	<b>3,984,559</b>
<b>Effective percentage of CIF units held within the accounting boundary</b>	<b>81%</b>	<b>81%</b>
<b>States of Jersey Share of net assets</b>	<b>3,487,715</b>	<b>3,217,822</b>

### Interest Rate Swap Derivatives

The Group has two subsidiaries that have entered into interest rate swap agreements.

Andium Homes limited entered into three interest rate swaps in July and August 2023 to mitigate their interest rate risk on their Revolving Credit Facility, in addition to the swap entered into in July 2022. The swaps have a notional value of £100m as at 31 December 2023 (2022: £50m) with a weighted average interest rate of 3.51% (2022: 2.58%) and maturities of 27 February 2027 and 27 February 2029, in line with the RCF. The carrying value of this swap is a liability of £1.2m (2022: asset £2.9m) as at 31 December 2023.

Jersey Development Company has an interest rate swaps agreement in place with a notional amount of £22m (2022: £22m) whereby they receive a fixed rate of interest of 1.21% (2022:1.21%) and pays interest at a variable rate equal to Compounded SONIA on the notional amount. The swap is being used to hedge the exposure to changes in the fair value of its floating rate secured loan. The carrying value of this swap is £2.6 million as at 31 December 2023 (2022: £3.2 million).

<sup>i</sup> The balances stated above are recorded as a net derivative basis. The gross derivative asset value is £1,046,176,00 and the gross liability value is £1,028,328,000.

## Financial guarantee contracts

### Jersey Business Disruption Loan Guarantee Scheme

The Jersey Business Disruption Loan Guarantee Scheme was introduced in response to fears that the COVID-19 might result in temporary shortages in funding to otherwise viable local businesses causing avoidable longer term damage to the economy. The method of the scheme is to guarantee qualifying bank lending by 80% for a limited period of time, enabling £50 million of new lending capacity by local banks. The scheme became live on 1 April 2020 with 30 September 2020 being the initial pre-defined closing date for applications.

The scheme was thereafter extended a number of times until finally closing to new applications on 31 December 2021. Whereas the guarantees issued up to and including 30 September 2020 were issued under emergency legislation, subsequent approvals to extend the scheme were issued under Ministerial orders.

There are five banks participating in the Scheme: RBSI; HSBC; Lloyds; Barclays; and Santander. Each bank has a £5 million limit on the amount of loans they can issue under the scheme (with the exception of Santander which agrees amounts per customer as required).

As 31 December 2023, 31 (2022: 40) of the facilities that had been granted by banks remained active. These facilities had a total facility value of £1.6 million (2022: £2.9 million) at their respective dates of award. At 31 December 2023, reflecting repayments made in the period to the year's end, the remaining value of guarantee exposure from these facilities (including accrued interest) is £0.7 million (2022: £1.7 million). Loan repayments will continue to diminish this guarantee exposure over time, notwithstanding that balances continue to accrue interest until full repayment.

There were two confirmed claims in 2023 (2022: one claims). No other liability provision was recorded in the accounts as at 31 December 2023 based on the fact that default rates in equivalent non-pandemic Business & Commercial loans have been historically very low (1%) and that the terms of the Scheme ensure banks conclude equivalent lending processes prior to issuing guaranteed loans.

### Students Loans Scheme

The States of Jersey has provided financial guarantees to four banks in respect of student loans under its Students' Loans scheme. The loan scheme provided loans of up to £1,500 per year towards tuition fees. The scheme was stopped in the academic year 2018/19 to new students but remains in place for students who were already in the scheme. The total value of loans guaranteed is £0.3 million (2022: £0.54 million). There has been insignificant default on the Jersey scheme. The equivalent scheme in the UK experiences default of around 1% per annum on the balance.

## Other Financial Liabilities

### Housing Trusts Letters of Comfort

The States of Jersey has provided 22 letters (2022: 23 letters) of comfort to four Housing Trusts covering loans totalling £59.78 million (2022: £67.45 million). The letters of comfort provide that the States will provide a subsidy (through the Housing Development Fund) to the housing trusts if interest rates exceed an agreed threshold. The subsidy payable would be equal to the excess interest payable. The letters of comfort cover a range of periods up to 2034. No subsidies have been paid since 2009, but changes in financial market conditions and interest rates during 2023 have exceeded the threshold for triggering subsidy payments

towards the end of the year, the potential liability for the year ended 31 December 2023 is expected to be £581,000. Forecasts for future interest rates suggest that subsidies will be payable in future years, but it is expected to continue being insignificant in value for the foreseeable future.

## b. Amounts Recognised in the SOCNE

2023	Financial Assets		Financial Liability		Total
	Amortised Cost	Fair value Through OCI	Fair value through profit and loss	Amortised cost	
	£'000	£'000	£'000	£'000	£'000
Interest income	(4,474)	-	(2,103)	-	(6,577)
Dividend income	-	(16,964)	-	-	(16,964)
<b>Total Investment Income</b>	<b>(4,474)</b>	<b>(16,964)</b>	<b>(2,103)</b>	-	<b>(23,541)</b>
Net Realised Financial Asset loss / (Gain)	-	-	(45,752)	-	(45,752)
Net Unrealised Financial Asset loss / (Gain)	-	-	(303,439)	-	(303,439)
<b>Total (Gains)/Losses on Financial Asset</b>	-	-	<b>(349,191)</b>	-	<b>(349,191)</b>
Interest expense	-	-	-	28,889	28,889
Fee expense	-	-	-	1,722	1,722
<b>Total Finance Costs relating to Financial Instruments</b>	-	-	-	<b>30,611</b>	<b>30,611</b>
Impairment loss	2,669	-	-	-	2,669
<b>Total Impairment relating to Financial Instruments</b>	<b>2,669</b>	-	-	-	<b>2,669</b>
<b>Total Income/Expenditure in Net Revenue Expenditure relating to Financial Instruments</b>	<b>(1,805)</b>	<b>(16,964)</b>	<b>(351,294)</b>	<b>30,611</b>	<b>(339,452)</b>
Loss / (Gains) on Other Financial Assets	-	20,616	-	-	20,616
<b>Surplus/deficit on revaluation of assets in Other Comprehensive</b>	-	<b>20,616</b>	-	-	<b>20,616</b>
<b>Net (Gain)/Loss for the year</b>	<b>(1,805)</b>	<b>3,652</b>	<b>(351,294)</b>	<b>30,611</b>	<b>(318,836)</b>

Investment Management and other Fees relating to the CIF of £39 million are included as part of the Gain/Losses on CIF investments (2022: £45.8 million).

2022 - Restated	Financial Assets		Financial Liability		Total £'000
	Amortised Cost	Fair value Through OCI	Fair value through profit and loss	Amortised cost	
	£'000	£'000	£'000	£'000	
Interest income	(1,522)	-	(366)	-	(1,888)
Dividend income/distributions	-	(6,989)	(36,202)	-	(43,191)
<b>Total Investment Income</b>	<b>(1,522)</b>	<b>(6,989)</b>	<b>(36,568)</b>	<b>-</b>	<b>(45,079)</b>
Net Realised Financial Asset loss / (Gain)	-	-	(37,801)	-	(37,801)
Net Unrealised Financial Asset loss / (Gain)	-	-	258,017	-	258,017
<b>Total (Gains)/Losses on Financial Asset</b>	<b>-</b>	<b>-</b>	<b>220,216</b>	<b>-</b>	<b>220,216</b>
Interest expense	-	-	-	22,864	22,864
Fee expense	-	-	-	1,629	1,629
<b>Total Finance Costs relating to Financial Instruments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,493</b>	<b>24,493</b>
Impairment loss	3,196	-	-	-	3,196
<b>Total Impairment relating to Financial Instruments</b>	<b>3,196</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,196</b>
<b>Total Income/Expenditure in Net Revenue Expenditure relating to Financial Instruments</b>	<b>1,674</b>	<b>(6,989)</b>	<b>183,648</b>	<b>24,493</b>	<b>202,826</b>
Loss / (Gains) on Other Financial Assets	-	87,485	-	-	87,485
<b>Surplus/deficit on revaluation of assets in Other Comprehensive</b>	<b>-</b>	<b>87,485</b>	<b>-</b>	<b>-</b>	<b>87,485</b>
<b>Net (Gain)/Loss for the year</b>	<b>1,674</b>	<b>80,496</b>	<b>183,648</b>	<b>24,493</b>	<b>290,311</b>

### Reconciliation to SoCNE Finance Costs

Expenses Breakdown	2023 £'000	2022 £'000
Interest Expense	28,889	22,864
Fee Expense	1,723	1,629
Pension Past Service Liabilities Interest	-	9,700
<b>Finance Costs</b>	<b>30,612</b>	<b>34,193</b>

### Reconciliation to SoCNE Impairments

Expenses Breakdown	2023 £'000	2022 £'000
Impairment Loss / (Reversals)	2,669	3,196
Impairment of PPE	15,930	14,447
<b>Impairments</b>	<b>18,599</b>	<b>17,643</b>





## Highlights

A summary of the performance of the States investments is included as part of the Financial Review.

### Strategic Investments

The downwards movement in the valuation of the strategic investments is largely the result of a reduction in the value of JT Global following a decrease in the cash balance held due to special dividends paid the States and capital investment.

The Jersey Post valuation has increased due to improved performance in 2023 as the business, and industry multiples used in valuation, begin to recover. Jersey Electricity decreased in value (based on share price), and Jersey Water increased – mostly driven by more buoyant multiples in the industry.

These valuation estimates are based on a single investment valuation methodology and represent an estimate based on those calculations as at the balance sheet date for the purposes of compiling these accounts.

## c. Fair Value Hierarchy

### **Fair values of financial and non-financial assets and financial liabilities**

The following table combines information about:

- a) classes of financial instruments and non-financial assets based on their nature and characteristics;
- b) the carrying amounts of financial instruments and non-financial assets;
- c) fair values of financial instruments and non-financial assets; and
- d) fair value hierarchy levels of financial instruments and non-financial assets for which fair value is disclosed.

Fair value hierarchy levels 1 to 3 are based on the degree to which the fair value is observable:

- **Level 1** fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- **Level 2** fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- **Level 3** fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## Transfers between levels

The States' policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

31 December 2023	Carrying Value	Fair Value Level			Total Fair Value
		1	2	3	
	£'000	£'000	£'000	£'000	£'000
<b>Financial Assets</b>					
<b>Amortised Cost<sup>i</sup></b>					
Cash and cash equivalents	75,636	75,636	-	-	75,636
Trade and other receivables	98,411	98,411	-	-	98,411
Loans and advances	20,303	-	15,829	-	15,829
Short-term liquid investments	33,531	33,531	-	-	33,531
Preference shares	7,400	-	7,400	-	7,400
<b>Fair value through OCI</b>					
Strategic investments <sup>ii</sup>	307,205	81,700	-	225,505	307,205
<b>Fair value through profit and loss</b>					
Housing Bonds	49,820	-	-	49,820	49,820
Investment Units in the CIF	3,487,716	1,418,210	972,158	1,097,348	3,487,716
Derivatives	1,404	-	1,404	-	1,404
<b>Total financial assets</b>	<b>4,081,426</b>	<b>1,707,488</b>	<b>996,791</b>	<b>1,372,673</b>	<b>4,076,952</b>
<b>Financial Liabilities</b>					
<b>Amortised cost<sup>iii</sup></b>					
Trade and other payables	(64,944)	(64,944)	-	-	(64,944)
External Borrowings	(988,508)	(221,284)	(573,883)	-	(795,167)
<b>Total financial Liabilities</b>	<b>(1,053,452)</b>	<b>(286,228)</b>	<b>(573,883)</b>	<b>-</b>	<b>(860,111)</b>

<sup>i</sup> There is a difference between amortized cost and fair value due to the differing measurement objectives and methodologies. Amortized cost focuses on the historical cost adjusted for specific factors, while fair value captures the current market value of the asset.

<sup>ii</sup> The States' Strategic Investments are held through instruments that are unlisted. Therefore, they are all classified as Level 3 instruments following the fair value basis of "Unquoted Strategic Investments" described in 4.12 (d) except for Jersey Electricity PLC which has been valued using unheld quoted ordinary share price therefore being deemed as level 1.

31 December 2022 Restated	Carrying Value	Fair Value Level			Total Fair Value
		1	2	3	
	£'000	£'000	£'000	£'000	£'000
<b>Financial Assets</b>					
<b>Amortised Cost</b>					
Cash and cash equivalents	108,455	108,455	-	-	108,455
Trade and other receivables	72,860	72,860	-	-	72,860
Loans and advances	17,330	-	15,629	-	15,629
Short-term liquid investments	66,404	66,404	-	-	66,404
Preference shares	7,400	-	7,400	-	7,400
<b>Fair value through OCI</b>					
Strategic investments	327,821	96,900	-	230,921	327,821
<b>Fair value through profit and loss</b>					
Housing Bonds	46,423	-	-	46,423	46,423
Investment Units in the CIF	3,217,822	1,293,608	933,983	990,231	3,217,822
Derivatives	6,145	77	6,068	-	6,145
<b>Total financial assets</b>	<b>3,870,660</b>	<b>1,638,304</b>	<b>963,080</b>	<b>1,267,575</b>	<b>3,868,959</b>
<b>Financial Liabilities</b>					
<b>Liabilities at amortised cost</b>					
Trade and other payables	(55,261)	(55,261)	-	-	(55,261)
External Borrowings	(878,707)	(147,357)	(563,485)	-	(710,842)
<b>Total financial and non-financial Liabilities</b>	<b>(933,968)</b>	<b>(202,618)</b>	<b>(563,485)</b>	<b>-</b>	<b>(766,103)</b>

### Valuation processes

The Treasury and Investments Team of the Treasury & Exchequer Department is responsible for obtaining valuations of financial instruments used for financial reporting, including level 3 fair values.

Discussions of valuation processes and results for financial instruments are subject to internal review within the Treasury and Investment Team and their advisor, Aon, with oversight provided by the Treasury Advisory Panel.

Valuation of pooled investments at level 3 are based on the latest manager valuation reports adjusted for any capital calls and distributions since the valuation report. Valuations are subject to a layered assurance process comprising:

- e) independent review of valuations applied by the custodian, Northern Trust;
- f) review of the valuation process by the independent investment advisor, Aon;
- g) where they are available, review of the SOC1 internal controls reports for fund managers, custodian and administrators; and
- h) back testing to validate manager valuations to compare published audited outturn results against the valuations.

The valuation of Strategic Investments is subject to internal review and sign off within the Treasury and Investment Team, including the selection of appropriate comparable companies in similar sectors and the calculation of the income multiples. The valuation for

Jersey Post International Ltd, JT Global Ltd and Jersey New Waterworks Ltd is based on a “market pricing” approach using the comparable companies technique. The valuation of Jersey Electricity plc is based on the quoted share price.

#### d. Sensitivity of assets valued at Level 3

Having analysed historical data and current market trends, and consulted with independent investment advisors, the States has determined that the valuation methods described above are likely to be accurate to within the following ranges, and has set out opposite the consequent potential impact on the closing value of investments held at 31 December 2023.

Description of asset 2023	Assessed valuation range		Value at 31 December 2023	Value on increase	Value on decrease
	+%	-%	£'000	£'000	£'000
Property Class	10.0%	-10.0%	92,408	101,649	83,167
Absolute Return Class	10.0%	-10.0%	528,763	581,639	475,887
Opportunities Class	12.5%	-12.5%	476,178	535,700	416,656
Housing Bonds	6.2%	-6.2%	49,820	52,902	46,738
<b>Total</b>			<b>1,147,169</b>	<b>1,271,890</b>	<b>1,022,448</b>

Please refer to Note 4.11(e) for sensitivity analysis of unquoted strategic investments.

2023	Opening balance	Transfers in/(out) of Level 3	Net Purchases/ (Sales)	Unrealised gains/(losses)	Closing balance
	£'000	£'000	£'000	£'000	£'000
<b>Common Investment Fund</b>					
Property CIF Pool	100,086	-	(3,900)	(3,557)	<b>92,629</b>
Absolute Return CIF Pool	647,686	-	(11,000)	47,468	<b>684,154</b>
Opportunities CIF Pool	585,834	-	24,800	41,233	<b>651,867</b>
<b>Total Investment in the CIF</b>	<b>1,333,606</b>	<b>-</b>	<b>9,900</b>	<b>85,144</b>	<b>1,428,650</b>
<b>SOJ's proportion of level 3 CIF units</b>					
Property CIF Units	99,675				<b>92,408</b>
Absolute Return CIF Units	465,218				<b>528,763</b>
Opportunities CIF Units	425,039				<b>476,178</b>
<b>Total SOJ's proportion of level 3 CIF units</b>	<b>989,932</b>				<b>1,097,349</b>
Unquoted Strategic Investments	230,921	-	-	(5,416)	<b>225,505</b>
Housing bonds	46,423	-	4,483	(1,086)	<b>49,820</b>
<b>Total SOJ Level 3 financial assets</b>	<b>1,267,276</b>	<b>-</b>	<b>4,483</b>	<b>(6,502)</b>	<b>1,372,674</b>

Description of asset 2022	Assessed valuation range		Value at 31 December 2023	Value on increase	Value on decrease
	+%	-%	£'000	£'000	£'000
Property Class	10.0%	-10.0%	99,974	109,971	89,977
Absolute Return Class	10.0%	-10.0%	465,218	511,740	418,696
Opportunities Class	12.5%	-12.5%	425,039	478,169	371,909
Housing Bonds	9.1%	-9.1%	46,423	50,667	42,179
<b>Total</b>			<b>1,036,654</b>	<b>1,150,547</b>	<b>922,761</b>

2022	Opening balance	Reclassification from/(to) Inventories	Net Purchases/ (Sales)	Unrealised gains/(losses)	Closing balance
	£'000	£'000	£'000	£'000	£'000
<b>Common Investment Fund</b>					
Property CIF Pool	118,332	-	(1,210)	(17,036)	100,086
Absolute Return CIF Pool	593,995	-	50,500	3,191	647,686
Opportunities CIF Pool	367,290	-	186,000	32,544	585,834
<b>Total Investment in the CIF</b>	<b>1,079,617</b>	<b>-</b>	<b>235,290</b>	<b>18,699</b>	<b>1,333,606</b>
<b>SOJ's proportion of level 3 CIF units</b>					
Property CIF Units	116,646				99,974
Absolute Return CIF Units	492,355				465,218
Opportunities CIF Units	287,190				425,039
<b>Total SOJ's proportion of level 3 CIF units</b>	<b>896,191</b>				<b>990,231</b>
Unquoted Strategic Investments	297,506	-	-	(66,585)	230,921
Housing bonds	37,438	-	5,017	3,968	46,423
Investment Property	17,900	(17,900)	-	-	-
<b>Total SOJ Level 3 financial assets</b>	<b>1,249,035</b>	<b>(17,900)</b>	<b>5,017</b>	<b>(62,617)</b>	<b>1,267,575</b>

## e. Fair value - Basis of valuation

The basis of the valuation of each class of asset and liability measured at fair value is set out below. There has been no change in the valuation techniques used during the year. All assets and liability have been valued using fair value techniques based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information.

The value of Units in the Common Investment Fund equals the underlying net assets value of the holdings within each specific pool. The basis of valuation of these underlying assets is set out below.

Description of asset or liability	Valuation hierarchy	Basis of valuation	Observable and unobservable inputs	Key sensitivities
Cash and cash equivalents, trade and other receivables, and trade and other payables	1	Carrying value is deemed to be fair value, because of the short- term nature of the instruments.	Not required.	Not required.
Quoted bonds and equity	1	Quoted price.	Not required.	Not required.
Quoted strategic investments	1	Share price.	Not required.	Not required.
Forward Foreign Exchange derivatives	1	Market forward exchange rates at the year-end.	Exchange rates.	Not required.
Interest Rate Swaps	2	The present value of the estimated future cash flows based on observable yield curves.	Interest rates.	Not required.
Loans and advances, finance leases and external borrowing	2	Fair values have been estimated by discounting the remaining cashflows of the instruments using the rates from the Public Works Loans Board as a proxy for the rates at which the States might lend and borrow.	Observable inputs: rates vary depending on the remaining period of the financial instrument. Unobservable inputs: remaining period of the financial instruments varies from 1 to 34 years.	Not required.
Pooled equity	2	Closing price where bid and offer prices are published.	NAV based pricing though pricing underlying listed equity	Not required.
Corporate bonds	2	Closing price where bid and offer prices are published.	NAV based pricing though pricing underlying listed equity	Not required.
Emerging market pooled fund	2	Closing price where bid and offer prices are published.	NAV based pricing though pricing underlying listed equity	Not required.
Special equity pooled fund	2	Closing price where bid and offer prices are published.	NAV based pricing though pricing underlying listed equity	Not required.
Alternative Risk Premia	2	Closing bid price where bid and offer price are published.	NAV based on third party valuation of underlying assets, all of which are level 1/2.	Not required.

Absolute Return bond	2	Closing bid price where bid and offer price are published.	NAV based on third party valuation of underlying assets, all of which are level 1/2.	Not required.
Pooled property fund	3	Valuations are calculated monthly by the manager on the basis of the open market value as defined in the 'Appraisal and Valuation Manual' of the Royal Institution of Chartered Surveyors.	NAV based on unaudited quarterly valuation statement, which is valued by the Manager.	The Fund holds a diversified portfolio of UK property, but is exposed to the material events impacting the UK property market. Valuations will be impacted by factors such as occupancy rates, lease terms, covenant terms, transactional activity in sector.
Absolute Return Pool	3	Valued monthly at NAV based on manager valuation models.	Investment valuations are determined by the Manager. Hedge Funds apply proprietary models to value assets, using a variety of sources. The manager will utilise mark to model values which are derived from a variety of asset specific models.	Valuation models apply numerous subjective judgments by the Investment Manager. These are subject to assumptions around factors such as Liquidity discounts, EBITDA multiples etc.
Opportunities Fund	3	Valued quarterly at NAV based on manager valuation models. Valuations are adjusted to capital calls / distributions in the quarter.	Investment valuations are determined by the Manager. Managers apply proprietary models to value assets, using a variety of sources. The manager will utilise mark to model values which are derived from a variety of asset specific models.	Valuation models apply numerous subjective judgments by the Investment Manager. These are subject to assumptions around recent arm's length transactions, referring to other instruments that are substantially the same and/or discounted cash flow analysis.
Housing bonds	3	Fair value of the bonds is initially calculated as the proportionate difference between the fair market price of the property and the agreed cash price. Subsequently, fair value is obtained at each year end by applying the latest published Jersey Housing Price Index (HPI) to the bonds initial fair value.	Fair market or agreed cash price of the property (at purchase)	Fair value of the bonds is initially calculated as the proportionate difference between the fair market price of the property and the agreed cash price. Subsequently, fair value is obtained at each year end by applying the latest published Jersey Housing Price Index (HPI) to the bonds initial fair value.
Unquoted strategic investments	3	Priced using income multiples based on similar companies.	Forecast EBITDA of the companies. Industry valuation multiples. Financial results of the comparable companies.	Valuations are primarily influenced by the income multiple and the discount factor. An increase / (decrease) in the income multiple of 1 would increase / (decrease) the value by £18.712m 5% increase / (decrease) in discount rate (decreases) / increases the value by £7.376m

## f. Financial Risks

### Risk and Risk Management

The primary long-term risk to the States is that it fails to meet its investment objectives. The States recognises that risk is inherent in any investment activity. The objective of risk management is to identify, manage and control risk exposure within acceptable parameters, whilst optimising the return on that risk. The States has an active risk management programme in place and the measures it uses to control key risks are set out in the States of Jersey Investment Strategies Document (ISD).

The ISD is subject to ongoing review by the Treasury Advisory Panel (TAP) who recommend its adoption to the Minister. On approval by the Minister the strategy is presented to the States.

The ISD sets out the investment strategies for all the participant States' funds invested in the Common Investment Fund (the CIF). The CIF is a pooling arrangement allowing States' funds together with charitable funds administered by the States, to be managed as a cohesive whole to maximise investment opportunity and reduce risk, while recognising that participant Funds have different investment objectives depending on their purpose.

The overall approach is to reduce risk to a minimum where it is possible to do so without compromising returns (e.g. in operational matters), and to limit risk to prudently acceptable levels otherwise (e.g. in investment matters). The means by which the States minimises operational risk and constrains investment risk is set out in further detail in its ISD.

In addition, the States has controlling interests in seven subsidiary companies, four of which are referred to as Strategic Investments. The purpose for holding these investments is to provide security of key utility services for the Island and to assist with the delivery of Government policy.

These companies will face many of the same risks to which the States is exposed but these are managed directly by the individual Boards and Executive Management teams. Details on how these risks are managed can be found in each company's own annual report.

### Market risk

Market risk is the level of volatility in returns on investments caused by changes in market expectations, interest rates, credit spreads, foreign exchange rates and other factors. Market risk is inherent in all asset classes but is considered to be higher in the more volatile asset classes such as equity.

The States seeks to limit its exposure to market risk through diversification and through active management by its underlying portfolio of managers. The level of exposure to market volatility is determined at a Fund level and controlled through the asset allocation set in individual Funds strategies.

#### i) Price Risk

Price risk represents the risk that the value of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or foreign exchange risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all such instruments in the market.

The States is exposed to price risk from the equity securities held by the Group.



To manage its price risk arising from investments in equity securities, the States diversifies its Equity Class portfolio. Diversification of the portfolio is done in accordance with the limits set by the Treasurer. Price risk is managed via asset allocation at the strategic level but also managed by Investment Managers at the operational level through tools such as diversification and selection of individual securities. The operational controls employed by the managers are included within their investment management agreements, scheme rules or equivalent.

In consultation with its investment advisors, the States has determined that the following movements in market price risk are reasonably possible for 2023, assuming that all other variables, in particular foreign exchange rates and interest rates, remain the same:

Asset type	Value at 31 December 2023	Potential market movements (+/-)	Value on increase	Value on decrease
	£000		£000	
Equity Pool CIF Units	1,692,886	19.3%	2,019,613	1,366,159
Strategic investments	307,205	17.4%	360,567	253,843
<b>Total</b>	<b>2,000,091</b>		<b>2,380,180</b>	<b>1,620,002</b>

Asset type	Value at 31 December 2022	Potential market movements (+/-)	Value on increase	Value on decrease
	£000		£000	£000
Equity Pool CIF Units	1,512,363	19.3%	1,804,249	1,220,477
Strategic investments	327,821	17.4%	384,764	270,878
<b>Total</b>	<b>1,840,184</b>		<b>2,189,013</b>	<b>1,491,355</b>

## ii) Interest Rate Risk

Fixed interest securities and cash are subject to interest rate risks, which represent the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The States is exposed to interest rate risk through holdings in interest bearing assets held both directly or indirectly through Fund structures such as: UK Corporate Bonds, Absolute Return Bonds and the Opportunities class.

UK Government Bonds are held directly within the Short-Term Government Bond and Index Linked Government Bond Pool of the CIF, which are passively managed and interest rate risk managed by limiting the duration of the States holdings.

Cash, UK Corporate Bond, Absolute Return Bond and Opportunities class assets are actively managed by external managers within the scope of their respective investment management agreements. Some managers may utilise derivative instruments such as futures, options and swap agreements to modify duration, subject to restrictions.

The table below illustrates a 1% change in value on the assets deemed to be affected by interest rate movements.

Assets exposed to interest rate risk	Value at 31 December 2023	Potential movement on 1% change in interest rates	Value on increase	Value on decrease
	£'000	£'000	£'000	£'000
Alternative Risk CIF Units	152,114	1,521	153,635	150,593
Absolute Return CIF Units	531,176	5,312	536,488	525,864
Risk Seeking Credit CIF Units	297,321	2,973	300,294	294,348
Opportunities CIF Units	503,519	5,035	508,554	498,484
Bond CIF Units	127,626	1,276	128,902	126,350
<b>Total change in assets available</b>	<b>1,611,756</b>	<b>16,118</b>	<b>1,627,873</b>	<b>1,595,639</b>

Assets exposed to interest rate risk	Value at 31 December 2022	Potential movement on 1% change in interest rates	Value on increase	Value on decrease
	£'000	£'000	£'000	£'000
Alternative Risk CIF Units	153,818	1,538	155,356	152,280
Absolute Return CIF Units	496,088	4,961	501,049	491,127
Opportunities CIF Units	472,158	4,722	476,880	467,436
Bond CIF Units	409,055	4,090	413,145	404,965
<b>Total change in assets available</b>	<b>1,531,119</b>	<b>15,311</b>	<b>1,546,430</b>	<b>1,515,808</b>

### iii) Currency Risk

Currency risk represents the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates.

The States is exposed to currency risk on financial instruments denominated in currencies other than sterling. Exposure to currency risk is controlled in line with the Statement on Currency Hedging included within the ISD. The ISD aims to mitigate this risk as follows:

- Exposure to currency risk is typically managed by the underlying investment managers whose performance is linked to a sterling benchmark.
- Where a non-sterling share class is utilised, a hedging decision will be made on investment under the advice of the TAP and will typically see 95% of the exposure hedged.
- Under advice of the TAP a special hedging arrangement was entered into to protect some of these gains from a sudden recovery in sterling and remains in place.

The following table demonstrates the change in value of the States investments had there been a 6% strengthening/weakening of the pound against foreign currencies.

Assets exposed to currency risk	Value at 31 December 2023	Potential market movement	Value on increase	Value on decrease
	£'000	£'000	£'000	£'000
Equity Pool CIF Units	1,145,220	68,713	1,213,933	1,076,507
Opportunities CIF Units	149,273	8,956	158,229	140,317
Absolute Return CIF Units	33,741	2,024	35,765	31,717
Alternative Risk CIF Units	147,967	8,878	156,845	139,089
Cash and cash equivalents	237	14	251	223
Liquid Investments	3,206	192	3,398	3,014
<b>Total change in assets available</b>	<b>1,479,644</b>	<b>88,777</b>	<b>1,568,421</b>	<b>1,390,867</b>

Assets exposed to currency risk	Value at 31 December 2022	Potential market movement	Value on increase	Value on decrease
	£'000	£'000	£'000	£'000
Equity Pool CIF Units	1,257,720	75,463	1,333,183	1,182,257
Opportunities CIF Units	155,811	9,349	165,160	146,462
Absolute Return CIF Units	102,436	6,146	108,582	96,290
Alternative Risk CIF Units	152,083	9,125	161,208	142,958
Cash and cash equivalents	21,781	1,307	23,088	20,474
<b>Total change in assets available</b>	<b>1,689,831</b>	<b>101,390</b>	<b>1,791,221</b>	<b>1,588,441</b>

#### iv) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to pay for its obligation.

The main exposure to credit risk arises from investment in fixed income, loans and advances, trade and other receivables and cash class assets, which includes cash and cash equivalents held for operational purposes. Credit risk is managed as follows:

- UK Gilts are held within the Short-Term Government Bond Pool and Index Linked Gilt Pool depend on the solvency of the UK Government. The credit rating of the UK Government is AA (Moody's). Credit rating is monitored regularly by the States.sUK Corporate bonds and absolute return bonds are invested via collective investment vehicles, which indirectly expose the States to credit risk. Credit risk within the vehicles is managed through diversification and selection of securities/counterparty which is delegated to individual Investment Managers. Risk management within the collective investment vehicles is undertaken in line with the investment mandate for each Manager, which may also include use of derivatives for hedging purposes, subject to restrictions.
- Cash held for investment purposes is managed on the States' behalf by Ravenscroft Asset Management (RAM) on a daily basis. RAM operate within a mandate which manages credit risk through limits on counterparty rating, concentration and maturity.
- Housing bonds are issued to eligible purchasers of housing stock initially valued as the difference between the agreed cash price and the fair market value of the property. The bond is repaid to the Company when the property is next conveyed. Subsequently, the bond value is measured at fair value which is linked to the fair value of the underlying housing property. All housing bonds are fully backed by collateral. Following the adoption of IFRS 9 Expected credit loss (ECL) "forward-looking model", it is no longer necessary for a loss event to have occurred before credit losses are recognised. States of Jersey entities are now required to recognise either a 12-month or lifetime ECL, depending on whether there has been a significant increase in credit risk since initial recognition. The

ECL model applies to both debt instruments accounted for at amortised cost and at FVTOCI. Significant judgement may be involved where there is an absence of market comparisons.

#### v) Liquidity risk

Liquidity risk represents the risk that the States will not be able to meet its financial obligations as they fall due.

Cashflows are forecast for relevant States Funds to ensure that sufficient short-term cash is available to meet monthly cash requirements. Sufficient liquid assets are maintained in the Consolidated Fund to meet all States' short-term requirements. Liquidity requirements are monitored regularly by the TAP throughout the year.

The CIF has committed capital within the Opportunities Class. Capital call notifications are usually given with 10-20 days' notice with the purpose of acquiring investments and working capital requirements. The Treasury and Investment Management team request that Opportunity investment Managers provide estimated drawdown forecasts on a quarterly basis to ensure sufficient cash can be made available within the portfolio. The Government's proportion of the residual undrawn commitment still available to be called by the Opportunity investment Managers is as follows:

Opportunities Pool Undrawn Committed Capital		
Currency	2023 '000	2022 '000
GBP	100,992	76,242
USD	124,082	68,017
EUR	10,492	10,492
	<b>235,566</b>	<b>154,751</b>

The States' financial liabilities as at 31 December 2023 and 2022, stated at their gross, contractual and undiscounted amounts, fall due as indicated in the following table:

Financial Liabilities - 2023	Less than one year	Between one to five years	Greater than 5 years	Total
	£'000	£'000	£'000	£'000
Trade and other payables	(64,906)	(39)	-	(64,945)
External borrowing	(276,378)	(96,247)	(1,353,712)	(1,726,337)
<b>Total</b>	<b>(341,284)</b>	<b>(96,286)</b>	<b>(1,353,712)</b>	<b>(1,791,282)</b>

Financial Liabilities - 2022	Less than one year	Between one to five years	Greater than 5 years	Total
	£'000	£'000	£'000	£'000
Trade and other payables	(55,261)	-	-	(55,261)
External borrowing	(31,535)	(147,961)	(1,454,566)	(1,634,062)
<b>Total</b>	<b>(86,796)</b>	<b>(147,961)</b>	<b>(1,454,566)</b>	<b>(1,689,323)</b>

## 4.12 Inventories



### Accounting Policy

Inventory includes:

- Raw materials, consumables, work-in-progress and finished goods;
- Development property; and
- Currency not issued.

Inventory comprising raw materials, consumables, work-in-progress and finished goods are valued at the lower of cost and current replacement cost.

In the case of property held as inventory by the States of Jersey Development Company, costs represents the purchase price plus any directly attributable costs including professional fees and expenses incurred directly associated with the land's development since acquisition. Directly attributable costs also include salaries and related expenses. Net realisable value is the estimated selling price in the ordinary course of business less costs to complete redevelopment and selling expenses.

Currency not issued is recognised at cost.

### Type of Inventory

	2023 £'000	2022 £'000
Raw Materials, Consumables, Work in Progress and Finished Goods	13,562	12,684
Development Property Inventories	83,312	61,022
<b>Total Inventories</b>	<b>96,874</b>	<b>73,706</b>

During the year the following amounts relating to Inventory were recognised as expenditure:

	Raw Materials, Consumables, Work in Progress and Finished Goods		Development Property Inventories	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Inventory used during the year	38,985	34,023	-	-
Inventory written off	982	1,281	-	1,405
<b>Total</b>	<b>39,967</b>	<b>35,304</b>	<b>-</b>	<b>1,405</b>



### Highlights

The increase in Development Property Inventories primarily reflects the progress of the third building at the International Finance Centre which is held as inventory. The anchor tenant, Aztec Group, has move into their new headquarters from February 2024. More detail is available within the Jersey Development Company Annual Report and Accounts.

## 4.13 Trade and Other Receivables

### Accounting Policy

#### Tax Receivables

Tax receivables are recognised in the Consolidated Statement of Financial Position (SOFP) on an accruals basis based on individual tax assessments less payments received from the individual taxpayer.

#### Impairment of statutory receivables - taxes due

Impairment losses for taxes due are recognised as incurred. Impairment for large tax receivables are estimated on an individual assessment basis, with a default percentage impairment rate (based on historical collectability rates) applied to debts where the taxpayer is insolvent or has entered into a payment arrangement. The remaining tax receivables impairment loss is derived using a model which allows large debt populations to be examined and provides for statistical credibility, in conjunction with interpretive judgement.

#### Accrued Income

Taxation revenue is recognised as tax accrued income which is the estimated tax revenue accruing to the year of economic activity, based on economic forecasts produced by the States' Economic Unit in the case of Personal Income Tax. Other tax revenue is accrued by Revenue Jersey based on relevant taxpayer data.

#### Impairment of Non-Financial Assets

Non-financial assets are assessed at the year-end as to whether there is any indication that they may be impaired. Where indications exist and possible differences are estimated to be material, the recoverable amount of the asset is estimated, and where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Type of Receivable	Restated	
	2023 £'000	2022 £'000
<b>Receivables - Income Levied by the States of Jersey - Amounts falling due within one year</b>		
Income Tax Receivables	231,387	200,794
Income Tax Accrued Income	105,057	105,422
GST Receivables	26,180	26,844
GST Accrued Income	28,878	29,630
Social Security Receivables	36,300	40,987
Social Security Accrued Income	16,953	19,433
Island Rates, Duties, Fines and Penalties Receivables	21,600	23,531
Island Rates, Duties, Fines and Penalties Accrued Income	129	1,384
Provision for Levied by the States of Jersey Receivables	(13,568)	(15,385)
<b>Total Levied by the States of Jersey Receivables due within one year</b>	<b>452,916</b>	<b>432,640</b>
<b>Receivables – Income Earned Through Operations - Amounts falling due within one year</b>		
Trade Receivables	49,854	20,350
Prepayments and Accrued income	44,566	47,068
Other Receivables	3,584	-
Expected Credit Loss Allowance for Earned through Operations Receivables	(6,539)	(6,302)
<b>Total Receivables – Incomes Earned Through Operations due within one year</b>	<b>91,465</b>	<b>61,116</b>
<b>Total Receivables due within one year</b>	<b>544,381</b>	<b>493,756</b>

Type of Receivable	Restated	
	2023 £'000	2022 £'000
<b>Receivables - Income Levied by the States of Jersey - Amounts falling due after more than one year</b>		
Taxation Receivable <sup>i</sup>	303,413	316,191
Social Security Receivables	5,869	-
<b>Total Receivables – Incomes Levied by the States of Jersey due after more than one year</b>	<b>309,282</b>	<b>316,191</b>
<b>Receivables – Income Earned Through Operations - Amounts falling due after more than one year</b>		
Trade and Other Receivables	6,946	11,744
<b>Total Earned Through Operations Receivables due after more than one year</b>	<b>6,946</b>	<b>11,744</b>
<b>Total Receivables due after more than one year</b>	<b>316,228</b>	<b>327,935</b>
<b>Total Receivables</b>	<b>860,609</b>	<b>821,691</b>

The provision for impairment of receivables is analysed below:

Trade and Other Receivables Categories		
	2023 £'000	2022 £'000
Income Tax Receivables	9,113	9,113
GST Receivables	485	485
Social Security Receivables	3,660	4,880
Island Rates, Duties, Fines and Penalties Receivables	310	907
Trade Receivables	6,539	6,302
<b>Total Levied by the States of Jersey Receivables</b>	<b>20,107</b>	<b>21,687</b>



### Highlights

Receivables have increased by £39 million (4.7%) in 2023 which is less than the increase in income.

Income tax receivables increased by £30.6 million (15%), much of which related to the timing of collection of Corporate Taxation. Receivables for other areas of Income levied by the States of Jersey were more stable or decreased. Receivables relating to operational income also increased across both departments and subsidy companies, including a number of debts becoming due within one year.

<sup>i</sup> On 4 November 2020 the States Assembly agreed to move all prior year taxpayers onto a current year basis of assessment. From 2021 all taxpayers became current year taxpayers and 2019 tax bills were frozen but will have to be paid in the future. This frozen tax debtor has been recognised within Taxation Receivables falling due after one year



## 4.14 Cash and Cash equivalents



### Accounting Policy

Cash and cash equivalents include cash in hand, current balances with banks and similar institutions and amounts on deposits that are immediately available without penalty. The carrying amount of these assets approximates to their fair value. Cash equivalents are highly liquid investments that mature in no more than three months and that are readily convertible to known amounts of cash with low risk of change in value.

Cash and Cash equivalents	Restated	
	2023	2022
	£'000	£'000
Bank Deposit Accounts	5,263	21,059
Bank Current Accounts	30,396	39,296
Cash in Hand and in Transit	344	602
Cash Equivalents	39,633	47,498
<b>Total Levied by the States of Jersey Receivables</b>	<b>75,636</b>	<b>108,455</b>



### Highlights

The cash balances above are held for operational purposes and fluctuate based on needs. There has been a decrease in the cash during the year due to the amounts spent during 2023. The Consolidated Statement of Cash Flows (SoCF) for the year ended 31 December 2023 expands on the spend during the year.

## 4.15 Trade and Other Payables

### Accounting Policy

#### Tax Receipts in Advance

Tax receipts in advance are recognised where cash receipts from the taxpayer exceed the tax assessments processed to date and there are no outstanding appeals on the taxpayers' account. Tax receipts in advance are applied to future year's tax liability.

#### Trade and Other Payables

Trade and other payables, including accruals, are recorded when SOJ entities are required to make future payments as a result of a purchase of assets or services. Payables are initially recognised at fair value and are subsequently measured at amortised cost. Most payables are expected to be settled within 12 months.

<b>Trade and other payables</b>	<b>Restated</b>	
	<b>2023</b>	<b>2022</b>
	£'000	£'000
<b>Trade and Other Payables due within one year</b>		
<b>Payables – Income Levied by the States of Jersey</b>		
Income Tax Payables and Receipts in Advance	115,746	114,393
GST Payables and Receipts in Advance	17,016	21,815
Social Security Payables and Receipts in Advance	14,732	7,510
<b>Total Payables – Income Levied by the States of Jersey falling due within one year</b>	<b>147,494</b>	<b>143,718</b>
<b>Payables – Income Earned Through Operations</b>		
Trade Payables	64,905	55,261
Accruals and Deferred Income	58,668	49,773
Receipts in Advance	17,192	11,001
<b>Total Payables – Incomes Earned Through Operations falling due within one year</b>	<b>140,765</b>	<b>116,035</b>
<b>Total Payables falling due within one year</b>	<b>288,259</b>	<b>259,753</b>
<b>Trade and Other Payables due in more than one year</b>		
Trade Payables	39	-
<b>Total Payables due after more than one year</b>	<b>39</b>	<b>-</b>
<b>Total Payables</b>	<b>288,298</b>	<b>259,753</b>

The average credit period taken for purchases in 2023 was 32 days (2022: 25 days).

The States considers that the carrying value of trade payables approximates to their fair value.

## 4.16 External borrowings

### Accounting Policy

All external borrowings are financial liabilities, refer to Note 4.11 which includes the accounting policy for financial instruments

External borrowings		
	2023	2022
	£'000	£'000
<b>Amounts falling due within one year</b>		
States of Jersey Revolving Credit Facility	52,800	11,000
Jersey Development Company (JDC) Limited Bank Borrowings	35,513	-
Ports of Jersey Bank Borrowings	20,000	10,000
<b>Total borrowings due within one year</b>	<b>108,313</b>	<b>21,000</b>
<b>Amounts falling due after more than one year</b>		
Jersey Development Company (JDC) Limited Bank Borrowings	8,197	26,003
Andium Bank Borrowing	140,287	100,354
Government of Jersey £500m Bond 2022 Issuance	487,811	487,562
Government of Jersey £250m Bond 2014 Issuance	243,900	243,788
<b>Total borrowings due after more than one year</b>	<b>880,195</b>	<b>857,707</b>
<b>Total Borrowings</b>	<b>988,508</b>	<b>878,707</b>

Movement during the year:

External borrowings movements		
	2023	2022
	£'000	£'000
<b>Opening Balance</b>	<b>878,707</b>	<b>392,570</b>
Proceeds of External Borrowings	143,500	597,288
Repayment of External Borrowings	(33,737)	(110,806)
Finance Cost	28,889	22,864
Bond Interest Paid	(24,705)	(19,596)
Other Finance Cost Paid	(4,146)	(3,613)
<b>Closing Balance</b>	<b>988,508</b>	<b>878,707</b>

**States of Jersey Revolving Credit Facility:** On 7 May 2020, a £500m revolving credit facility was agreed with a range of local banks. An option was exercised to extend the term to 7 May 2023.

In May 2023 the Minister for Treasury and Resources approved the replacement of the existing revolving credit facility (RCF) with a new facility for £300m, with an accordion option of £200 million, expiring in 2028. There is an option to extend the facility to 2030.

Interest is at a margin over SONIA (Sterling Overnight Index Average).

**States of Jersey Bond 2022 Issuance:** This Bond was issued on 6 May 2022 - the proceeds may be used for general government purposes. The unsecured Bond was issued at £489m (nominal amount of £500m but issued at a discount) with a coupon rate of 2.875%, and a term of 30 years with the final instalment due to be repaid in 2052. The effective interest rate for the year was 2.96%.

**States of Jersey Bond 2014 Issuance:** The Bond was issued in June 2014, and the proceeds may be used to fund affordable housing through providers such as Andium Homes Limited. The unsecured Bond was issued at £244m (nominal amount of £250m, issued at a discount) with a coupon rate of 3.75% and a term of 40 years, with the final instalment due to be repaid in 2054. The Bond's effective interest rate for the year was 3.9% (2022: 3.9%).

**Jersey Development Company bank borrowings:** This loan is secured on inventory and investment property and bears an average interest rate of 5.16% (2022: 3.08%).

**Ports of Jersey bank borrowing:** A £40m revolving credit facility was agreed on 16 October 2020 with Royal Bank of Scotland International Limited (£20m) and Lloyds Bank Corporate Markets Plc, Jersey Branch (£20m). The facility terminates on 16 October 2023, but with an option for two further 1-year extensions, the first of these options has been exercised. Interest is at a margin over SONIA.

**Andium Homes Ltd Revolving Credit Facility:** A revised £225m revolving credit facility was agreed on 23 December 2021 with HSBC Bank Plc (£75m), NatWest International (£75m) and Lloyds Bank Corporate Markets Plc, Jersey Branch (£75m). The facility terminates on 28 February 2027, with an option for two further 1-year extensions. The facility is subject to an asset cover and interest cover covenant. Interest is at a margin over the SONIA.



## Highlights

During 2023 the States of Jersey has continued to draw down on the RCF to fund expenditure on New Healthcare facilities.

Subsidiary companies have also drawn down borrowing to fund various capital projects.

## 4.17 Currency in Circulation

### Accounting Policy

Under the “Currency Notes (Jersey) Law 1959” the States produce and issue bank notes and coins. These are accounted for, at cost, as stock until they are formally issued by the States Treasury and Exchequer department. Once issued the liability value of the currency is recognised at its face value in Currency in Circulation in liabilities within the Statement of Financial Position (SOFP). Cash received in payment for this currency is held in the Currency Fund against this liability.

### Currency in Circulation

	2023	Movement	2022
	£'000	£'000	£'000
Jersey Notes issued	116,611	(4,811)	121,422
Less: Jersey Notes held	(28,976)	(2,613)	(26,363)
<b>Total Jersey Notes in Circulation</b>	<b>87,635</b>	<b>(7,424)</b>	<b>95,059</b>
Jersey Coinage issued	10,305	-	10,305
Less: Jersey Coinage held	(681)	1	(682)
<b>Total Jersey Coinage in Circulation</b>	<b>9,624</b>	<b>1</b>	<b>9,623</b>
<b>Total Currency in Circulation</b>	<b>97,259</b>	<b>(7,423)</b>	<b>104,682</b>

## 4.18 Leasing



### Accounting Policy

At their inception, leases are classified as operating or finance leases. Leases in which substantially all of the risks and rewards of ownership are transferred to the lessor are classified as finance leases, other leases are classified as operating leases.

Where a lease covers the right to use both land and buildings, the risks and rewards of the land and the buildings are considered separately. Land is generally assumed to be held under an operating lease unless the title transfers to the States at the end of the lease.

#### The States as lessee

Operating leases are charged to Net Revenue Expenditure/Income on a straight-line basis over the term of the lease. Where the arrangement includes incentives, such as rent-free periods, the value is recognised on a straight-line basis over the minimum non-cancellable period of the lease.

#### The States as lessor

Where the States of Jersey is the lessor under an operating lease, leased assets are recorded as assets and depreciated over their useful economic lives in accordance with the relevant accounting policy. Rental income from operating leases is recognised on a straight-line basis over the minimum non-cancellable period of the lease.

### The States as lessee

#### Operator leases

The States of Jersey has a number of properties and equipment held under operating leases. The future minimum lease payments due under non-cancellable leases in future years are:

Operator leases: Lessee		
	2023	2022
	£'000	£'000
Within one year	6,168	5,055
Within two to five years	19,197	16,387
Later than five years	7,712	8,177
<b>Total</b>	<b>33,077</b>	<b>29,619</b>

## The States as lessor

### Operator lessor

The States leases out property and equipment under operating leases for the following purposes:

- a) for the provision of affordable housing through its subsidiary, Andium Homes Limited
- b) to utilise existing property and other assets for the direct provision of services or to supplement the funding of services.

The future minimum lease payments receivable under non-cancellable leases in future years are:

Operator leases: Lessor		
	2023	2022
	£'000	£'000
Within one year	31,632	28,366
Within two to five years	63,455	58,003
Later than five years	117,909	117,343
<b>Total</b>	<b>212,996</b>	<b>203,712</b>

## 4.19 Provisions

### Accounting Policy

Provisions are recognised where the States has a legal or constructive obligation arising from a past event that will probably require settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the appropriate service line in the Statement of comprehensive net expenditure (SOCNE) in the year that the States becomes aware of the obligation.

Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date, taking into account relevant risks and uncertainties.

Provisions as at 31 December 2023 and 2022 were made up of:

<b>2023</b>	<b>2023 Balance b/f</b>	<b>Increase in provision</b>	<b>Used in year</b>	<b>Written back</b>	<b>2023 Balance c/f</b>	<b>Due within 12 months</b>	<b>Due after 12 months</b>
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Dormant Bank Accounts	37,726	3,634	(487)	1,510	42,383	-	42,383
Insurance Provision	8,267	-	(265)	-	8,002	-	8,002
Decommissioning Provision	1,003	-	-	-	1,003	-	1,003
Other Provisions	3,175	6,012	(56)	(550)	8,581	1,589	6,992
<b>Total</b>	<b>50,171</b>	<b>9,646</b>	<b>(808)</b>	<b>960</b>	<b>59,969</b>	<b>1,589</b>	<b>58,380</b>

<b>2022</b>	<b>2022 Balance b/f</b>	<b>Increase in provision</b>	<b>Used in year</b>	<b>Written back</b>	<b>2022 Balance c/f</b>	<b>Due within 12 months</b>	<b>Due after 12 months</b>
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Dormant Bank Accounts	26,978	10,748	-	-	37,726	-	37,726
Insurance Provision	4,945	3,322	-	-	8,267	-	8,267
Decommissioning Provision	1,003	-	-	-	1,003	-	1,003
Other Provisions	6,470	1,077	(1,302)	(3,070)	3,175	924	2,251
<b>Total</b>	<b>39,396</b>	<b>15,147</b>	<b>(1,302)</b>	<b>(3,070)</b>	<b>50,171</b>	<b>924</b>	<b>49,247</b>

### Dormant bank accounts

The Fund serves to hold money from accounts deemed dormant, where banks have been unable to trace owners for an extended period of time in line with the provisions of the Dormant Bank Accounts (Jersey) Law 2017.



The assets of the Fund are fully provided against, firstly to maintain a sufficient reserve to repay any subsequently identified account owners, with the remainder provisioned for distribution over the life of the fund for charitable purposes.

**Insurance provision**

A provision has been made to meet known and anticipated liabilities on claims under the States' insurance arrangements. This is assessed by a professional insurance advisor on an annual basis.

**Decommissioning provision**

This is a provision for the costs of de-commissioning the Energy from Waste plant at the La Collette site at the end of its useful life, which is approximately 2040.

**Other provisions**

Other provisions include property dilapidations, court decisions and other potential liabilities.

## 4.20 Defined benefit pension schemes



### Accounting Policy

In addition to the two main schemes which are not included in these accounts (see Note 4.2), the States of Jersey operates three defined benefits pension schemes closed to new members which operate under the following legislation. All three schemes are final salary schemes and all current members of these schemes are receiving pension benefits.

- The Jersey Post Office Pension Fund (JPOPF) providing benefits to employees of Jersey Post International Limited. The scheme is in run-off as the last active member left in 2009;
- The Discretionary Pension Scheme (DPS) which is in run-off as it only has one member; and
- The Civil Service Scheme (CSS) which is a non-contributory scheme predating the formation of the PEPF in 1967. The scheme is governed under the Civil Service Administration (Pensions)(Jersey) Rules 1963 and there are no active members remaining in service.

The JPOPF and DPS are funded schemes with scheme assets invested in funds administered by the States of Jersey. The CSS is an unfunded scheme. All three schemes are accounted for as defined benefits schemes under IAS 19.

The liabilities of the defined benefits pensions schemes are recognised in the Statement of Financial Position (SOFP) on an actuarial basis. The basis of calculation of the defined benefit obligation is the projected unit method undertaken by Aon Hewitt, independent actuaries to the States.

The present value of the projected future liability is determined by discounting the future cashflows by reference to market yields for high quality corporate bonds at the year-end date.

The assets of the two funded schemes are included in the Statement of Financial Position (SOFP) at their fair value.

### Transactions relating to post-employment benefits

The following transactions have been recognised in the Consolidated Statement of Net Expenditure:

	2023 £'000	2022 £'000
<b>Net Revenue Expenditure</b>		
Current service cost	-	1
Net interest expense	110	63
<b>Total Post-Employment Benefits charged to Net Revenue Expenditure</b>	<b>110</b>	<b>64</b>
<b>Other Comprehensive Income</b>		
Remeasurement of the net defined benefit liability comprising:		
The return on plan assets, excluding the amount included in the net interest expense	-	-
Actuarial gains/(losses) arising from changes in financial assumptions Other (if applicable)	799	(1,580)
<b>Total Remeasurement of Defined Benefit Pension Scheme Liability recognised in Other Comprehensive Income</b>	<b>799</b>	<b>(1,580)</b>
<b>Total Earned Through Operations Payables falling due within one year</b>	<b>909</b>	<b>(1,516)</b>

The amount included in the Statement of Financial Position (SOFP) arising from the States' obligation in respect of its defined benefits plans is as follows:

2023	Asset £'000	Liability £'000	Net Liability £'000
Jersey Post Office Pension Fund	4,374	(4,298)	76
Discretionary Pension Scheme	157	(438)	(281)
Jersey Civil Service Scheme (pre-1967)	-	(2,316)	(2,316)
<b>Total defined benefits schemes</b>	<b>4,531</b>	<b>(7,052)</b>	<b>(2,521)</b>

2022	Asset £'000	Liability £'000	Net Liability £'000
Jersey Post Office Pension Fund	5,578	(4,429)	1,149
Discretionary Pension Scheme	162	(420)	(258)
Jersey Civil Service Scheme (pre-1967)	-	(2,308)	(2,308)
<b>Total defined benefits schemes</b>	<b>5,740</b>	<b>(7,157)</b>	<b>(1,417)</b>

All scheme liabilities have been estimated by Aon Hewitt Ltd, an independent firm of actuaries, based on the latest full valuation of each scheme, which was 31 December 2023.

Liabilities have been assessed on an actuarial basis using the projected unit credit method.

# Other Notes and Disclosures

## 4.21 Contingent assets and liabilities



### Accounting Policy

Contingent liabilities and contingent assets are not recognised as liabilities or assets in the statement of financial position (SOFP), but are disclosed in the notes to the accounts.

Contingent liabilities and contingent assets are reported at the point at which the contingency is evident or when a present liability is unable to be measured with sufficient reliability to be recorded in the financial statements (unquantifiable liability). Contingent liabilities, including unquantifiable liabilities, are disclosed if the possibility that they will crystallise is more than remote. Contingent assets are disclosed if it is probable that the benefits will be realised.

Unless otherwise stated, the amount of each contingent liability cannot be determined with sufficient reliability or to quantify it would jeopardise the outcome of the legal case.

### Contingent assets

There are no contingent assets as at 31 December 2023 (2022: none).

### Contingent liabilities

Legal claims, potential legal claims and proceedings

In addition to the claims individually set out below, there are numerous legal actions that have been brought against the States of Jersey or expected to be brought against the States of Jersey, which relate to the following:

- COVID Vaccinations
- Failure to Remove
- Inappropriate Removal
- Medical Malpractice
- Health and Safety

However, in the majority of these actions it is considered a remote possibility that the Government would lose the case, or if the States of Jersey were to lose it would be unlikely to have greater than £5 million impact in total. Based on these factors, not all legal actions are individually disclosed.

#### Rheumatology Review

The States of Jersey acknowledges the existence of a contingent liability in the context of prescribing practices for immune-suppressing drugs among rheumatology patients, as highlighted in the audit conducted at Jersey's General Hospital.

The study revealed that a proportion of patients receiving immune-suppressing medications may not meet the established criteria outlined by the British Society for Rheumatology. While these patients have received prescriptions, there remains uncertainty regarding the potential risks associated with the appropriateness of such prescriptions.

The extent of contingent liabilities arising from these prescribing practices cannot be reliably quantified at present, as it depends on various factors including future medical assessments and legal considerations.

This review is further elaborated on within the Corporate Governance section of the annual report.

#### Uncalled capital in Common Investment Fund

As disclosed in note 4.11f v) there is capital committed to the underlying investments within the Common Investment Fund. These will become due as drawdown notices are issued.

#### Guarantees

Guarantee have been set out and described within the note 4.11a.

## 4.22 Losses and Special Payments



### Accounting Policy

Special Payments are those which fall outside the normal day-to-day business of the entity.

Losses are recognised when they occur. Special Payments are recognised when there is a legal or constructive obligation for them to be paid.

Losses and Special Payments		Restated	
	2023	2022	
	£'000	£'000	
<b>Losses</b>			
<b>Losses of cash</b>			
Overpayment of Social Benefits	-	175	
Other losses of cash	8	-	
<b>Total losses of cash</b>	<b>8</b>	<b>175</b>	
<b>Fruitless Payments</b>			
Fruitless Payments	51	622	
<b>Total Fruitless Payments</b>	<b>51</b>	<b>622</b>	
<b>Bad debts and claims abandoned</b>			
Uncollectible Tax	1,985	1,280	
Other Tax Receivables written off	-	178	
Other claims abandoned	(20)	86	
<b>Total bad debts and claims abandoned</b>	<b>1,965</b>	<b>1,544</b>	
<b>Damage or loss of inventory</b>			
Write off of expired stock	195	14	
Other inventory write offs	321	954	
<b>Total damage or loss of inventory</b>	<b>516</b>	<b>968</b>	
<b>Impairment of fixed assets</b>			
Impairment of fixed assets	2,016	8,376	
<b>Total impairment of fixed assets</b>	<b>2,016</b>	<b>8,376</b>	
<b>Total Losses</b>	<b>4,556</b>	<b>11,685</b>	
<b>Special Payments</b>			
Total compensation payments	210	31	
Total ex gratia and extra contractual payments	647	1,331	
Total Severance Payment	220	263	
Total Regulatory Payments	119	120	
<b>Total Special Payments</b>	<b>1,196</b>	<b>1,745</b>	
<b>Total Losses and Special Payments</b>	<b>5,752</b>	<b>13,430</b>	

## 4.23 Related Party Transactions



### Accounting Policy

A related party is a person or entity that is related to the States of Jersey.

- a) A person or a close member of that person's family is related to the States of Jersey if that person:
  - i) has control or joint control of the States;
  - ii) has significant influence over the States; or
  - iii) is a member of the key management personnel of the States.
- b) An entity is related to the States if any of the following conditions applies:
  - i) The entity and the States are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - iii) Both entities are joint ventures of the same third party.
  - iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - v) The entity is a post-employment benefit plan for the benefit of employees of either the States or an entity related to the States.
  - vi) The entity is controlled or jointly controlled by a person identified in (a).
  - vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  - viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the States.

Transactions between entities within the States of Jersey Group are eliminated on consolidation so are not disclosed in this note.

Transactions with utility companies and government departments that are a result of their role as such are excluded in line with accounting standards. This includes:

- Electricity provided by Jersey Electricity
- Water provided by Jersey Water
- Postage services provided by Jersey Post
- Telephone charges from JT

Transactions relating to salaries and statutory amounts such as taxes are excluded.

Where the party is related through a Minister or Assistant Minister, only transactions occurring whilst in office are included. Further information is available on this within the Corporate Governance section of this annual report,

Further to the transactions listed in this note, the States of Jersey acts as an agent in some cases to administer transactions with related parties. For example, there are cases where recipients of benefits instruct the States to pay their designated care provider directly rather than receive the benefit and pass it on to the provider. These transactions with the care provider do not form part of the balances included in the States of Jersey financial statements but the associated benefits expenditure does.



2023	Income £'000	Expenditure £'000	Balances	Balances	Notes
			Due to the States £'000	Due by the States £'000	
<b>Directly Controlled Entities - Strategic Investments</b>					
Jersey Electricity plc	6,970	560	201	824	Income includes dividends of £4,465k.
Jersey Post International Limited	346	292	481	95	No dividend income was received in 2023.
JT Group Limited	9,917	1,834	109	39	Income includes dividends of £9,700k.
The Jersey New Waterworks Company	2,759	174	41	33	Income includes dividends of £2,571k.
<b>Directly Controlled Entities - Other</b>					
School funds	153	350	52	3	
<b>Indirectly Controlled Entities - Subsidiaries of Strategic Investments</b>					
JE Building Services	-	954	-	56	Subsidiary of JEC.
Jersey Deep Freeze Ltd	-	238	-	42	Subsidiary of JEC.
Jersey Energy	-	5	-	3	Subsidiary of JEC.
<b>Retirement Schemes</b>					
PECRS	531	-	-	-	Income related to services provided by the Treasury Department.
JTSF	263	-	-	-	Income related to services provided by the Treasury Department.
PEPF	407	-	-	-	Income related to services provided by the Treasury Department.
<b>Controlled or influenced by Key Management Personnel or members of their close family</b>					
<b>As at 31 December 2023</b>					
Autism Jersey	10	2,280	4	6	Helen Miles (Minister) is a trustee.
Brighter Futures	-	355	-	-	Kirsten Morel (Assistant Minister) is a director.
Bureau des Iles Anglo Normandes	-	125	-	25	Kate Halls-Nutt (Group Director for External Affairs) is co-chair.
Channel Islands Brussels Office	-	408	-	-	Kate Halls-Nutt (Group Director for External Affairs) is a director.
Clifford Wilding Design	-	18	-	4	Alec le Sueur's (Practice Director of Law Officers' Department) partner has a 50% shareholding.
De La Salle College	28	2,001	1	-	Mike Cutland (Chief Probation Officer) is a governor.
Dickinson Gleeson, Advocates	5	-	-	-	The spouse of Deputy Kristina Moore (Chief Minister) is a partner.
Ernie Le Feuvre Ltd	-	161	-	6	Rose Binet (Assistant Minister) and Tom Binet (Minister) are directors/ shareholders.
Fairway Pension Trustees Ltd	1	3	1	-	Mike Cutland's (Chief Probation Officer) spouse is an investment manager for Fairway Trust.
Focus on Mental Illness	-	2	-	-	Deputy Karen Wilson (Minster) and Deputy Tom Binet (Minister) are trustees.
FREEDA (Womens Refuge)	5	300	4	-	Lisa-Marie Hart (Greffier of the States) is the Honorary Secretary.
Institute of Law	73	197	101	12	Deputy Elaine Miller (formerly Viscount and current Minister) was a governor until March 2023.

2023	Income	Expenditure	Balances Due to the States	Balances Due by the States	Notes
	£'000	£'000	£'000	£'000	
Island Child and Adolescent Psychotherapy	-	2	-	-	- Andy Scate's (Chief Officer of IHE) wife is 100% owner.
Jersey Association of Youth and Friendship	1	-	-	-	- Hilary Jeune (Assistant Minister) is a trustee.
Jersey Community Foundation General	13	317	-	317	Mark Harris' (Viscount from 3/11/23) spouse is a non-executive director.
Jersey Heritage	30	8,177	9	1	Steven Cartwright (Chief Officer of Bailiffs Chambers) is a trustee.
The Jersey Farmers (Trading) Union Ltd	2	94	1	4	Deputy Tom Binet (Minister) and Deputy Rose Binet (Assistant Minister) are both directors and shareholders.
National Trust for Jersey	2	18	-	-	Alec le Sueur (Practice Director of Law Officers' Department) is a council member.
NatWest Markets Plc	-	63	-	-	Andrew McLaughlin (CEO) is on Secondment from NatWest Markets Plc.
Runnymede Court Hotel (Jersey)	-	271	-	15	Marcus Troy (Assistant Minister) is the Managing Director of Trojan Leisure which operates the hotel.
Sanctuary Trust Limited	2	-	-	-	- Kristina Moore (Chief Minister) is a trustee.
Shuga Coffee Limited	-	-	1	-	- Marcus Troy (Assistant Minister) is the owner.
Troys Estate Agency Ltd	1	10	2	-	- Marcus Troy (Assistant Minister) works for the company on an ad-hoc basis as a consultant.
XRM Architects Ltd	-	14	-	-	- The spouse of Deputy Lucy Stephenson (Assistant Chief Minister and Assistant Minister) is a director.

2022	Income	Expenditure	Balances Due to the States	Balances Due by the States	Notes
	£'000	£'000	£'000	£'000	
<b>Directly Controlled Entities - Strategic Investments</b>					
Jersey Electricity plc	8,082	1,658	314	-	- Income includes dividends of £4,228k.
Jersey Post International Limited	735	396	189	-	- Income includes dividends of £298k.
JT Group Limited	5,658	1,005	331	-	- Income includes dividends of £5,400k.
The Jersey New Waterworks Company	2,661	194	44	-	- Income includes dividends of £2,464k.
<b>Directly Controlled Entities - Other</b>					
Bel Royal School	1	-	-	-	
Grouville School Fund	-	-	-	-	
Haute Vallee School	-	52	-	-	
Hautlieu School	-	66	-	-	
Le Rocquier School	-	8	-	-	
Les Landes School Fund	3	-	-	-	
Les Quennevais School Fund	7	1	-	-	
Les Vaux Housing Trust	-	-	-	-	
Mont A L'Abbe School	-	-	-	-	
Plat Douet School Fund	1	-	-	-	
St Lukes School	1	-	-	-	
St Saviours School Fund	-	-	-	-	
Samares School Fund	1	-	-	-	
Trinity Youth Centre Trust Inc	-	208	-	-	
Victoria College	2	68	-	-	

2022	Income	Expenditure	Balances Due to the States	Balances Due by the States	Notes
	£'000	£'000	£'000	£'000	
Victoria College Prep	-	4	-	-	
<b>Indirectly Controlled Entities - Subsidiaries of Strategic Investments</b>					
JE Building Services	-	204	-	-	- Subsidiary of JEC
Jersey Deep Freeze Ltd	1	165	-	-	- Subsidiary of JEC
Jersey Energy	-	3	-	-	- Subsidiary of JEC
<b>Retirement Schemes</b>					
PECRS	399	-	-	-	- Income related to services provided by the Treasury Department.
JTSF	195	-	-	-	- Income related to services provided by the Treasury Department.
PEPF	57	-	-	-	- Income related to services provided by the Treasury Department.
<b>Controlled or influenced by Key Management Personnel or members of their close family</b>					
Autism Jersey	5	936	-	-	- Helen Miles (Minister) is a trustee.
Beauvoir Ltd	-	113	-	-	- Gregory Guida (former Minister) is director and shareholder.
Brighter Futures	-	1	-	-	- Kirsten Morel (Assistant Minister) is a director.
Bureau des Iles Anglo Normandes	-	163	-	-	- Kate Halls-Nutt (Group Director for External Affairs), is co-chair.
Channel Islands Brussels Office	-	325	-	-	- Kate Halls-Nutt (Group Director for External Affairs), is a director.
De La Salle College	-	2,135	-	-	- Mike Cutland (Chief Probation Officer) is a governor.
Dickinson Gleeson, Advocates	1	-	-	-	- Deputy Kristina Moore (Chief Minister) is a shareholder.
Focus on Mental Illness	-	4	-	-	- Deputy Karen Wilson (Minister) and Deputy Tom Binet (Minister) are trustees.
Government of Jersey London Office	-	1,396	-	-	- Kate Halls-Nutt (Chief Officer for External Relations) is chair-person.
Institute of Law	77	251	3	-	- Deputy Elaine Miller (formerly the Viscount and current Minister) is a governor
Jersey Cares Ltd	1	231	-	-	- Deputy Ian Gorst (Minister) is a director.
Jersey Heritage	-	7,198	52	-	- Steven Cartwright (Chief Officer of Bailiffs Chambers) is a trustee.
The Jersey Farmers (Trading) Union Ltd	1	77	-	-	- Deputy Tom Binet (Minister) and Deputy Rose Binet (Assistant Minister) are directors and shareholders.
National Trust for Jersey	3	12	-	-	- Alec le Sueur (Practice Director of Law Officers' Department) is a council member.
XRM Architects Ltd	-	18	-	-	- The spouse of Deputy Lucy Stephenson (Assistant Chief Minister and Assistant Minister) is a director.

## 4.24 Third Party Assets



### Accounting Policy

The States of Jersey holds certain monies and other assets on behalf of third parties. These are not recognised in the accounts where the States of Jersey does not have a direct beneficial interest in them.

The States of Jersey, in the course of its normal activities, has reason to hold assets on behalf of third parties. The Viscount's Department is a non-ministerial department and, as a matter of law, third party assets held by the Viscount are not held for the States of Jersey.

The Viscount of the Royal Court undertakes a number of activities that give rise to holding assets on behalf of third parties. The largest proportion by value is held pursuant to court orders made in connection with proceeds of crime legislation. The main activities that give rise to this are:

- **Désastres:** assets gathered in by the Viscount as part of administration of bankruptcies for onward distribution to creditors under the relevant law.
- **Delegates:** funds held on behalf of those who cannot manage their own property and affairs and where the Viscount has been appointed as delegate of last resort.
- **Enforcement:** judgements and compensation monies for onward payment to creditors and beneficiaries.
- **Bail:** monies held on behalf of bailors.
- **Saisies Judiciaires /Civil Asset Recovery:** assets seized pending investigation and court cases relating to drug trafficking and proceeds of crime. Following a conviction, property adjudged to represent the benefit of proceeds of crime is liquidated and the proceeds remitted to statutory funds such as the Criminal Offences Confiscations Fund; if a third party is found not guilty or the saisie is discharged, property is returned. (Assets can also be seized pursuant to laws relating to anti- terrorism, forfeiture and civil asset recovery).

Monies held on behalf of third parties are set out below:

Liquid Assets		
	2023	2022
	£'000	£'000
Viscount's	371,825	299,992
Health and Community Services	327	328
Justice and Home Affairs	49	24
Charitable Funds	41,143	38,322
<b>Total Liquid Assets held on behalf of third parties</b>	<b>413,344</b>	<b>338,666</b>

In addition to the liquid assets listed above the Viscount's Department holds investments, property and contents with an approximate total value of £5.6 billion (2022: £5.5 billion). The value used for the majority of this disclosure is in accordance with a press release made by the Attorney General in respect of the associated case.

In addition to monies listed above the Health and Community Services Department holds equipment on trial and various consignment stocks, valued at £0.38 million (2022: £0.48 million)

In addition to the items listed above the Non-Ministerial Department holds various works of art, valued at £0.7 million (2022: £0.6 million).

The States arrangement to pool funds for investment purposes, is known as the 'Common Investment Fund' (CIF). Included within the CIF are monies held on behalf of entities outside of the States of Jersey group boundary, referred to as Out of Group Funds.



#### Highlights

During 2023 the increase in the Viscounts departments relates to further seized assets from one specific individual. In addition there have been returns on seized amounts.

## 4.25 Entities within the accounting boundary

The Accounting Boundary is set out in the JFReM based on direct control of entities as evidenced by the Government, Council of Ministers or a Minister exercising in year control over operating practices, income, expenditure, assets of liabilities of the entity.

<b>Government Departments</b>	<b>Non-Ministerial Bodies</b>	<b>Consolidated Fund</b>	<b>Core entities</b>	<b>Group</b>
Chief Operating Office	Bailiff's Chambers			
Children, Young People, Education and Skills	Judicial Greffe			
Customer and Local Services	Law Officers' Department			
Department for the Economy	Office of the Comptroller and Auditor General			
Health and Community Services	Office of the Lieutenant Governor			
Infrastructure, Housing and Environment	Official Analyst			
Justice and Home Affairs	Probation Department			
Office of the Chief Executive	Viscount's Department			
Strategic Policy, Planning and Performance				
Treasury and Exchequer				
<b>The States Assembly and its Services</b>	<b>Other</b>			
Assemblée Parlementaire de la Francophonie - Jersey Branch	Jersey Overseas Aid			
Commonwealth Parliamentary Association - Jersey Branch				
<b>States Funds</b>				
Dwelling Houses Loan Fund	Insurance Fund			
Assisted House Purchase Scheme	Jersey Reclaim Fund			
99 Year Leaseholders Fund	Climate Emergency Fund			
Agricultural Loans Fund	Fiscal Stimulus Fund			
Tourism Development Fund	Ecology Fund			
Channel Islands Lottery (Jersey) Fund				
Jersey Innovation Fund	<b>Social Security Funds</b>			
Housing Development Fund	Health Insurance Fund			
Criminal Offences Confiscation Fund	Social Security Fund			
Civil Asset Recovery Fund	Social Security (Reserve) Fund			
Technology Accelerator Fund	Long-Term Care Fund			
Strategic Reserve	Jersey Dental Scheme			
Stabilisation Fund	<b>Trading Operations</b>			
Currency Fund (comprising Jersey Currency Notes and Jersey Coinage)	Jersey Car Parking			
	Jersey Fleet Management			
<b>Consolidated Subsidiary Companies</b>				
States of Jersey Development Company (and its subsidiaries)				
Andium Homes Limited (and its subsidiaries)				
Ports of Jersey Limited (and its subsidiaries)				
<b>Strategic Investments (not consolidated however elected to be held at Fair Value through other Comprehensive Income)</b>				
Jersey Electricity PLC				
JT Group Limited				
Jersey Waterworks Company Limited				
Jersey Post International Limited				

**Minor Entities not consolidated but within the accounting boundary**

There are a number of smaller entities which fall within the accounting boundary of the States of Jersey but which are not consolidated as they are immaterial to the financial statements as a whole. These are referred to as "Minor Entities" and comprise:

- Government of Jersey London Office
- Digital Jersey Limited
- Jersey Business limited
- Visit Jersey Limited
- Jersey Legal Information Board
- Bureau des Iles Anglo-Normandes
- Channel Islands Brussels Office

## 4.26 Social Security Funds

### Statements of Comprehensive Net Expenditure<sup>i</sup>

	2023					2022				
	Social Security Fund	Health Insurance Fund	Social Security (Reserve) Fund	Long Term Care Fund	Jersey Dental Scheme	Social Security Fund	Health Insurance Fund	Social Security (Reserve) Fund	Long Term Care Fund	Jersey Dental Scheme
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Revenue</b>										
Social Security Contributions	(228,352)	(51,595)	-	(36,879)	-	(214,081)	(41,111)	-	(38,854)	-
States Grants to Social Security Funds	-	-	-	(33,119)	-	-	-	-	(31,802)	-
Sales of goods and services	23	-	-	-	-	-	-	-	-	-
Investment income	(344)	(4,847)	(237,013)	(1,741)	(111)	(208)	3,178	157,935	131	(130)
Other revenue	145	-	-	(970)	-	-	-	-	-	-
<b>Total Revenue</b>	<b>(228,528)</b>	<b>(56,442)</b>	<b>(237,013)</b>	<b>(72,709)</b>	<b>(111)</b>	<b>(214,289)</b>	<b>(37,933)</b>	<b>157,935</b>	<b>(70,525)</b>	<b>(130)</b>
<b>Expenditure</b>										
Social Benefit Payments	296,329	45,046	-	75,362	-	280,379	34,615	-	61,057	-
Other Operating expenses	5,593	4,351	-	1,573	104	5,173	4,116	-	1,094	125
Grants and Subsidies payments	-	-	-	-	-	-	-	-	-	-
Depreciation and Amortisation	749	-	-	-	-	581	-	-	10	-
Impairments	(272)	(59)	-	68	-	190	41	-	21	-
Finance costs	1	-	-	-	1	-	-	-	-	-
<b>Total Expenditure</b>	<b>302,400</b>	<b>49,338</b>	<b>-</b>	<b>77,003</b>	<b>105</b>	<b>286,323</b>	<b>38,772</b>	<b>-</b>	<b>62,182</b>	<b>125</b>
<b>Net Revenue Expenditure / (Income)</b>	<b>73,872</b>	<b>(7,104)</b>	<b>(237,013)</b>	<b>4,294</b>	<b>(6)</b>	<b>72,034</b>	<b>839</b>	<b>157,935</b>	<b>(8,343)</b>	<b>(5)</b>
<b>Other Comprehensive Income</b>										
Revaluation of Property, Plant and Equipment	-	-	-	-	-	-	-	-	-	-
<b>Total Other Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Expenditure / (Income)</b>	<b>73,872</b>	<b>(7,104)</b>	<b>(237,013)</b>	<b>4,294</b>	<b>(6)</b>	<b>72,034</b>	<b>839</b>	<b>157,935</b>	<b>(8,343)</b>	<b>(5)</b>

<sup>i</sup> These are the financial information of Social Security Funds and not the primary statements of States of Jersey.



Statements of Financial Position<sup>i</sup>

	2023					2022				
	Social Security Fund	Health Insurance Fund	Social Security (Reserve) Fund	Long Term Care Fund	Jersey Dental Scheme	Social Security Fund	Health Insurance Fund	Social Security (Reserve) Fund	Long Term Care Fund	Jersey Dental Scheme
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Non-Current Assets</b>										
Property, Plant and Equipment	5,702	-	-	-	-	6,619	-	-	-	-
Intangible Assets	4,682	-	-	-	-	3,040	-	-	136	-
Investments held at Fair Value through Profit or Loss	-	96,878	2,178,719	16,904	-	-	92,031	2,030,706	16,058	-
Trade and Other Receivables	-	-	-	5,869	-	-	-	-	3,741	-
<b>Total Non-Current Assets</b>	<b>10,384</b>	<b>96,878</b>	<b>2,178,719</b>	<b>22,773</b>	<b>-</b>	<b>9,659</b>	<b>92,031</b>	<b>2,030,706</b>	<b>19,935</b>	<b>-</b>
<b>Current Assets</b>										
Trade and Other Receivables	34,188	2,445	19	12,959	-	38,193	2,314	-	15,659	-
Amounts due from the Consolidated Fund	31,926	15,938	-	-	-	-	13,087	-	9,852	-
Cash and Cash Equivalents	1,156	-	-	8,946	65	40,550	-	-	8,211	49
Investments held at Fair Value through Profit or Loss	10,974	-	-	26,667	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>78,244</b>	<b>18,383</b>	<b>-</b>	<b>48,572</b>	<b>65</b>	<b>78,743</b>	<b>15,401</b>	<b>-</b>	<b>33,721</b>	<b>49</b>
<b>Total Assets</b>	<b>88,628</b>	<b>115,261</b>	<b>2,178,738</b>	<b>71,345</b>	<b>65</b>	<b>88,402</b>	<b>107,432</b>	<b>2,030,706</b>	<b>53,656</b>	<b>49</b>
<b>Current Liabilities</b>										
Trade and Other Payables	(3,780)	(3,462)	-	(7,465)	(26)	-	(2,736)	(26)	(4,281)	(16)
Amounts due to the Consolidated Fund	-	-	-	(18,799)	-	(18,544)	-	44	-	-
<b>Total Current Liabilities</b>	<b>(3,780)</b>	<b>(3,462)</b>	<b>-</b>	<b>(26,264)</b>	<b>(26)</b>	<b>(18,544)</b>	<b>(2,736)</b>	<b>18</b>	<b>(4,281)</b>	<b>(16)</b>
<b>Assets Less Liabilities</b>	<b>84,848</b>	<b>111,799</b>	<b>2,178,738</b>	<b>45,081</b>	<b>39</b>	<b>69,858</b>	<b>104,696</b>	<b>2,030,724</b>	<b>49,375</b>	<b>33</b>
<b>Taxpayers' Equity</b>										
Accumulated Revenue and Other Reserves	78,260	111,799	2,178,738	45,081	39	63,132	104,696	2,030,724	49,375	33
Revaluation Reserve	6,588	-	-	-	-	6,726	-	-	-	-
<b>Total Taxpayers' Equity</b>	<b>84,848</b>	<b>111,799</b>	<b>2,178,738</b>	<b>45,081</b>	<b>39</b>	<b>69,858</b>	<b>104,696</b>	<b>2,030,724</b>	<b>49,375</b>	<b>33</b>

<sup>i</sup> These are the financial information of Social Security Funds and not the primary statements of States of Jersey.

## 4.27 Events after the reporting period



### Accounting Policy

In accordance with the requirements of IAS 10, events after the reporting period are considered up to the date on which the accounts are authorised for issue. The Minister for Treasury and Resources approved the Annual Report and Accounts to be presented to the States Assembly on the date in the Audit Report in section 2.4.

#### **Non-Adjusting Events**

Following a Vote of No Confidence in the Chief Minister (P.1/2024) a new Council of Ministers was formed on 30th January 2024 with Deputy Lyndon Farnham as Chief Minister. The Annual Report and Accounts for 2023 are therefore signed by the new Chief Minister and Minister for Treasury and Resources (Deputy Elaine Millar). The Ministers in post during 2023 is further expanded on in The Directors' Report. There is no impact post year end on the figures set out above.

We have identified no costs associated with these events that should be recognised by the States of Jersey Group as at the reporting date. If any costs are incurred during 2024, they will be included in the 2024 financial statements.

## 4.28 Publication and distribution of the annual report and accounts

In accordance with the Public Finances (Jersey) Law 2019, the Annual Report and Accounts for the year ended 31 December 2023 have been approved by the Minister for Treasury and Resources and were presented to the States for publication and distribution.

States of Jersey Group 2023

# Annual Report and Accounts



# Annex Government Department Annual Reports

# Introduction

This Annex provides a performance analysis for each Government Department. It is intended to tell the story of each Department's year in a fair and balanced way. The narrative has been written by each Department representing their view on their performance.

Further information on each Department can be found at:

[Cabinet Office \(gov.je\)](#)

[Children, Young People, Education and Skills Department \(gov.je\)](#)

[Customer and Local Services \(CLS\) \(gov.je\)](#)

[Department for the Economy \(gov.je\)](#)

[External Relations \(gov.je\)](#)

[Health and Community Services \(gov.je\)](#)

[Infrastructure and Environment \(gov.je\)](#)

[Justice and Home Affairs \(gov.je\)](#)

[Treasury and Exchequer \(gov.je\)](#)

Information on what the Department planned to deliver, including the service performance measures it used, in 2023 can be found in the [Delivery Plans for 2023](#).

Further detail on Departments' [annual Service Performance Measures](#) are published online.

# Cabinet Office

Tom Walker  
Assistant Chief Executive Officer

## About the Cabinet Office

The Cabinet Office supports the effective running of the Government and the delivery of front-line public services, including:

- support for the Council of Ministers and States Employment Board;
- development and coordination of public policy;
- good governance and communications;
- Human Resource (HR) and Digital support to front-line delivery departments;
- managing the government's cyber security;
- protecting and improving population health;
- corporate functions, including freedom of information and business continuity; and
- independent functions, including Statistics Jersey, Children's Commissioner, Care Commission, Charities Commissioner and Jersey Advisory and Conciliation Service.

It brought together three former departments, namely:

- Chief Operating Office;
- Office of the Chief Executive; and
- Strategic Policy, Planning and Performance.

The Cabinet Office supports the Council of Ministers under the leadership of the Chief Minister, who is supported by the Deputy Chief Minister and Assistant Chief Ministers.

The Chief Executive leads the Chief Officers and is supported by the Assistant Chief Executive and the Treasurer of the States.

## Delivery of key objectives

The key objectives for 2023 were those set out as priorities of respective Ministerial leads, the Chief Minister, Minister for Housing and Communities, and Minister for Health and Social Services in relation to population health.

### Leading government

**Leading a government that is trusted, compassionate, and responsive**

#### *Engagement and Information Review*

The Engagement and Information Review was published in November 2022 with 37 main actions. An action plan was developed and an update on progress was published in May 2023 [[Engagement and Information Improvement Update](#)].

As part of this, [the Government Engagement Framework](#) was published in March 2023 to provide a structured process for engaging the public and stakeholders effectively in policy matters, as well as better inclusion of underrepresented groups.

### Strengthening relationships

**Strengthening the relationship between the government, States and the parishes**

During 2023, the Council of Ministers took part in a series of Parish roadshows. This gave ministers the opportunity to travel to where Islanders live, meet them in their own Parish, and engage informally with constituents face to face about the issues which mattered to them.

#### *Building strong partnerships across the whole of Government, the private sector and charitable and community organisations to deliver real benefits for Islanders*

At the beginning of 2023, the Chief Minister spoke at the first Chamber of Commerce lunch of the year, and the Deputy Chief Minister spoke at the lunch in June. In February, the Assistant Minister for Social Security addressed the Association of Jersey Charities. The Chief Minister met with representatives of Jersey's faith groups during the year, including attending the Synagogue and the Islamic Centre.

There were a series of workshops in 2023 with Arm's Length Bodies (ALBs) to develop better strategic partnership relationships. This included ensuring that governance arrangements put in place were appropriate and proportionate to the scale and activity of ALBs.

Six Closer to Home events were held, which included a focus on Cost of Living, Care Leavers, Older People and Families. An Embrace our Difference event was held where over 500 people attended with 55 partner organisations.

The Connect Me social recovery project has provided micro grants to support Islanders to access physical activities, arts and culture, and partnerships with the Association of Jersey

Charities and the Jersey Community Foundation have seen lottery funds distributed to local organisations to support outcomes for Islanders.

A wide range of organisations were involved in the work to support the response and recovery following the major incidents of the last year.

## Governance arrangements

**Directing and requiring that governance arrangements are in place to support a culture of delivery and robust decision making, that is efficient, effective, value for money, transparent and accountable across the whole of Government**

### *Government Plan*

The Cabinet Office worked alongside the Council of Ministers and the Treasury and Exchequer Department to deliver the Government Plan 2024-27.

### *Role of CEO and Executive Leadership Team*

Following the arrival of the new Chief Executive, processes that support the Executive Leadership Team to operate were reviewed. Improvements have been made, including being more prescriptive about the meeting format and nature of the items discussed, which will release Chief Officer time to coordinate other matters whilst maintaining a strong governance approach.

### *Governance Framework*

Throughout 2023, engagement with the Comptroller and Auditor General (C&AG), Public Accounts Committee (PAC) and Scrutiny Panels has continued on areas of corporate governance and proposed government policy that could be improved or further developed. Ministers and officers have supported private briefings, public hearings, and responded to correspondence and reports.

Action plans arising from recommendations from sources of audit and scrutiny are monitored, with regular updates provided to demonstrate improvement and promote trust and accountability in government.

Throughout 2023, the Internal Audit function continued to provide assurance on key risks and controls in addition to providing proactive assurance in real time. Internal Audit is subject to External Assessment; a review was done in 2023 and a good report was issued.

The Central Risk Team has supported the organisation to mature its risk and performance-based decision-making culture, including implementing recommendations from the C&AG Risk Review Follow-up Report. Outcomes have included better reporting and electronic dashboards to support leadership teams across Government to manage risk.

As part of its business as usual function, the Freedom of Information Unit has supported the Government's transparency and openness agenda, issuing responses to 953 requests for information, making it the second busiest year since the introduction of the Freedom of Information law.



## *Corporate Sustainability Reporting*

For the 2023 Sustainability Report, recommendations issued by the C&AG for the last report have been implemented, including the inclusion of targets and comparative data, where feasible and /or available. The quality and precision of carbon-emissions data is continuously improving. A sustainability reporting requirement has been added to the Corporate Governance Framework.

## *Integrated data and Statistics Code of Practice*

Statistics Jersey has developed an integrated administrative data system that has provided more up-to-date and detailed population and migration estimates. As part of the Government Plan 2024, this project funding was mainstreamed to allow ongoing production of these statistics and further development, including of better Labour Market statistics. The Chief Statistician continued to promote the Statistics Code of Practice across public authorities, and to encourage more publication of statistics that are already available to public authorities.

## **Capacity and resources**

**Reviewing the capacity and resources of the Strategic Housing function to ensure government has strong and sustained actions to tackle the housing crisis and increase home ownership**

## *Residential Tenancy Law*

Work was progressed to develop proposals to modernise the Residential Tenancy (Jersey) Law 2011, with a view to modernise the law and enhance protections for both tenants and landlords. In April, the Minister launched a 10-week consultation on “Improving Residential Tenancies in Jersey” and undertook a series of engagement events to understand Islanders’ views on the proposals. Post-consultation analysis was undertaken and initial revised law drafting instructions issued to the Law Drafting Office.

## *Roadmap to improved access to social housing*

Andium Homes has transformed the standard of social housing in Jersey over the last decade and are well on-course to realise its programme to deliver 3,000 new homes by 2030. As a result of this, the Government has been able to widen access to social housing. In September, the first actions were taken to significantly increase income limits to access social housing and the minimum age of eligibility was reduced from 40 to 35.

## *Empty Homes Service*

In January 2023, the Empty Homes Service was launched in response to the Minister for Housing and Communities’ [Action on Vacant Properties plan](#), published in the autumn of 2022.

In October 2023, the Minister published an [update report](#) outlining the work of the Empty Homes Service and progress against the Action on Vacant Properties plan commitments.

## *First Time Buyer, Assisted Purchase and First Step scheme*

Key changes were made to both the First Time Buyer and Assisted Purchase policies in 2023. These changes have resulted in greater emphasis on prioritising genuine first-time buyers and have significantly increased eligibility to access assisted purchase properties through increases to household income limits.

The First Step scheme was developed and announced in September 2023. The scheme will provide an equity loan of up to 40% for first time buyers, supporting them in purchasing an open market home. The scheme will utilise £10 million of funding that had been secured in the Government Plan.

## **Supporting children and their families**

### **Making support to children and their families central to the work of this new Government.**

Since the Assembly approval by the States Assembly of the Children and Young People (Jersey) Law 2022, focus has been on preparation for enactment with the recent publication of statutory guidance and safeguarding arrangements both of which are required by the new law.

The Law is the next major step in the crucial mission to ensure that all children and young people in Jersey will grow up safely, learn and achieve, live healthy lives and be listened to.

Leading on delivery outcomes of the 2017 Care Inquiry Report remained a priority. Recommendations were made to the Council of Ministers on how to realise the Independent Jersey Care Inquiry's legacy in the publication of the final report of the Citizens Panel in March 2022. A number of projects have been delivered, including the successful celebration of Jersey Children's Day. The planning permission for a place to remember has been progressed with an intention to complete and finish the works during 2024. Plans for a permanent apology are still in progress.

## *Corporate Parenting Board*

The Ministerial Corporate Parenting Board led work to engage children in care on how they can achieve the best start in life despite adverse childhood experiences; working across government departments to remove barriers that unfairly discriminate, and disadvantage.

## **Engaged and productive public service**

### **Supporting an engaged and productive public service by listening and engaging with staff**

### *Ensuring that the public service values are demonstrated in everything we do*

Our Values are included in all corporate induction events for new people joining the Government of Jersey; they are integrated into corporate training; and are included in the behavioural dimension (competencies) of Connected Performance as part of developing a

performance management culture with embedded values.

The States Employment Board (SEB) had a specific development session on Values and leading a values-based organisation. The diversity equity and inclusion strategy and framework integrated these values and was the anchor for the eight employee led networks that promoted and encouraged understanding of differences with respect. The networks highlight employee experiences and are providing valuable input into the development of codes of practice and people policies.

### *“Be Heard” staff survey*

The Be Heard employee engagement survey was undertaken as planned in 2023 and the overall results as well as departmental results were shared with and cascaded to all staff. The results showed improvements across the board and in every department. All engagement factor results were in the positive zone; and with four factors having over 10% points increase from 2020 scores. Continuous improvement plans for both corporate and departmental priorities are underway.

## Delivery of efficient, effective public services

### **Continuing to support the delivery of efficient, effective public services**

The Corporate Portfolio Management Office (CPMO) initiated the process of embedding the Government of Jersey’s Programme and Project Delivery Frameworks, in accordance with the Public Finances Manual, this has involved considerable stakeholder engagement and training activity.

The CPMO has provided support to major and strategic programme and projects, at both corporate and departmental levels, undertaking governance, control and compliance reviews, providing bespoke advice and guidance to senior leadership teams, project teams and supported the assembly of subject matter experts to partner with the GoJ to deliver complex change, to drive benefit and outcome realisation.

## Strategic workforce planning

### **Prioritising, through the SEB, the delivery of strategic workforce planning across departments, with a particular focus on recruitment and retention of staff in critical frontline services for example Children’s Social Care, Education and Healthcare.**

The SEB has prioritised addressing recruitment issues in key professions. High levels of vacancies impact on service delivery and standards, and a poor candidate experience increases the cost to recruit, with poor outcomes and candidates leaving a recruitment process in favour of other employers.

A Strategic Workforce Development Plan (SWFP) has been created following extensive engagement with departments, who have been through a six stage workforce planning process. The collated outputs have been used to create a plan to address workforce challenges including current and future capability gaps and to develop a common approach for tackling workforce risks and challenges.

The Delivery Unit within the Cabinet Office was tasked to support the recruitment of primary

school teachers and teaching assistants and establish a proof-on-concept service model for roll out across other key areas.

A dedicated microsite for teaching and teaching assistants was created and a targeted media campaign.

34 primary teachers, 55 teaching assistants and 42 secondary teachers were recruited through the pilot programme. At the start of September 2023 term, recruitment to all primary teaching roles was completed.

As part of the Financial Recovery Plan (FRP), a focus on reducing agency and locum costs will address financial pressures and support in service quality. In the year-to-date 322 individuals have been recruited to vacant posts. This is approximately 40% of all hires expected across the public service in a normal year.

## Project Team Support for various priorities

In its first year of operation, the Delivery Unit Project Team developed its capabilities and service offering to address strategic and complex organisational issues and successfully supported priorities in areas including key worker recruitment, key worker accommodation, children's social care, healthcare and island workforce, assisting departments to be even more effective at delivering front line services to Islanders.

### *Increasing the number of key worker housing units*

During 2023, 131 units of accommodation were made available to house key workers in line with the recently approved keyworker policy which aims to harmonise the eligibility requirements, supporting the attraction of permanent staff over locums and agencies.

<b>Accommodation</b>	<b>Number of units</b>	<b>Owner</b>
La Tour Dunlin	36	Andium Homes
La Tour Egret	74	Andium Homes
The Laurence	16	Private
Westaway Court	5	Government of Jersey

The increased number of units enabled us to move keyworkers out of more expensive hotel accommodation.

### *Progressing population and migration policy*

Control of Housing and Work Law rules were amended to give couples in a long-term relationship the same rights as married and civil partners. Rights were also extended to students arriving in Jersey as part of a family unit. Significant progress was made in developing secondary legislation to support a revised Control of Housing and Work Law. The Council of Ministers published its first annual report on the Common Population Policy.

## *Better Population and migration statistics*

Statistics Jersey has used linked administrative data (information already held by Government) to produce faster and more detailed population and migration estimates. These included: revised population and migration estimates between the most recent censuses (2012 to 2021) in June 2023; population and migration statistics for 2022; and also population projections out to 2080, both in December 2023.

## Further actions, to support delivery across all key objectives

The role of the Modernisation and Digital team is to support the organisation to become more efficient, accountable and responsive through the use of information technology.

### *Assuring that we enhance our cyber security maturity*

In 2023, the Modernisation and Digital Security Target Operating Model was defined, and implementation plans developed by the Cyber Change Programme.

Plans were featured within the 2024-2027 Government Plan to continue activity to maintain levels of security across the organisation.

### *Supporting the organisation to become more efficient, accountable and responsive through the use of information technology.*

Work was undertaken to deliver a Proof of Concept for a Data Services Platform (DSP) by January 2024. The DSP is a key enabler for connecting government services together and facilitating better analytics and decision making.

In Digital Health, the Electronic Patient Record (EPR) programme has focussed on an embedding and optimisation phase and is now working on Release three which provides additional functionality for the hospital that will deliver the following benefits:

- reduction in paper and a move to electronic clinical noting;
- improved efficiency by reducing duplicated tasks and better integrations between systems, e.g. GP referrals to Health and Community Services (HCS);
- increased clinical IT devices, e.g. tablets and computers on wheels (COWs); and
- integration of clinical devices into the Electronic Patient Records system (IMS Maxims).

The Microsoft Foundations programme concluded at the end of 2023, having delivered upgraded Microsoft Services to all users in the Government.

## Public Health

### Suicide prevention strategy

**Commence scoping an updated suicide prevention strategy which will focus on preventing suicide and reducing incidence of self-injury associated with mental distress**

The Suicide Prevention Strategy was developed over 2023, overseen by a Steering Group and working groups which focused on three key areas of work: the acquisition and analysis of data; the mapping of services relevant to suicide prevention; and the understanding of stakeholders' insights and perspectives of suicide prevention.

Eleven stakeholder engagement events were held, alongside a public questionnaire, and questionnaire for secondary education settings. Those with lived experience of suicide in Jersey were involved throughout. In October 2023, a draft of the suicide prevention strategy was approved by the Public Health Senior Leadership Team. Implementation is planned to commence in 2024, and to run for a period of five years.

### More accurate information about health trends

**Supporting development of more accurate information about health trends in Jersey during 2023, which can be used to decide what services are needed to improve and protect health, and to chart progress over time**

Overseen by the Jersey Strategic Needs Assessment (JSNA) Steering Group, progress has been made in a number of areas to help improve understanding of Jersey's health and wellbeing challenges, and how they differ between various communities. The Statistics Jersey report on the [Characteristics Associated with Poor Health](#) in February 2023 was followed by a report which examined how migration, employment and income support payments varied for different populations.

Public Health Intelligence published an update to the Health Profile in February 2023, providing a compendium of all public health statistics alongside comparisons to other jurisdictions. Qualitative research into Islanders' experiences of COVID on their health and wellbeing, particularly focusing on inequality and 'seldom heard from' groups, was also completed; a full report will be published by March 2024.

### Protection from infectious disease

**Bringing forward clear recommendations on how to protect Islanders from infectious disease and other environmental threats**

The [Health Protection Review](#) was published in July 2023; key recommendations included setting up a Health Protection Partnership, introducing digital surveillance and case management systems, strengthening the workforce and increasing external collaboration.

An interim infectious disease notification and surveillance system has been developed and introduced across General Practice. This will enable increased understanding of the burden of infectious disease affecting the island and increases the ability of the Health Protection

Partnership to take preventative action to stop the spread of infectious disease.

## Improving health

### **Developing a clear plan and service model for how to improve health in both the short and long-term**

['Seizing the Opportunity: A population health prevention strategy for Jersey 2023 – 2027'](#)

was produced in June 2023 and formally launched in October with a professional event and a one-day wellbeing festival. [WellFest](#) showcased a wide range of public health and health improvement opportunities for Islanders through interactive stalls, activities, and talks.

Around 800 people attended and participated and feedback from participating organisations has been very positive.

## Service Performance

### Turnover

Turnover within the Ministerial and Non-Ministerial Departments has remained consistently between 8% and 8.5% for 2023 which is consistently better than the target of 9.5%. Over the year there have been no significant fluctuations in the turnover figure.

### Vacancies by department

We have not been able to report accurately on vacancies data across the Government, specifically within Health and Community Services and Children, Young People, Education and Skills during 2023. At the end of 2023, a review of all vacancy data has taken place and vacant posts reviewed. With the introduction of Connect People during the second half of 2023, this has allowed line managers to have a clear view on roles that report into them and also manage their vacancies. It will enable departments to identify, forecast and plan best-fit resources for 2024, vacancy data will be reviewed on a monthly basis to enable the data to be kept up to date.

### Freedom of Information (FOI)

#### **Percentage of FOI requests responded to within 20 days**

As part of its business as usual function, the FOI Unit has supported the Government's transparency and openness agenda, processing 1,013 valid requests in 2023, which was a 14.72% increase on the previous year. 100% of FOI requests were answered within the statutory timeframe of 20 working days, or with a prescribed extension period. 2023 was the second busiest year since the introduction of the Freedom of Information (Jersey) Law in 2015.

### PAC and C&AG recommendations closed

#### **Percentage of PAC and C&AG recommendations closed by the Government from the number possessed at the start of Q1**



The Government closed 73% of recommendations that remained open in the Tracker on 1 January 2023, surpassing a target of 50%.

## **PAC and C&AG recommendations received**

### **Number of new PAC and C&AG recommendations received by the Government**

The Government has received 86 recommendations from six C&AG reports (the C&AG issued a further two reports for which executive responses were returned to PAC in 2024, and a 'mid-term reflections' report). No recommendations were received from PAC. In total, 194 recommendations were closed during 2023 and 118 recommendations remained open in the Tracker.

## **Statistics Jersey publications released**

### **Percentage of Statistics Jersey publications released according to the publication release schedule**

In total, Statistics Jersey published 35 reports in 2023 covering a range of Economic and Social statistics from the well-established (e.g. Retail Price Index report) to the novel (e.g. Population and migration statistics from administrative data sources). All (100%) Statistics Jersey reports were pre-announced in accordance with the Code of Practice for Official Statistics and published on time in accordance with this schedule.

## **Publication of the Service Performance indicators**

### **On time publication of the Service Performance indicators in accordance with the published schedule**

The Chief Statistician reviewed the range of Service Performance indicators during 2022 to focus on those that were of relevance to islanders (rather than purely of internal interest). There was a continued focus on fewer, better measures; and a new method of displaying the measures (including a historical time series) on the gov.je site. In 2023, Service Performance indicators were published on schedule 100% of the time.

## **Update of the Island Outcomes and Indicators**

### **Update of the Island Outcomes and Indicators within a quarter of the availability of the data**

The year saw considerable change to the Island Outcome Indicators (IOIs). The Analytics and Statistics Enablement Team (ASET) embarked on a major project to update the presentation of the indicators, and to re-appraise which indicators should be included in the IOI set (with a proposal to reduce the current 193 measures to a more focused set). This project, combined with resource difficulties in ASET has meant that the current 193 indicators have not been kept completely up to date on the Clear Impact system; currently, 63% of the indicators are updated. We are making good progress on the new IOI presentation and content, and plan to go live in with this during 2024 after engaging with key users.



## Approval of a job requisition

### **Average number of calendar days from the date a job requisition is approved to the date the offer is accepted by an external hire (excluding bulk campaigns)**

Talent Acquisition, the new recruitment and onboarding functionality, experienced delays to delivery in 2023 and its implementation and roll-out was deferred until 2024. By having all recruitment running through the one system, this will enable a better experience for hiring managers and applicants who will have a dedicated recruiter managing their on-boarding experience giving oversight and updates during the recruitment process. As there were a number of recruitment systems, and with the implementation of Connect People, we were unable to accurately report on the average number of calendar days of the recruitment process. Therefore, no data was available to report on during 2023.

## New external hires who leave

### **Percentage of new external hires who leave within 12 months of joining**

This is the first time that this data has been reported and therefore no comparable data is available to view year on year for recruitment and retention. During 2023, The SEB prioritised addressing recruitment issues in key professions. There has been a focus on producing Strategic Workforce Development Plans within departments. The outputs of this have been used to address workforce challenges including current and future capability gaps and to develop a common approach for tackling workforce risks and challenges. Be Heard staff surveys were undertaken across the organisation and departments have developed action plans to enable colleagues to contribute to making their department a better place to work. This figure is well below the initial target of 20%. A review of the exit interview process was commissioned, and the recommendations made are in the process of being implemented across government.

## Annual performance appraisals

### **Annual performance appraisals that are due, should be completed within one month of the end of performance year, and the 'Connected Performance' system updated**

The 2023 year-end out turn illustrates progress, with 37.2% of colleagues in scope having had an end of year performance review. The completion of performance reviews by departments ranges widely, with 5 departments having over 90% completion rates. Some departments have predominantly non-desk-based workers; and often include shift workers with less ready access to technology and so are less able to utilise the system. The results compare favourably with the 2022 year-end results for the former 'My Conversations, My Goals' system, which was 12.7%, and indicates a generally positive trajectory for performance management in what is a significant cultural change for some areas.

## Health and safety serious incidents

### **Number of health and safety serious incidents reported to the Health and Safety Inspectorate (HSI)**

The data collection and quality is improving. Work is ongoing to improve the quality of this data in the future, for example through the embedding of the use of Connect.

The legal requirement to report health and safety related incidents at work is not enshrined in Jersey Law. Best practice is followed by reporting work related incidents to the HSI, which meets the requirements of the Reporting of Incidents, Diseases and Dangerous Occurrences Regulations (RIDDOR) in the UK. Of these incidents, any that meet the requirements have been reported to the HSI. These events are tracked by the Health and Safety Board throughout the year to ensure investigations are completed and lessons learnt are implemented.

## New starter health and safety inductions undertaken

New starters are required to complete an induction process. This induction includes a health and safety module. This is a new metric, and the data insights are consequently immature. There are plans being developed to improve this position for future years. It is estimated that between 60% and 75% of new starters have completed the MyWelcome health and safety modules.

# Children, Young People, Education and Skills (CYPES)

Rob Sainsbury  
Chief Officer

## Delivery of key objectives

### Ensuring the best education

**Ensuring all children and young people have the best education available to them, from early years to adulthood**

All young people with a record of need have been matched to the new funding matrix to ensure that appropriate funding is matched to their level of need. This funding has now been allocated to schools directly and will be reviewed on an annual basis.

A full consultation has taken place with young people, parents, carers, professionals and partner agencies to develop a vision and charter of inclusive education and following the nasen (National Association for Special Educational Needs) review the Virtual School has been developed and now provides a termly Personal Education Plan (PEPS) for all looked after children both on and off island.

La Passerelle primary has been relocated to a new site and now offers a 24-place specialist therapeutic provision.

The Childcare and Early Years' service have supported a number of key programmes and initiatives in support of positive outcomes for children under five and their families.

Additional targeted childcare support for younger children via the Best Start Nursery Plus scheme in partnership with the Jersey Childcare Trust has been funded. Further collaboration with the Speech and Language Therapy (SALT) service to support Wellcomm and to develop and provide resources for high quality communication and language provision to all early year's settings and schools. Core books for all nursery settings and those public places accessed by children and families have been provided in partnership with Jersey Library.

Our approach to regulating the childcare sector has been strengthened following a review of both childminder and early years setting statutory requirements. All settings are required to

have a Special Educational Needs Coordinator (SENCo) and we have funded and delivered the L3 CACHE qualification for all settings to have at least one person upskilled. The Early Years Inclusion Team (EYIT) have more staff following Government Plan growth to meet the increasing demands of support for children with additional needs.

Best Start programme of funded activity from Covid Social recovery funding came to an end in 2023 but has been instrumental in providing support for the workforce, children, parents and carers. This has included more continuous professional development, a recruitment campaign, an integrated developmental review at three years, "50 things" app and events, and a new Best Start website, as well as a dedicated manager and administrator to maintain the work of the Best Start Partnership into 2024.

During 2023 the School Improvement and Advisory Service (SIAS) delivered several key work streams which included; Curriculum and policy development for personal, social, health and economic (PSHE), religious education (RE), Arts strategy and Physical literacy and developing a Leadership of Languages Strategy, which includes Multilingual Learners, Languages and Jèrriais. There were also significant projects in reading, writing, oracy, teacher and TA training, and approaches to governance delivered.

The Jersey School Review Framework introduced its Independent School Inspection and managed to complete and publish reviews on 18 Government of Jersey Schools and one independent Jersey school.

The Library Service continued to engage with young people during 2023, delivering the Summer Reading Challenge which reached over 2,000 primary school children, and commencement of library support at Samarès Primary School, working with Every Child Our Future to provide library access to children and families. Additionally, the service also launched the new Highlands College Library.

The primary school food programme roll-out has entered its next phase by incorporating a new supplier to Jersey. This includes the addition of two new primary schools meaning a total of ten primary schools are now accessing hot lunches.

Mont à L'Abbé has had a new additional two classrooms building added to its site and useable space. This space will be used to enable a post 16 curriculum to be delivered to some of our most vulnerable children and allow them to get the best education and prosper.

## Social care services for children

### **Improving our social care services for children and building on the Jersey Care Inquiry recommendations**

During 2023 one of the priorities for Children's Social Care was to address sufficiency of available places in residential children's homes. This has been achieved by way of the purchase, renovation and opening of two new Residential Childrens Homes which are now both fully operational.

A multi-agency visit to the Northeast of England took place to review the Multi-Agency Safeguarding Hub (MASH) arrangements and consider transitional arrangements to adulthood and contextual safeguarding offers for children and families to better inform the arrangements and offer in Jersey. Operation Stride was further developed in 2023, delivering

robust multi agency safeguarding to children at risk of criminal exploitation (county lines) on the island.

The Children's Social Care practice model has been developed and launched and is trauma informed. Guidance documentation, policies and procedures have been delivered to all staff and will be delivered to new staff as part of onboarding. We delivered quarterly Communications events to staff, as well as a staff conference for our staff and our partners. Attendance at these events increased throughout the year, and we've covered a range of matters including Restorative Practice, Permanency, Social Care Reform Programme, Youth Justice and Exploitation, Be Heard Survey and links to wellbeing.

There has been significant focus on increasing permanent staff in 2023 and we have recruited 13 permanent staff into service in a range of qualified social work and management positions. Despite the growth in the service, creating more positions to meet increased demand, we are pleased to have reduced the cohort of agency staff in service from 54% at the start of 2023 to 43% by year end. In addition, we welcomed five new Social Work Assistants, who will become Newly Qualified Social Workers (NQSW) once registration is received in 2024. This is in addition to the three NQSW who are currently on their first year Assessed and Supported Year in Employments (ASYE). In November, we launched the Internal Trainee Social Worker Pathway, attracting much interest from staff in non-qualified Social Work roles (Residential Child Care Officers, Family Support Workers, Business Enablement, Family Partnership Workers, and managers in non-Social Work roles).

## Jersey's skills system

### **Enhancing Jersey's skills system to ensure it is responsive to the evolving needs of the economy and Islanders' aspirations**

During 2023 the Further Education and Skills Actionable Agenda was progressed to create a robust Skills System for the Island. The delivery of these actions has progressed faster during 2023 than originally planned. Key successes have been identified in the areas of structure and funding for the system.

Core business duties continued and the successes of these were drilled into to create a new Skills Jersey which is to be launched at the start of 2024, as a fit for purpose skills service to administer Jersey's skills system.

Across Government partnership working took flight solidly in 2023, empowered by the creation of the new skills system and this led to across Government working groups to create; a combined provision for young people without a certain destination post statutory education, joined up strategic direction for the digital economy and education, and a process for partnership working to identify future skills needs through data analysis and employer engagement.

## Delivering services for children and young people

### **Working in partnership to deliver a range of services for children and young people**

Jersey Youth Service (JYS) conducted a review of the current offer to young people Not in Employment Education or Training (NEET), and to provide a redesign to work across Government to improve this employability and further skills offer. This has been agreed

within the Government Plan for 2024.

The JYS colleague voice process provides a platform for the workforce to feel safe and heard. The first recommendations were presented in 2023 and have subsequently seen twenty-two submissions in 2023 that have been successfully responded to.

The Library service has partnered with other agencies and services throughout the year, this included working with National Therapy Dogs organisation to introduce regular wellbeing sessions in the Town and Communicare Library and working with Highlands and CYPES to offer English for Speakers of Other Languages (ESOL) and maths evening tuition in the town Library.

Some events that the Library have been involved in include the Jersey Festival of Words during September 2023, where we organised and ran a fringe festival, reaching a record number of participants, hosting the British Library's Chinese in Britain exhibition, and receiving a visit from the Children's Laureate, Joseph Coelho.

Youth-friendly versions of Ministerial and Government Plans have been created and published by the Department for Children, Young People, Education and Skills. The new documents were created following months of engagement and consultation with Government officials, ministers, children, and young people and the School Council Network. Youth-friendly versions of the Government Plan were a recommendation from Corporate Services Scrutiny Panel.

CYPES has been leading the way to ensure any Departments who engage with children and young people use the Participation Standards toolkit which are available at [gov.je/youresay](http://gov.je/youresay). Participation is a two-way process. It's vital that children and young people have all the information that they need before they are asked to share their views. This includes ensuring that the information is engaging, easy to understand and accessible.

Around 8,000 children, young people and families attended a free family fun day on Sunday 2 July to celebrate Jersey's Children's Day. The event was supported by almost 50 charities, community organisations and businesses, who provided free entertainment, activities, information, and advice. A team of 30 volunteers from across Government supported the delivery of the event. Around 100 young people provided six hours of live entertainment during the event – organised by Youth Arts Jersey – including performances from the Jersey Scout Association, and Love Theatre. Families also visited a community art project featuring dreamcatchers created by school children and young people. The art project was supported by ArtHouse Jersey. Children's Day is held annually, in early July, following a recommendation made by a Citizen's Panel set up after the Independent Jersey Care Inquiry.

## **Emotional Wellbeing and Mental Health Strategy Implementing the Children and Young People's Emotional Wellbeing and Mental Health Strategy 2022-25 and delivering improved health and wellbeing outcomes for children and young people**

In 2023, we added to the list of services (under Health and Wellbeing) by launching the new Neurodevelopmental Service. The service also introduced the assessment of Fetal Alcohol Spectrum Disorder (FASD) for the first time with the appointment of a new community

paediatrician. The service introduced welcome sessions to explain the service offer to new referrals, expanded support offered from its multi-professional team, introduced sibling groups, and worked with education to ensure robust departmental collaboration.

A significant amount of work took place in 2023 to continue to improve data, performance, and feedback reporting and ensuring these are embedded into practice. The Service worked closely with the Child Outcomes Research Consortium (CORC) in implementation of CORC performance and feedback measures to assess service impact.

In September 2022, the Comptroller and Auditor General (C&AG) produced a report following a review of Child and Adolescent Mental Health Services (CAMHS). Of the 32 recommendations, 12 were implemented in 2022, and a further 18 in 2023. The two remaining are the launch of the Clinique Pinel building to replace Orchard House, and updates to the Memorandum of Understanding (MOU) between Health and Community Services (HCS) and CYPES, with both recommendations approaching conclusion in 2024.

In November 2023 we received the National Health Service (NHS) benchmarking report which compared our data and performance against 126 other United Kingdom (UK) CAMHS services. Highlights include the fact that Jersey CAMHS receive similar number of referrals (per population) as other services, though accepting much higher rates, with a higher case load. Most pleasingly, this report showed that Jersey CAMHS are in the top 20% of quickest responding services for first appointments.

In December 2023, we received the draft report following the first inspection of services by the Jersey Care Commission in conjunction with the Royal College of Psychiatrists (RCPsych). This was a very positive first report for CAMHS and will be published early 2024. The links this established with the RCPsych have been additionally beneficial with CAMHS staff joining the RCPsych inspection team to review other services, attending the annual Quality and Assurance Conference, and forming links, visits and meetings with other 'gold standard' services to share and develop practice.

## Strong, engaged and valued workforce

**Establishing a strong, engaged and valued workforce working on behalf of children, young people and their families and ensure services are delivered safely and effectively**

In January 2023 a new recruitment process was started to employ teaching assistants for both primary and secondary phases. To date over 70 new teaching assistants have been recruited, trained and employed to support young people. In addition, all schools now have a fully qualified SENCo following the completion of the National Award for Special Educational Needs Coordination (NASENCo) qualification at Winchester university.

There has been a focus on addressing teacher shortages, this was achieved by ensuring the central and school focused recruitment of primary teachers and through the Jersey Graduate Teacher Training Programme (JGTTP) which trained 20 new teachers during the 2022/23 academic year and also recruited a further 18 for the programme in 2023/24.

Within Children's Social Care there has been significant focus on increasing permanent staff. In 2023 we recruited an additional 13 permanent staff into the service in a range of qualified social work and management positions.



## Service Performance

### Child and Adolescent Mental Health Services (CAMHS)

CAMHS received a record 1,350 referrals in 2023, compared to 684 in 2020. Despite the significant volume of referrals, initial assessments for non-urgent mental health referrals were completed on average within 30 days of referral in 2023, within our target of 36 days. Children with more urgent mental health needs continue to be seen quickly, and are not included in this measure.

Requests for neurodevelopmental assessments increased considerably with 468 referrals for attention-deficit/hyperactivity disorder (ADHD) assessments, compared with 51 in 2020; and 284 autism assessment referrals compared with 80 in 2020. This significant increase in demand meant that we did not meet our target of completing neurodevelopmental assessments within 13 weeks; instead, the average waiting time was 38 weeks. Pre assessment support did increase with the introduction of welcome sessions by the Neurodevelopmental Service Manager, additional clinical support, and training courses. Additional capacity to manage demand was created with two private organisations and two locum practitioners commissioned to undertake additional diagnostic assessments. Plans are in place to develop this area of the service in 2024.

In November 2023 the NHS benchmarking report was published that highlighted key statistics comparing Jersey CAMHS and 126 NHS service submissions across the UK. Key findings summarised below reveal that Jersey has a similar number of referrals to the UK average, but our mean waiting time from referral to first appointment is much lower, Jersey CAMHS (generic) is one of the quickest services to access across the UK. The referral acceptance rate is higher in Jersey and we have a higher caseload per 100,000 population than the UK average.

Measure	UK average	Jersey
Number of referrals per 100,000 population	4,997	4,980
Referral acceptance rate	78%	96%
Mean waiting time from referral to first appointment (for routine referrals to CAMHS generic, in weeks)	10.7	4.1
Caseload per 100,000 population	2,095	3,173

### Children's Social Care

Children's Social Care underwent its first Jersey Care Commission inspection in December 2023, the report from the findings of the focused inspection into looked after children and the Independent Reviewing service is due to be published in 2024. Verbal feedback from the inspection identified areas for improvement but also acknowledged the improvements made since the previous inspection of 2019.

We continue to face challenges sourcing appropriate placements for children who are looked after, and this is reflected in our placement stability figures. To address this, we opened two new children's homes in 2023 to meet the specific needs of the children in need of



ministerial care. We also launched our permanence strategy, with procedures made available online to all staff and a range of learning and development sessions, permanence planning is now underway for all children who are in the care of the minister or subject to pre-proceedings. This prevents drift and delay and delivers children to their 'forever' home at the earliest possibility. The service will benefit from additional funding through the Children's Social Care Reform programme in 2024 which will include focus on the sufficiency of placements. We've had a significant increase in applications from potential foster carers that are progressing to assessment and panel.

A key outcome indicator for our care leavers is the percentage of these young people who are in Education, Employment or Training. Although the performance for this indicator reduced at the end of the year it is worth reporting that the cohort of care leavers referred to is relatively low at 79, and that almost a quarter of the cohort were either unable or exempt from the Employment, Education or Training criteria, due to a range of reasons including parenting, sickness and other circumstances. In order to support care leavers back into employment and education, we will be working closely with Back to Work, Income Support and the NEET lead at Highlands College, as well as working with Skills Jersey on the NEET Combined Provision Project.

It has been recognised that further work is required to understand why the number of children on repeat Child Protection plans remains at a relatively high rate. There is now a process in place where the Head of Service is notified by the Child Protection Advisor of a re-registration on the child protection register. There are regular consultations between the Team Manager of the Child Protection Advisors and Family Safeguarding Teams. The re-registrations in December 2023 show evidence of this work being undertaken. This will allow the service to learn and offer training to colleagues moving forward. Further audit work is to be undertaken to fully understand the circumstances which led to the re-registration of children and to identify learning and recommendations for the service.

2023 saw the launch of the practice guidance with a handbook produced and provided to all social workers to further develop and embed the practice model into our way of working, Audits and feedback tell us that this is already having a positive impact on social work practice with evidence of increased direct work and how we work restoratively with children and families.

In 2023 the service received 56 compliments, 49 complaints and three comments.

A focus on embedding the child's voice into social work practice resulted in 573 Mind of My Own statements being received from children. This was a 619% increase on the previous year. In August we undertook a family feedback week, which was a new initiative where 75 families were contacted to provide feedback on our service. This identified areas for service improvement but also highlighted some excellent social work practice from some practitioners with families feeling involved, supported, and heard. This initiative will be conducted annually to check on progress of the improving engagement of children and families.

## Early Help

The Children and Families Hub Service has built staffing capacity in 2023 through additional investment. A systemic family therapist and a behavioural advisor has been recruited to the Service to develop the early help offer to families. Additional investment in Family Partnership Worker and Family Mentor roles has increased capacity to deliver more parenting programmes and increase direct work with families, acting as lead workers and co-ordinating teams around the child and family when needed to build resilience. The Service adopted the Mosaic recording system in quarter one and this has provided improved performance reporting.

There was increased demand at the Children and Families Hub front door with contacts relating to 4,344 children over the year, a 14% increase from 2022. Requests were received for individual early help support for 261 families, a 14% increase on the previous year. Increased staffing capacity has enabled the teams to support more families; at the end of December, the additional needs and generic teams were supporting 252 families, a 23% increase in active caseload from the same period last year. Despite this increase, demand has continued to outstrip capacity and 61 families were waiting allocation of a Family Partnership Worker at the end of the year. Development of reporting on length of involvement will be undertaken in 2024 to ensure that timely discharge is taking place and other measures to increase capacity are planned.

The percentage of children referred to Early Help by Children's Social Care who are allocated a lead worker was 90.7% in 2023. Only a small number did not transfer to an Early Help lead worker because needs increased and a decision to continue Children's Social Care support was made before transfer or because the family declined early help support.

In 2023, the Service working in partnership with Mind Jersey and CAMHS have delivered 42 group programmes with completion by 395 parents. This is double the number and reach achieved in 2022. Following staff training, a new evidence-based programme for parents who are experiencing personal distress from separation or divorce which is impacting on or complicating their parenting has been offered.

The Service has continued to provide training for the children's workforce in the Jersey's Children First practice model with a new course on undertaking an early help assessment added to the offer. The online training has been updated for launch in January 2024 to show how Jersey's Children First supports practitioners to meet their responsibilities under the new Children and Young People (Jersey) Law 2022 to promote the wellbeing and safeguard the welfare of children and young people.

## Education

The Childcare and Early Years Service has regulated over 75 providers, delivered training and development to over 200 practitioners and supported more children with additional needs and their families both at home and in their pre-school setting in partnership with other agencies and organisations. The Best Start Partnership have produced an Early Childhood Participation toolkit and re-branded and relaunched its website, going live in February 2024. Over 100 two- to three-year-olds have been able to access a funded part-time childcare place through further Government investment via the Jersey Child Care Trust (JCCT) and

the Best Start Nursery Plus targeted childcare scheme.

As a result of our focus on high quality practice, maintaining standards of compliance and leadership and management of early identification and intervention, outcomes for children at the end of the Early Years Foundation Stage (EYFS) have improved with more children now achieving an expected level of development in all areas of learning.

2023 is the first year of 'normal' assessments since the changes brought in during and immediately after the COVID-19 pandemic. In line with advice from the Department for Education (DfE) and Ofsted we are not comparing like for like the results from this year to those achieved during and impacted by the changing assessment methodologies used during the pandemic. Instead, as in England, we are comparing our 2023 data to 2019.

Provisional results in 2023 celebrate that 69% of GCSE students achieved a standard pass (grade 4) in English and mathematics, slightly outperforming their counterparts in England. This is also higher than the 65% recorded in 2019, pre-Covid, and this together with our internal analysis reflects an overall positive trajectory for GCSE performance, most notably in the non-selective schools.

At Key Stage 5, the average point score was 34.9 in 2023. This is lower than the score for 2019, however, we are cognisant that this cohort of A level candidates were impacted by changes to provision during the pandemic. Additionally, during their GCSE experience they did not sit formal exams but were awarded Teacher Assessed Grades. Consequently, some of this cohort met the threshold for A level study from comparatively lower starting points than in pre-Covid years. The total cohort for A levels in Jersey this year was larger than in 2019, therefore the broader range pupil intake has quite naturally broadened the range of results achieved and impacted the average score. A detailed report will be published in the spring on 2023 performance.

2023 continued our publication of formal reviews of schools under the Jersey Schools Review Framework (JSRF), with 18 Reviews of Government of Jersey Schools and one inspection of an Independent school published online. The JSRF is fundamental to evaluating the quality of provision in our schools and colleges. Over a three-year cycle, schools experience externally led reviews against the Framework's criteria in the following areas: achievement, teaching, behaviour and leadership. Since September 2019, we have published school reports all of which are available [here](#) on the Government of Jersey website, including Grainville and Jersey College for Girls (JCG). Reviews were paused during the pandemic and recommenced last year. Since the 2023 GCSE results were published, Haute Vallée School has been reviewed and their report positively reflects their GCSE achievement. Reviews for three further secondary schools are scheduled to be completed by July 2024. Together the Reviews of these four schools will allow us a much clearer picture of current standards and standards over time.

Considerable effort was invested in recruitment for early years and schools again this year. This reflects the well-recognised pressures across these sectors and will continue to be a significant focus in 2024.

2023 was the last year with funding focused on the transition away from the mitigations and restrictions of the Covid period, and through the Social Recovery funding saw the successful delivery of 8,000 hours of tutoring in schools, and support for arts education with 35 school

workshops leading to the 'You, Me and the Sea' project and exhibition. In addition, SIAS trained 13 specialist teachers for reading recovery and four specialist mathematics teachers to support targeted interventions and seven summer schools offered a total of 75 days of provision reaching more than 300 children.

SIAS progressed the Languages Policy and strategy, supporting 31 school leads to meet the needs of the 27% of pupils who are multi-lingual learners (MLL) on Island. The "Voice 21" project to support children to articulate ideas, develop understanding and engage with others through spoken language progressed, with courses, staff meetings and centre of excellence training to 14 schools, reaching 600 teachers and key workers. Work directed by the Curriculum Council led to improvements for PSHE and RE, incorporating key inputs from young people in schools.

During 2023 we reviewed exclusion data on a regular basis to improve school attendance. We identified an increase in exclusions in the secondary phase which the Education Welfare Team is monitoring closely to ensure that targeted support is put in place where required. An additional Special Educational Needs and Disabilities (SEND) officer has also been appointed to support the Secondary schools. We are reviewing the policy for exclusions, taking into account the rights for all young people to be entitled to 25 hours of education. The part-time timetable policy was reviewed in collaboration with schools, parent and carers to monitor and reduce the number of young people on part time timetables. The new part time timetable policy was implemented in the autumn term of 2023. We saw a reduction in persistent absence in the academic year 2022/23.

## Skills

2023 was very much a transition year for Skills Jersey, as the Further Education and Skills Actionable Agenda was progressed to create a robust Skills System for the Island. There are 37 actions, with achievements delivered in 2023 including a restructure of Skills Jersey to provide a fit for purpose skills service; the establishment of a Head of Skills to lead and advise on across GoJ skills discussions; and developments in Higher Education funding.

Meanwhile core business duties continued in this year of change. Completion rates for the apprenticeship programme rising to match the consistent high standard of 2018-2020, with 96% of apprentices completing the programme in 2023, and 82% of students involved in coaching and mentoring programmes achieving positive destinations, such as further study or employment.

The positive destinations work has seen a steady rise over the years and led to the new approach of combining provisions available to young people unsure of what their next steps are. This led to an across GoJ working group being pulled together by the Head of Skills initially to remove duplication of services but led to investment from 2024 meaning all provisions can be brought together to understand barriers to success and improve the transition offering for young people moving from education to employment.

A total of 1,036 Year 10 students completed their Trident work experience (2-week placement) to help develop soft employability skills, gain an insight into the world of work and make more informed decisions when considering their post 16 options. These opportunities were offered by 316 local businesses across many industries, allowing them to connect with young people and promote their business and industry to the future workforce.

799 year 11 students, and 377 adults received 1:1 careers guidance appointments.

## Jersey Youth Service

The latest data shows that young people have returned to their youth projects since Covid, which is reassuring. In 2023 the service had contact with 35% of the 10 to 16yrs Jersey population.

The service successfully completed a number of developments in 2023. In September, the Youth Service launched in partnership with Skills Jersey, Highlands College and the National Youth Agency its first apprenticeship programme level 3 in Youth Work. The Youth Service had 11 staff that required this qualification so that the Service could develop and grow a sustainable local workforce. Alongside this programme the Youth Service also has a partnership with Wrexham University that offers a blended learning route for 4 staff who are working towards their level 6 (Degree) in Youth Work. Further discussions are underway to explore qualifying routes for youth work in Jersey.

The Jersey Youth Service Targeted Youth Support (TYS) Offer, which is an early intervention and preventative project, that has been in place since early 2022 continues to offer one-to-one work with young people on a 16-week programme. TYS has seen an average referral rate of 100 young people per year and has seen many successes. Referrals come from a range of services including Schools, Children's Social Care, CAMHS, and self referrals. The interventions with young people have been focused on topics such as Exploitation, Health and well-being, Drug and Alcohol and Identity.

Jersey Youth Parliament continues to play an important process of providing young people with a voice. The current cohort have had another three live campaigns and their reports published and presented to the relevant Ministers. Their three campaigns with their reports are linked below. In addition, one of the groups produced a 'Parents guide to LGBTQ+'.

- [Diversity and Inclusion](#)
- [Housing](#)
- [Right to Play](#)

The recruitment of the next cohort of young people for the Youth Parliament starts in April/May 2024

The JYS LGBTQ Youth Project were involved with the Jersey Pride Event in 2023 by creating a Youth Zone for young people. This event is a major event for the service as it is important that youth workers and the service celebrates diversity and publicly supports our island LGBTQ young people.

The Jersey Youth Service (JYS) launched its new curriculum that went out to pilot in September 2023. The Curriculum was developed in partnership between Youth Service staff and the National Youth Agency. The curriculum is now fully live and there has been a curriculum launch conference for over 100 staff and 20 young workers in March 2024.

# Customer and Local Services (CLS)

Ian Burns  
Chief Officer

## CLS's mission is 'making it easy for customers'

Our key objectives for 2023, aligned to the Social Security Minister's priorities, are listed below.

### Targeted support and policies

#### **Develop targeted support and policies to help Islanders with the rising cost of living**

We launched a revised Community Costs Bonus scheme in July, three months early, to help support Islanders with cost-of-living pressures.

We also implemented a new GP contract to reduce appointment costs by £20. This lowered the cost of GP visits for all adult Islanders. In addition, we agreed a new contract to provide free GP appointments for all children.

We continued our work with community organisations to improve the coordination and communication of their services. The cluster groups continued to meet and have several focus areas such as enabling bank accounts for children in care, and homelessness.

The Zero Hour employment contract review was completed, and actions taken. An investigation into a statutory living wage was completed and a report published. Minimum wage rates for 2024 were implemented, and new employment rights for bereaved parents were approved.

Our pilot scheme to provide community access to period products was extended to increase take-up and enable increased distribution options to be fully assessed. The permanent scheme will be implemented by mid-2024.

## Supporting adults with long term care needs

### **Review the benefits and support available to adults with long term care needs and their carers**

We completed an evaluation of the operation of the Long-Term Care Scheme and carers' benefits in 2023. The review of the home care market is now well underway and will be completed with agreed actions being implemented in 2024. A new scheme to support people receiving care in their own home, their carers and younger adults has also been designed for implementation in 2024.

All communications and guidance materials were reviewed as planned and new updated ones delivered.

## Enabling Islanders to stay in work

### **Review our incapacity and health benefits to enable Islanders to stay in work and access the primary healthcare they need**

We launched our new 'Workwell' pilot service which aims to lessen the impact of health conditions on employees and self-employed people and employers.

Ongoing work continued to support the delivery of the primary care health services. The 2022 General Practice package and 2023 Pharmacy Investment packages are now rolled out. The Health Access Scheme review was completed as planned with recommendations queued for implementation in early 2024. Work also continued with the Minister for Health and Social Services focusing on women's health issues. A women's health strategy working group is now in place and will define and drive future deliverables.

## Ensuring benefits are well-targeted, modern and effective

### **Conduct a review of our benefits landscape to ensure that benefits are well-targeted, modern and effective**

We undertook a high-level review across all benefit areas and implemented extended eligibility to the Pension Plus Scheme.

## Disability Strategy and Social Inclusion and Diversity policies

### **Promote the Disability Strategy and Social Inclusion and Diversity policies**

We continued our ongoing work with advisory and stakeholder groups during 2023. A support worker for the Deaf and Hard of Hearing Community has been appointed and will continue to work with the community to address challenges to accessing services. A community transport officer has been appointed and a 'soft launch' of the community transport scheme is planned through a partnership with Bosdet and Evie. Our Disability and Inclusion Team are now working in partnership with Skills Jersey and other Government departments and partners focusing initially on educational transition. The aim is to expand into other areas such as health in 2024.

An accessible communication standard was also produced, and good progress made in addressing many of our most significant web content issues. The gov.je website



accessibility, usability, and compliance with web standards now compares favourably against other European Governments websites.

## Communication of Social Security contributions and benefits

### Review and enhance the ways Social Security contributions and benefits issues are communicated with the public

We implemented a new communications framework in 2023, including training and a guide for all CLS people. A new quality assurance process has also been launched, and an accessibility needs focus to increase usability of services and information. Standard letters and guidance notes have been updated for Social Security Contributions, Income Support, Pensions and Care and Health Benefits.

The specification, requirements-gathering and initial supplier tendering activities have been completed on target for the eventual replacement of the main Social Security benefits management IT system.

## Service Performance

CLS concluded 2023 with a strong set of achievements against its key service measures.

The table below summarises the highest value benefits we provided during the year.

Benefit	2023 value £ million	Quantity	Measure	Time Period
Old Age Pensions	240.8	32,930	Claims	Number active at year end
Income Support	73.8	5,235		
Long-term Care	76.0	1,463		
Long-term Incapacity Allowance & Invalidity Benefit	31.0	4,990		
Pharmaceutical Benefit (cost of drugs and dispensing)	26.5	2.3 million	Items prescribed	In full year
Short Term Incapacity Allowance	16.7	485,000	Days paid	
Medical Benefits (payments to GPs, including medical benefit for GP consultations, pathology benefit, JQIF, Health Access Scheme, and various contracts with GP practices)	12.9	480,000	Consultations	

The customer satisfaction feedback rated 'very satisfied' or 'satisfied' increased to 85.1% against a target of 80%. A continued focus on initiatives to improve the customer experience remains in place.

During 2023, customer effort scores were consistently on or above our target with a year-end result of 86.2% against a target of 80%. Our continuous improvement focus on our processes as well as enabling more customers to self-serve online at their convenience has supported this position.



Our call answering target fell marginally short of its 95% target, with a year-end result of 93.8%. Call volumes and handling are continuously monitored and there is an ongoing focus on resource prioritisation to make sure customer calls are answered within target set for 2024.

The demographics of jobseekers and the job market have continued to change significantly, resulting in lower than anticipated numbers of jobseekers, leading to fewer numbers to move back into employment. We achieved 457 job starts throughout the year.

Additionally, 76.7% of full-time permanent contract job starts sustained at least six whole months' employment, against our target of 70%. Our Back to Work team's focus on supporting jobseekers into the right role and making sure that in-work support continues to prove its significant value in this area.

In our Work and Family and Pension and Care Hubs, we processed 92.2% of new claims promptly within our target of five days against our target of 95%, whilst also supporting and implementing additional cost of living support for Islanders.

Our Business Hub consistently exceeded its target for processing business licence applications within published turnaround times. Their overall achievement was 92.3% for January to December, recognising the importance of ensuring that businesses are provided with timely decisions on starting up and/or employing additional staff.

The CLS Local Services team responded and supported Islanders following a series of major incidents which included bereaved families and displaced Islanders. In addition, the team led the planning of the one-year anniversary following two major incidents in December 2022.

Finally, we successfully completed 57% of Comptroller and Auditor General (C&AG), Public Accounts Committee (PAC) and scrutiny recommendations for CLS that were open at the start of the year by its end, versus a target of 50%.

# Economy (ECON)

Richard Corrigan  
Chief Officer

## Delivery of key objectives

The key objectives for 2023 were those set out as priorities of the ministerial leads: the Chief Minister, in relation to financial services, and the Minister for Economic Development, Tourism, Sport and Culture (whose title was changed to Minister for Sustainable Economic Development in October 2023)

### Jersey's financial services industry

**Work continued to support the success of Jersey's financial services industry by facilitating its digital transformation, its continued compliance with global standards, and its transition into being a leading centre for sustainable finance.**

A significant amount of progress was made in 2023 to address challenges in access to financial services by Jersey residents. In particular, to ensure that Islanders could continue to access banking services, a [consultation](#) was published and as a result, the [Register of Names and Addresses \(Jersey\) Law](#) was amended to enable credit reference agencies to access certain information contained within that register. In addition to supporting local residents, this change will be beneficial in meeting anti-money laundering (AML) obligations.

2023 saw the launch of the Sustainable Finance Ambassador Group, bringing together industry leaders to support Jersey's progress in this space. 2024 will see the publication of a consultation on sustainable finance and engagement with this group of stakeholders will be key to ensuring Jersey meets its ambitions in respect of sustainable finance.

Additionally, work continued through [consultation](#) and engagement with both the financial services sector and the wider economy to enable development of an appropriate regime for consumer credit regulation. Primary law changes are anticipated in the first half of 2024, taking into account feedback received from these groups.

The [Money Laundering Order](#) was also amended to provide clarity to the financial services sector around the use of digital identification systems for customer due diligence purposes.

Enhancements were made to the [Limited Liability Companies \(Jersey\) Law](#) to enable election of its status as either a body corporate or an entity with separate legal personality. These changes continue to support the work in the US markets.

In late 2023, work commenced to update the Companies Law, to ensure the Jersey company remained the vehicle of choice for incorporations. We continue to see increased numbers of company incorporations year on year and ensuring the legislation remains up to date will support that trend.

## Combatting financial crime

**Maintain and develop a strong regime for combatting financial crime in Jersey in line with international standards, best practice and the Island's long-term prosperity**

Jersey continued to implement a planned and structured regime for combatting financial crime in line with the [National Strategy for Combatting Money Laundering, the Financing of Terrorism and the Financing of Proliferation of Weapons of Mass Destruction 2022-2026](#).

There were significant planning and preparatory exercises undertaken for the September on-site visit by a MONEYVAL assessment team (assessing Jersey against international financial crime standards) including the preparation of significant amounts of material for delivery to the team before their arrival. This was co-ordinated by the MONEYVAL Preparation Group across all the island authorities. There was also a significant amount of briefing to both the public and private sector and logistical arrangements made for the on-site visit. The government continued with its significant "Combatting Financial Crime Together" campaign of events hosting five large events for public and private sector attendees reaching over 1,000 attendees over the course of the year. These events presented updates on financial crime risks and recent changes to the financial crime regime.

A number of further risk assessments on financial crime were published during 2023, notably risk assessments on [legal persons and arrangements](#) and risk assessment updates concerning [money laundering](#) and terrorist financing. This is part of an ongoing programme of financial crime risk work, which included [a programme of work on high risk jurisdictions to which Jersey is linked](#), which was conducted with Jersey Finance and Themis.

There was significant legislative change brought into force over the course of 2023, with several previous exemptions from the financial crime framework being removed and also Virtual Asset Service Providers (VASPs) coming fully into the scope of regulation in line with international standards. Jersey also introduced new criminal regimes for failure to prevent the facilitation of economic crime and also Deferred Prosecution Agreements.

Jersey remained represented in the main international forums concerning international standards and evaluation, being continuously represented in Financial Action Task Force work and at MONEYVAL.

## Economic framework

**Develop an economic framework which will champion a sustainable and inclusive approach and drive an economy that is consistently high-performing, environmentally sustainable, entrepreneurial and technologically advanced.**

In the first half of the year, the Future Economy Programme (FEP), raising the flag for long-term sustainable economic development. A core function of the FEP is to raise economic awareness across Government and the Island. We hosted over 30 workshops on the FEP across Government, the States Assembly, Arm's Length Bodies (ALBs), businesses, and students to discuss the economic challenges we face and generating ideas to sustainably grow our economy. The FEP also provided economic analysis to support decision making on key Government policies such as the [Offshore Windfarm](#).

In June, the Minister gave a [Chamber of Commerce speech](#) to the business community and students.

On 17 October we published two reports that outlined our pathway to growth in the long and short-term:

1. [Strategy for Sustainable Economic Development](#): Our call to action, evidence base, and vision for our future in 2040; and
2. [Delivery Framework for Sustainable Economic Development](#): Our live plan of how we will begin to deliver towards this vision by 2026.

In the final quarter of 2023, the Ministerial title was formally changed to the Minister for Sustainable Economic Development and we launched the [Barriers to Business](#) report at an ALBO, industry and future leaders' event on 4 December.

The first awards were made from the £20million Impact Jersey fund, with five local businesses receiving a total of £368,672 to enable them to develop targeted digital solutions to Jersey's most significant challenges. The investments are in projects which include testing the use of sensors to collect real time data in Andium Homes to help improve residents' health and safety, and carbon footprint; incorporating a drone team into air rescue; and developing a risk and insurance management platform for Jersey's fiduciary services sector.

## Simple and efficient interactions

**Ensure that Government interactions are simple and efficient for new and existing businesses, entrepreneurs and social enterprises**

Research into the [Barriers to Business](#) was published 4 December, and the recommendations were reviewed to determine how best to address them. Next steps will be for a published government response to the recommendations, due in Q2 2024.

Work to update the Tourism (Jersey) Law 1948 began, with a scoping review completed. The review of the Licensing (Jersey) Law 1974 was not completed as hoped, and will need to follow the development of the more detailed visitor economy policy for the island.

## International opportunities

### **Identify new international opportunities for Jersey businesses and work to deepen our Island's economic ties to our closest neighbours**

Regular meetings were held with Guernsey and French counterparts to explore opportunities for greater cooperation, and five cultural events, partnerships and residencies were held, primarily focussing on activity in Rennes.

The [Export Strategy](#) was published, setting the vision and actions for enabling export markets. The strategy for inward investment was delayed due to additional focus required on the inward investment policy and the assessment of applications.

## Robust transport and digital connectivity

### **Working with our key partners, we will ensure our Island maintains robust transport and digital connectivity, improving resilience and expanding choice for consumers**

The Ports Policy Group was re-established to provide clear direction to Ports of Jersey as a vital States-owned body, and the [Ports Policy Framework](#) was published, setting out how the ports sector would be supported. The framework included the Government's priorities for aviation connectivity and route development; the maintenance of an 'open skies' access policy; the Island's environmental commitments; and Government's policies for emissions reductions and new technologies in the aviation sector.

The Island's digital security was improved through the work of Jersey Cyber Security Centre, including initiatives such as Cyber Security Awareness Month which resulted in feedback that 96% of respondents were going to do something different in their organisations as a result.

Jersey's readiness to work with other jurisdictions in cyber security was demonstrated by the Jersey Cyber Security Centre's success in obtaining accredited status with the European Computer Security Incident Response Team (CSIRT) network, Task Force (TF)-CSIRT.

## Marine and agriculture

### **The importance of our marine and agriculture sectors was recognised through the support given to them to improve productivity, environmental performance and Jersey's food security**

In 2023, revisions to the Rural Support Scheme broadened the eligibility criteria, enabling a 40% increase in the number of applicants, including eight new start-up businesses. The most high profile support was given to enable Woodlands Farm to recover from the loss of its herd – a total of 6% of the Island's milking herd – in December of the previous year.

The Rural Initiative Scheme also supported 76 projects in 2023 compared to 11 in 2021, and 30 in 2022.

The Marine Support Scheme was introduced in 2023 for the first time, using a 'credit' based system similar to the one used by the Rural Support Scheme to incentivise professional qualifications and sustainable fishing effort, and delivered assistance to 33 fishing businesses.

The department contributed to the development of the Marine Spatial Plan, which was published in October, detailing the physical characteristics and current uses of Jersey's marine environment, along with priorities for its future management.

The medicinal cannabis industry was further developed through the completion of a reputational risk assessment detailing the mitigating actions that could be introduced to continue to enable the sector to become a highly regulated, robust and innovative, export-focused industry. The membership of the Jersey Cannabis Agency (JCA) was considered by the Misuse Of Drugs Advisory Council and subsequent advice provided on expanding the JCA to include broader representation as per the previous Economic and International Affairs Scrutiny Panel recommendations.

## The power of sport

**Recognising the part sport can play in improving lives and strengthening communities, we will deliver a coordinated and enhanced sport offering for Islanders. We will embrace the power of sport to enrich our local economy and promote Jersey internationally**

An independent review of the sports sector made several recommendations for improving the effectiveness of Jersey Sport and Government in supporting the sector.

A strategy aimed at enabling athletes to thrive and perform nationally and internationally was published. Research into the social and economic value of sport took place in early 2023, due to further work being carried out making the research relevant to Jersey meant it was published in November.

Government provided financial support to Jersey Reds, amounting to £370,000, to cover essential costs and give the professional rugby club's directors the opportunity to find new investment and draw up a sustainable financial plan. Unfortunately, the efforts were unsuccessful, and Jersey Reds went into administration. However, work continued to provide support to the amateur club so that grassroots rugby could continue to flourish.

## Arts, Culture and Heritage strategies

**The commitment to devote 1% of all Government expenditure to the arts, to support delivery of the Arts, Culture and Heritage strategies continued**

The new [Creative Island Partnership](#) held several events including Jersey's first Lunar New Year Festival, which was more successful than anticipated, resulting in criticism for the volume of visitors it attracted.

In February, the Dreaming Trees exhibition at Howard Davis Park drew 30,000 visitors, and other events included the Corn Riots Festival, Ukraine Day Celebrations, a visit by the Antigua and Barbuda Youth Symphony Orchestra, and the Floating Earth installation by ArtHouse Jersey.

The refurbishment of Jersey Opera House progressed, with a contractor appointed and an additional funding of a £1 million bringing the total to £12.75 million approved following the discovery of additional work to restore the building.

Elizabeth Castle's Officers' Quarters and Hospital Block were refurbished as part of the ongoing work.

Jersey Heritage launched year-round opening for their heritage sites with the intention of enabling Islanders and visitors to have better access to, and enjoyment of, the sites.

A bespoke Heritage and Antiquities Law, and amendments to the Public Records Law Proposed amendments, could not be completed as hoped in 2023, but work on the laws was progressed, as well as a code of practice.

## Opportunities for growth

**Create new opportunities for growth in the daytime, evening, visitor and events-led economies through clearly articulated sector strategies which will encourage investment and influence placemaking to create an attractive and dynamic retail and tourism sector**

A campaign to create a vibrant central market was launched, with a traders' representative group established, evening opening trials, fresh branding, and a new website set up.

The Visitor Economy Strategy Steering Group, which had been established at the end of 2022 with representatives from Visit Jersey, Ports of Jersey, Jersey Hospitality Association, Jersey Business, Jersey Chamber of Commerce and Luxury Jersey Hotels, completed first strategy for the sector in more than 20 years. The Visitor Economy Strategy was published in December, setting out a vision and four overall goals for the future of the industry alongside 48 policy priorities to be addressed.

The Jersey Retail 2023 report was published, highlighting the key issues that shoppers felt they faced. We have begun to engage with stakeholders and scope a retail Strategy which will continue in 2024.

## Skills-led economy

**Realise the full economic potential of Jersey's workforce by fostering an economy that is skills-led, with a digitally empowered workforce supported through the Productivity Support Scheme to modernise, innovate and to become more technologically enabled to improve productivity**

In order to better utilise and protect Jersey's existing workforce, unmarried partners without entitled status were given the same rights as married and civil partners to enable them to join the workforce more easily, and temporary staff were given more information about their rights to ensure they could work in Jersey with greater protection from exploitation. In addition, work permits were extended for hospitality and horticulture employees to enable businesses in the sectors to retain temporary employees for longer.

Last quarter of 2023 saw the Productivity Support Scheme supporting four businesses, to implement a project which is aimed at improving innovation, efficiency and productivity, and creating healthier and more sustainable business.



## Service Performance

### Number of island residents visiting heritage sites annually

Actual cumulative numbers exceeded the 2023 ambition by nearly 3% to 56,494. This can be attributed to factors including Jersey Heritage Trust Membership remaining high at over 17,000, and significant Government capital investment enhancing the visitor experience at La Hougue Bie with a newly furnished and easily accessible interpretation centre.

The number detailed in the baseline for resident visits for 2023 was downgraded from 70,000 to 55,000. This was due to an IT glitch in 2022 that double counted visits at some of Jersey Heritage sites.

### Number of non-resident island visitors to heritage sites annually

Actual cumulative numbers exceeded the 2023 ambition by nearly 9% to 130,549. While a welcome increase, the island was only 80% recovery of 2019 visitors in 2023 and much of that was in the first half of the year with the second half dropping as the UK cost of living issues took a grip.

The number detailed in the baseline for resident visits for 2023 was downgraded from 150,000 to 120,000. This was due to an IT glitch in 2022 that double counted visits at some of Jersey Heritage sites.

### High Value Resident (HVR) approvals

In 2023 the Council of Ministers agreed significant changes to the 2(1)(e) residency scheme. The minimum wealth test was increased as was the minimum world-wide income requirement and the minimum house purchase price. The changes came in effect from 1 July so there was the inevitable increase in applications before the changes were made. Overall, the year ended with 29 approvals for residency – which is the second best year on record – and 16 families took up residency. In order to maximise the social and financial contribution made to Jersey's economy by its HVR community, four events were held as part of the Locate Jersey aftercare event programme to welcome the new arrivals to Jersey and enable established HVRs to engage with Island philanthropic and entrepreneurial initiatives.

### Rating provision of cultural activities

**Percentage of all population rating provision of cultural activities as 'good' or 'very good' – Jersey Opinion and Lifestyle Survey (JOLS) survey**

The baseline figure and target for the measure was originally erroneously set to 83%. This year's figure (55%) is below the target of 60%: factors contributing to this include (i) the continued closure of the Opera House (Jersey's flagship venue) whilst the restoration is ongoing - due to be completed by end of 2024, and (ii) data from JOLS indicates those more able to get by financially, rate the provision significantly higher - in these times of financial



hardship efforts need to be made to ensure that provision is reaching all economic groups equally.

As arts and culture questions are not covered on a yearly basis within the survey, the department will stop tracking the measure after 2023 and will instead look to create a new measure where data can be collected on a biannual basis - we will look for the number of tickets to arts and culture events sold by our grant funded partners.

## National Financial Crime Strategy and Action Plan

### Status of completed actions on the National Financial Crime Strategy and Action Plan 2022-2026

A number of authorities including the Government, the Law Officers' Department, the Jersey Financial Services Commission, the Financial Intelligence Unit and the States of Jersey Police continue to progress with the delivery of the National Financial Crime Strategy and Action Plan (31 Actions), which in 2023 saw 14 actions completed, 17 "on-track". A full update on the Action Plan was [published in September 2023](#). The progress of the delivery of the National Financial Crime Strategy and Action Plan continues to be monitored by the Financial Crime Political Steering Group.

## Direct Business Support: Jersey Business Net Promoter Score

Jersey Business provides free, confidential advice and support to the business community in Jersey, across all industries at any stage of their business lifecycle. An excellent Net Promoter Score ([NPS](#)) score of 56 for 2023 reflects the clients feedback on the hands-on business services Jersey Business deliver via their business information service, 1:1 advisory support, industry support, website and events.

# External Relations (ER)

Kate Nutt  
Chief Officer

## Delivery of key objectives

### Conduct of ER

**Conducting external relations, concurrently with the Chief Minister, in accordance with the Common Policy for External Relations, which is approved by the Council of Ministers.**

ER activity across the UK, EU and with our global stakeholders was extensive in 2023. The programme of work has been supported by several Ministers and departments across GoJ, demonstrating effective cooperation and collaboration in delivering the objectives of the Common Policy for External Relations.

ER London team have proactively engaged with UK Government contacts and cross-Party Parliamentarians to help ensure the interests and constitutional position of the Island are understood and respected.

In coordination with our Brussels (CIBO) and French (BIAN) offices, the European Relations (EuR) team has delivered an extensive set of engagements with our European partners through London based embassies, inward visits to Jersey, and outward visits with a specific focus on France.

Engagement with France has included Ministerial attendance at Bastille Day celebrations hosted by Her Excellency, H el ene Duch ene, French Ambassador to London. It presented an excellent opportunity to engage with French contacts and a wide range of European Ambassadors. Engagement also took place with the President of Normandy regional council, Herve Morin, who hosted an event showcasing regional France, including major projects planned for 2024.

Furthermore, the Global Relations team have pursued relationships across a broad range of

policy areas - including through new international agreements - with partners beyond the UK and EU.

International Compliance have played an important role in preparing for, and delivering, key areas in support of Jersey's MoneyVal Assessment, as well as ensuring the operation of an effective and timely sanctions regime.

## Relationships with Jersey's external partners

**Continuing to build positive, long-term relationships with Jersey's external partners to promote and protect the Island's interests through our international engagement, specifically United Kingdom political relationships.**

Engagement with UK Members of Parliament (MPs) and Peers took place during the course of 2023 across party lines regarding a number of policy areas.

A primary issue addressed through UK based Parliamentary engagement was Jersey's register of beneficial ownership of companies. This engagement was undertaken alongside Guernsey and the Isle of Man in response to a possible risk that the UK Parliament could seek to legislate on behalf of the Crown Dependencies, in a constitutionally inappropriate way, regarding publicly-accessible registers of beneficial ownership.

A key deliverable in 2023 was the 39<sup>th</sup> Summit of the British Irish Council, hosted by Jersey in June, on the theme 'Building for the Future: Green and Affordable', which brought together heads of government from across the UK and Ireland.

In coordination with CIBO, BIAN, and UK Affairs Team, the EuR team has delivered an extensive set of engagements with European partners through London based embassies, inward visits to Jersey, support to Honorary Consuls, and outward visits.

Inward visits have included Ambassadors from Estonia, Belgium, Spain, and Germany, the Honorary Consul for San Marino, the Portuguese Secretary of State for Communities, and the UK's Shadow Lord Chancellor. Engagement in London has included representation at Embassy functions and bilateral meetings with the Swiss, Romanian, Irish, German, and Italian embassies.

Outbound visits have included engagement days in the UK (including attendance at all major UK political party conferences); Dublin; Brussels; Madrid; Paris (to utilise the Paris hot-desk arrangement) and Guernsey (to attend the annual political summits with Ille-et-Vilaine and Normandy). Themes included but are not limited to communities in Jersey, economic growth, bilateral areas of mutual interest, climate, and culture.

Key deliverables include a Jersey-hosted panel discussion with the German Ambassador as keynote speaker, and a diplomatic reception hosted on Jersey's behalf by the German Embassy with EU Ambassadors across a broad range of policy priorities such as energy security.

## Engagement with Marine Resources

**Continuing to engage with Marine Resources, the domestic fisheries community, and international parties in respect of fisheries management, particularly in relation to the next stage of discussions in respect of the nature and extent of fishing rights.**

There was a coordinated effort in 2023 across Government teams to deliver against the 1 February deadline for implementing the Extent & Nature (E&N) measures. This was supported by a sustained pattern of engagement across key stakeholder groups (coordinated with CIBO, BIAN, UK Affairs Team, and Marine Resources) including fortnightly meetings with Defra; regular meetings with the British Embassy Paris; technical meetings with the EU, UK, and France; and informal meetings with regional fishing committees in Brittany and Normandy.

BIAN in particular has been very active in facilitating ongoing day-to-day communications with Normandy and Brittany. The latest technical discussions with the EU, France, UK, and Jersey took place in Brussels in September 2023; any outstanding technical issues continue to be addressed through constructive working level engagement.

## The Russian invasion of Ukraine

**Ensuring Jersey continues to take a proactive and visible leadership role in supporting the global community in its response to the Russian invasion of Ukraine**

The Financial Sanctions Implementation Unit (FSIU) has ensured that sanctions, including those against Russia, continue to be effectively implemented.

The Financial Sanctions Oversight Board (FSOB) was established by the FSIU in December 2022 and met 4 times in 2023. The FSOB is made up of senior officers from across government and key financial crime agencies. It provides oversight and scrutiny of the FSIU's operational performance and capability, risk management and strategic direction.

The FSIU conducted a series of outreach sessions with the private sector to raise awareness and understanding of sanctions. Furthermore, extensive guidance has been published online, which included 126 financial sanctions notices informing the public about changes to asset-freeze designations list.

In addition, the FSIU has taken an active leadership role in the work done to ensure a good outcome for Jersey in its evaluation by MONEYVAL against the international standards relevant to targeted financial sanctions set by the Financial Action Task Force. This work supports the effective implementation of sanctions against Russia.

## International agreements

**Negotiating new international agreements, such as Bilateral Investment Treaties ('BIT') (e.g. entry into force of the UAE BIT, and negotiation and conclusion of a BIT with Ghana, by Q2 2023) and Double Taxation Agreements ('DTA') (e.g. sign Ghana DTA in Q1 2023).**

ER has continued to progress expansion of the Island's network of international agreements with a range of partners including Kuwait (DTA), Ghana (DTA), and Oman (DTA). Updates to

existing DTAs e.g. Mauritius and Ireland, to bring them in line with the Organisation for Economic Co-operation and Development (OECD) rules on Base Erosion and Profit-Shifting, has also been taken forward. Moreover, Jersey ratified its first bilaterally concluded investment treaty with the UAE, which entered into force in March 2023, and ongoing discussions are taking place with Ghana and Rwanda to conclude BITs with them.

In addition, the department has helped to facilitate a range of VIP and consular inbound visits to Jersey by relevant partner jurisdictions in 2023. Specifically, these have included visits to Jersey by the China National Tourism Office UK and Europe representative, Antigua and Barbuda Minister for Education, Sport and Creative Industries, High Commissioner and Governor General as well as the Indonesia Minister for Law and Human Rights.

## Service Performance

### Interactions with key decision-makers

**Number of meaningful interactions with key decision-makers, such as Ministers, Parliamentarians, and senior government officers.**

*2023 target – 600, 2023 total – 657*

The UK Affairs team supported a range of Ministerial engagements with UK Parliamentarians, principally in London, including bilateral meetings, a Parliamentary breakfast briefing, and by working with the All-Party Parliamentary Group on the Channel Islands. Significant further engagement was undertaken by Ministers at the Conservative and Labour Party Conferences in Manchester and Liverpool, and by officers at the Liberal Democrat and Scottish National Party Conferences in Bournemouth and Aberdeen.

The British Irish Council, including the Summit hosted by Jersey in June 2023, was a key forum for engagement with Ministers and senior government officers of the devolved administrations and Ireland.

UK Affairs team undertook a broad range of official-level engagement across UK departments, which included providing briefings on Jersey and its constitutional relationship with the UK.

### International and local media coverage

**Pieces of neutral and positive international and local media coverage relating to the work of the Department and Minister.**

*2023 target – 200, 2023 total – 255*

Despite strong numbers of media coverage in Q1 and Q2, the Ministry of External Relations saw a decrease in the number of neutral and positive international and local media coverage relating to the work of the Department and Minister across Q3 and Q4. Reasons for this included less inbound and outbound Ministerial travel during the summer period; during Q3, External Relations prioritised resource to respond to operational requirements in the trade and sanction (MONEYVAL) functions to ensure delivery. These two areas are less outward

facing and tend to have less media attention.

## International agreements

**Number of international agreements (including Memoranda of Understanding ('MOUs'), BITS, DTAs and participation in FTAs) which have reached completion of Jersey's domestic procedure for approval.**

*2023 target – 3, 2023 total – 7*

This has been a particularly challenging and resource intensive area of work within the department during 2023, with additional resourcing being allocated from elsewhere within the department to ensure delivery. In addition to both officer led and Ministerial meetings between the Crown Dependencies and HMG, ER has worked with Government policy officials to secure Ministerial agreement regarding modernising Jersey's Intellectual Property framework to help meet the requirements of future Free Trade Agreements. Furthermore, the work conducted by the team has secured Goods participation in the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) FTA in 2023.

## International sanctions notifications

**Percentage of international sanctions notifications published within one business day**

*2023 total 98%*

The Financial Sanctions Intelligence Unit ensured that all public guidance on sanctions was regularly updated, expanded, and added to. A new Sanctions Homepage was created in 2023 so users could navigate to specific guidance where required, including a new Combatting Proliferation Financing webpage. Additionally, FSIU continues to publish guidance notices on the Jersey Gazette when there are important legislative changes in Jersey. There have been 12 such notices issued in 2023.

126 financial sanctions notices have been published on the Jersey Gazette in 2023; 98% published same day as changes to asset-freeze lists.

# Health and Community Services (HCS)

Chris Bown  
Chief Officer

## Introduction

Health and Community Services has approximately 2,500 staff, who deliver combined acute, mental health and social care services through a range of clinical and professional Care Groups. In conjunction with our partners, we provide an array of hospital service, social care, and support in the community, such as:

- providing hospital care including emergency care, intensive care, and maternity services and in the UK when needed,
- providing social care services, and services in the community,
- monitoring and improvement of the quality of all services,
- the education and development of medical professionals,
- the provision of a coordinated approach to mental health care,
- offering free, private, and confidential counselling services, and
- influencing and creating conditions that allow people to improve their health.

2023 saw the establishment of the HCS Advisory Board (the Board) and the introduction of the Change Team. These two groups will enable the turnaround of the Department and are critical to the continued delivery of its objectives.

## Delivery of Key Objectives

### Hospital Electronic Patient Record (EPR) Programme Delivery of Hospital Electronic Patient Record (EPR) Programme 2023

In May 2023, the hospital started the transition from its historic TrakCare EPR system to the replacement solution, IMS MAXIMS. With the previous system, HCS operated with both a paper and an EPR, which resulted in data fragmentation, hindering comprehensive access to a patient's medical history, which amongst others, caused appointment cancellations.

The key benefits and improvements of the new EPR are:

- accessibility and efficiency - reducing the dependency of paper notes and documentation, which provides clinicians with improved accessibility to patient information to enhance care to patients,
- improved coordination of care through better communication among healthcare workers inside and outside HCS, which will lead to a more seamless and patient-centered healthcare experience,
- enhanced Patient Care and Safety through reducing the likelihood of errors by automating issues like drug interactions which will mean patients benefit from timely, proactive interventions and improved treatment outcomes, and
- data analytics - uncovering trends, track outbreaks, and ensuring cost efficiency and regulatory compliance. This could help improve treatment planning, ensure faster responses to healthcare challenges, and ultimately improve patient safety and health outcomes.

There are however some challenges, which are being addressed through an ongoing programme of continuous optimisation, spearheaded by the EPR team who work in collaboration with HCS colleagues. Releases 3, 4 and 5 of IMS MAXIMS are scheduled for deployment over the course of 2024 and into early 2025.

## Governance

To deliver on a Ministerial Priority, a new HCS Advisory Board (the Board) was established by the Minister, with agreement of the States Assembly, in June 2023. The purpose of the Board is to collaborate with relevant partners to solve problems and ensure the provision of safe, effective, accessible, compassionate, and well governed patient-centered care. During the year, the Board has overseen and scrutinised the department on matters such as Maternity Improvement, Medical Staff Job Planning and Quality and Safety. Following three meetings in 2023, the Board is scheduled to meet ten times in 2024.

## Financial Recovery Programme (FRP)

At the start of 2023, it was identified that HCS had an underlying deficit of £35 million. Urgent action was required to reduce the deficit and return the department to a financially sustainable position, which led to the development of a quality led FRP. Following the development of the FRP, a Programme Management Delivery Team (PMDT) was established in HCS, which has worked with the departments on the delivery of the savings.

The PDMT has successfully delivered £3.2 million of savings versus a £3 million target. However, the department had an overall end of year overspend of £32.5 million; Treasury Minister approval has been sought to non-recurrently cover this overspend. To tackle the overspend, further grip and control measures have been introduced to enforce budgetary controls and accountability. Additional income maximisation opportunities are also being developed to further support the existing FRP plans.



The FRP provides the roadmap to the delivery of a financially sustainable position for the department over 2024-2025. This includes delivery of £12 million and £10 million of savings in 2024 and 2025 respectively. Significant work was also undertaken on the review of private patient services, which led to the drafting of a Private Patient Strategy and Implementation Plan, which will be delivered in 2024.

## Waiting Times

Throughout the year positive steps have been made to reduce waiting lists, through initiatives such as:

- the introduction of the new Electronic Patient Record (EPR), which supports the tracking of patients through their pathways,
- the development of management dashboards, which focusses the management and clinical teams on services that require additional support,
- the commencement of the Waiting List Initiatives, which support increased activity for short periods of time, and
- the development of the Patient Level Information and Costing System (PLICS) and further embedding the use of demand and capacity modelling (IMAS), which helps us to understand what our referral profiles are and whether HCS has enough capacity to meet the referral demand for individual services.

Some waiting lists that have improved over the year, are:

- the percentage of patients waiting over 90 days for the 1<sup>st</sup> outpatient appointment in the community, specifically within therapies and community dental due to the focussed effort of the teams and the waiting list initiative schemes,
- the MRI recovery plan delivered, by reducing the number of patients on the waiting list, reducing the waiting time from 54 to seven weeks over the course of the year, and
- elective inpatients, this is due to the Theatre Utilisation Improvement Programme which has focused on optimising the number of cases on a theatre list, reducing theatre turn-around times, and reducing cancellations.

Whilst some waiting lists have improved, challenges continue across the department in reducing waiting lists to the target standard. Examples of waiting lists that have deteriorated in 2023 are:

- the Memory Service and ADHD's average time to assessment (days), because of a lack of diagnostic capacity to meet the increased demand, and
- the percentage of patients waiting over 90 days for their first acute outpatient appointment, due to the focus on seeing our longest waiting patients first as well as seeing and treating those who have been referred in as 'urgent' and 'soon' due to GP concerns.

## Patient Experience

Following the launch of the HCS Patients and Users' Public Engagement Panel recruitment campaign in March, some 35 Islanders applied for membership. The campaign closed in late April, with the first meeting being held at the Halliwell Theatre, Peter Crill House, in June.

Throughout the autumn meetings, several invited guest speakers or policy officers attended to either seek feedback on ideas currently being formed, or to request the future involvement of the panel in upcoming projects on their own experiences of HCS, as well as those of loved ones or friends. This list was presented to Health and Social Services Minister Deputy Karen Wilson, HCS Chief Officer Chris Bown and Chief Nurse Jessie Marshall at December's meeting. The intention is that the list will be a rolling document, with new ideas and issues added as and when they arise, as well as completed or resolved matters being removed and recorded.

## Staff Experience

To measure the Government's staff engagement, a 'Be Heard' survey was completed in June, which measured eight engagement factors. The biggest increase was on 'Leadership'; however, this measure was still below the target of 4, at 3.1. Whilst almost all engagement factors improved since 2020 (the previous 'Be Heard' survey), these results signify that there is further work to do on leadership and management in HCS.

Staff experience and wellbeing remained a focus for 2023, with a variety of initiatives taking place, such as:

- a permanent Freedom to Speak Up Guardian (FTSUG) was established in at the start of 2023, so that HCS staff can speak up about anything that may be worrying them or if they have any ideas for improvement. From the end of February to the end of November, the FTSUG was contacted by 63 individuals across HCS. By speaking up, patient safety is protected and improves the experience of workers and patients within HCS,
- the Chief Officer holds monthly virtual listening events with staff, known as 'Team Talks' that are well attended,
- Schwartz rounds, which are an opportunity for staff to come together and reflect on the social and emotional aspects of their work, discussion theme examples were 'New Beginnings, Coping with Change' and 'When Work and Life Collide – the Personal Impact of our Life at Work'. Colleagues have taken part in Schwartz rounds over the year; providing them with an opportunity to reflect on real life stories from the colleagues, in a safe environment,
- we continued the programme of low intensity psychological support for individuals and teams across HCS, with 67 referrals for individual support, covering themes such as bereavement and grief, team dynamics, uncivil behaviours, interpersonal difficulties, and work pressures,

- the Trauma and Risk Management (TRiM) methodology continued to be offered to all staff when they experienced an unexpected traumatic incident in the workplace,
- the HCS Our Stars Awards event was held in November, which followed 448 nominations for HCS staff. 21 awards were given out, and approximately 250 staff attended,
- breakfasts with the Chief Officer and the executive leadership team (ELT) continued to be held, which are an opportunity for the Chief Officer to recognise the achievement of staff members. There were 9 breakfasts in 2023, which 69 staff attended, and
- 100+ staff attended the Dragon Boat racing, where teams from HCS competed to win races.

## Recruitment and Retention

Despite the difficult recruitment market and challenges we face in bringing new starters into Jersey, recruitment activity has successfully increased the net number of staff in post in HCS by over 200 through 2023 across all staff groups.

Throughout the year the voluntary turnover rate (i.e., those people who resigned) stayed constant at just 4% which is the equivalent to approximately 110 people on a rolling 12-month basis. From a workforce perspective, this is very low turnover rate and in the Island context shows a very constant workforce.

It is recognised that the time to recruit is currently too long, leading to reputational risks and to a high use of agency and locum workers and work is underway to map the whole process and identify improvement opportunities. In addition, work continues on the development of recruitment pipeline data to support the delivery of the Financial Recovery Plan.

A mass (or cohort) recruitment campaign was developed for nurses, and a [Microsite](#) containing relevant information for interested candidates went live in January 2024.

We continued to utilise specialist agencies and web sites for the recruitment of experienced colleagues such as nurses, Allied Health Professionals, and doctors.

The department was involved in the creation of the Priority Worker policy to support accommodation for candidates, which will enhance our onboarding offer.

To incentivise the recruitment campaigns, HCS has in place an ongoing “Refer a Friend” scheme and is looking to create a wider Workforce Attraction Package – which will include Recruitment and Retention (R&R) payments for hard to fill roles. The payments to both the Refer a Friend scheme and recruitment and retention will cost less than the cost of agency workers filling the roles.

## Off-Island Health and Care Services

In 2023, 1,493 patients were referred off-Island, who received a total of 6,691 specialist health and care services appointments, via a total of 1,698 off-Island referrals. The following

five specialties saw the highest numbers of patients referred: Diagnostics (249), Cardiology (203), General Surgery (146), Trauma and Orthopaedics (126), and Paediatrics (113); resulting in these specialties accounting for 49% of the total 1,698 off-Island referrals in 2023. In total, there were 29 off-Island specialties that patients were referred to in 2023, to ensure patients received the highest quality health and care services when not delivered on-Island.

## Commissioning and Partnerships

HCS commission approximately £17m annually with 16 on-Island providers, to ensure high quality community services are available to Islanders. A commissioning and partnership strategy was co-developed with Island providers in 2022. Through 2023 we have worked in partnership with Island providers to develop the Mental Health provider framework and through the Health and Care Partnership Group, supported collaborative and partnership initiatives. There is ongoing work to commission other community services which has been delayed due to a lack of resources within the Commissioning and Commercial Services teams.

## The New Healthcare Facilities Programme

Following the 100-day review of the Our Hospital Project (OHP) at the end of 2022, the project moved to a programme approach rather than deliver one big build. The way forward sees an approach that delivers new healthcare facilities over multiple sites, in a phased way.

Feasibility studies were undertaken to assess potential capacity on each of the available sites and functional briefs were written to reflect providing care over multiple sites. This scheme aims to deliver an acute facility at Overdale (the priority), an ambulatory facility on Kensington Place / current Jersey General Hospital (JGH) site and the creation of a Health Village at St Saviour.

In 2023 the Enid Quenault Health and Wellbeing Centre was completed, with most clinical services transferring from Overdale, being fully operational in September. This supported the commencement of demolition at Overdale, with the most dilapidated buildings being demolished in the first phase. To complete demolition of the Overdale site, the rehabilitation ward needed to be relocated. This relocation is planned to take place in May 2024. The Centre has received positive feedback from patients and staff and will remain as a permanent facility at the former Les Quennevais School.

The development of a Strategic Outline Case commenced with additional work undertaken to fully identify the workforce and revenue implications of providing services over more sites. It was decided a separate funding debate should take place to secure the full funding for the acute hospital, rather than to do this as part of the Government Plan, however the funding for 2024 was secured as part of that plan in December 2023. This ensures work on the concept design progresses to prepare for the planning application in 2024 and to enable building of the new acute facility can commence in 2025.

## Quality and Safety

The Quality and Safety team was strengthened in 2023, following the publishing of Professor Mascie-Taylor's report on clinical governance arrangements in HCS, to support the ongoing programmes of work that will ensure safe and high-quality services for all patients, clients, families, and visitors across HCS.

2023 saw HCS publish its first Quality Account (QA), which is an annual report that informs the public of the quality of services provided. The QA detailed our progress and achievements related to quality and safety in 2022 and set out objectives for 2023, which progressed well throughout the year. The Quality Account is available to view on [Health and Community Services \(gov.je\)](https://www.healthandcommunityservices.gov.je).

In September, the Quality and Safety (Q&S) team delivered a 'Patient Safety Week', which included a week of activities, around the theme of 'Elevating the Voice of the Patients'. Activities included drop-in sessions and workshops on topics such as governance, audit, DATIX (a risk management information system), and mortality.

In 2023, the Jersey Nursing Assessment and Accreditation system (JNAAS) continued its commitment to provide assurance around all aspects of care creating and influencing a culture of improvement. Our vision for 2024 is to re-design JNAAS to better serve our mission of continuously improving care quality, helping to create the safest, highest quality health and care service by using recognised quality assurance metrics.

The Maternity Improvement Programme (MIP) was established in June 2023, to deliver coordinated and sustained improvements within Maternity, to address the recommendations from the internal and external reports which have been received by HCS since 2018. Good progress was made during the year, with a total of 87 out of 127 recommendations identified by the Women and Children's Senior Leadership Team (SLT) as complete. The MIP will continue into 2024.

In response to Professor Mascie-Taylor's report on Clinical Governance in August 2022, a full response to the report's recommendations was published whereby all the recommendations were accepted. To action the recommendations, HCS established the #BeOurBest programme. Out of the 61 recommendations, 14 have been marked as complete, six close to completion, 41 recommendations in progress, with one recommendation not yet started due to dependencies on other actions. The #BeOurBest programme is now being transitioned into business as usual in 2024.

Following a concern being raised by a Junior Doctor in 2022 on HCS' rheumatology service, HCS' Medical Director commissioned the Royal College of Physicians (RCP) to conduct a review on HCS' rheumatology service. This led to wider audit of rheumatology patients which showed significant service quality issues and an action plan has been implemented.

## Strategic

An ambitious Ministerial Plan in 2023 recognised that several service strategies were required, which led to various workstreams beginning. Strategies that have been progressed well during the year are: Dementia, Private Patients, and End of Life. Strategies that were

commenced but delayed were the Health and Care Strategy, Adult Mental Health, Autism and Neurodiversity. Working in partnership with others, these will be developed in 2024. In addition to the previous mentioned Ministerial Priority strategies, the department and Macmillan Cancer Support developed and published Jersey's first Cancer Strategy.

## Service Performance

### Jersey Talking Therapies - Waiting Over 18 Weeks

**Jersey Talking Therapies (JTT) - percentage of clients who started treatment in period who waited over 18 weeks**

The measure fluctuated slightly over 2023, starting at 47.8% in Quarter 1 and ending on 46.2% in Quarter 4; whilst better than the baseline of 52%, we were well above the target of 5%. The percentage of people waiting for treatment with JTT services is significantly higher than the standard derived from the UK's Improving Access to Psychological Therapies (IAPT) services. We have a new Senior Psychological Therapist starting in post, which will have a positive impact on waiting times for treatment and we are recruiting a new 'step 2' Psychological Wellbeing Practitioner, and two Psychological Practitioners to work at 'step 3', which will have a positive impact on waiting times for treatment.

### Mental Health Acute Admissions

**Mental Health Acute admissions per 100,000 registered population (rolling 12 months)**

This measure saw improvement over 2023, starting at 233.1 in Quarter 1 and finishing on 204.6 in Quarter 4, ending in a better position than the baseline of 258.9 and the target of less than 240. The rates of admission to mental health units have been reduced through early intervention in the community.

### Acute Bed Occupancy at Midnight

Bed occupancy is monitored to ensure that the unit can operate safely whilst also ensuring that the unit size is appropriate for the current demand. We calculate General & Acute (G&A) bed occupancy in line with National Health Service (NHS) guidance. Our Quarter 1 figure was 94% and Quarter 3 was 89%; whilst we did not meet the baseline of 77% nor the target of less than 80%, our trend is improving. The latest data published for England shows 90.6% G&A bed occupancy in April-June 2023 and 89.7% in July-September 2023, so our figures are in line with these. Due to a system issue identified in Quarter 4, occupancy reporting across the quarter is not accurate, a decision was taken to suspend the reporting of this indicator until the system fix is applied. We do, however, have confidence in the figures for the first three Quarters.

### Treatment in Emergency Department

**Percentage of commenced treatment in Emergency Department within 60 minutes**

The median time from patients arriving to commencing treatment in 2023 to date is 41 minutes. Patients attending the Emergency Department are triaged and patients of a higher

clinical priority have treatment commenced on a priority basis. Whilst the average figure for the year of 64.6% is below the target of less than 90%, we achieved our best figure in Quarter 4 with 74.3%.

## Emergency Department Conversion Rate

The Emergency Department (ED) Conversion Rate is the percentage of patients attending the ED who are then admitted to the hospital. This tends to be lower in the summer when people present to ED with lower severity conditions, which is evidenced through the lowest quarter figure being Quarter 3 with 14%. The average figure for the year was 15.6%, an improvement on the 18% baseline, but not yet quite under the target of less than 15%.

## Acute Elective Length of Stay

The target for this service performance measure is less than 3; our end of year figure was 2.5. Shorter lengths of stay are associated with improved clinical outcomes. Monitoring length of stay gives an indication of timely discharges and reduced bed blocking.

## Elective Theatre List Utilisation

Theatre Utilisation is a measure of how well a theatre operates against planned theatre scheduling. This measure has been a focus of the FRP, however due to challenges it has not seen improvement over the year. The target is greater than 85%; our Quarter 1 figure is 73.6% but dropped to 66% in Quarter 4. Utilisation should be maximised, but the target recognises that 100% is not achievable due to factors such as essential cleaning between patients. The indicator methodology has been reviewed and revised following the implementation of the new Electronic Patient Record (EPR) to be in line with Model Hospital methodology, which is considered best practice and is used across the NHS.

## Patients waiting for Diagnostic Procedure

### **Percentage of patients waiting more than 90 days for Diagnostic Procedure**

The Diagnostic Patient Tracking List (PTL) was impacted by the introduction of the new EPR at the end of Quarter 1, which is shown by the Quarter 1 figure being 49.6%, but then jumped to 70.8% in Quarter 2, and the end of year figure being 66.3% - significantly above our target of less than 25%. Work continues on validation the waiting list as well as addressing the waiting list for Endoscopy.

## Patients waiting for Elective Admission

### **Percentage of patients waiting more than 90 days for Elective Admission**

HCS remains challenged across several specialties including Trauma and Orthopaedics, General Surgery, Ophthalmology, Ear, Nose and Throat (ENT) and Gynaecology in relation to the percentage of patients waiting more than 90 days. Our target is less than 25%, with our baseline being 45.1%. Our Quarter 1 figure was 56.1% and our end of year figure was 56.7%. HCS is funded to complete additional ad-hoc activity through a variety of initiatives



across all specialties, which will work to improve this position. Extra sessions have taken place in Urology, General Surgery and Ophthalmology as a part of the 2023 Government Plan funding 'Waiting List Initiative' business case.

## Patients waiting for First Outpatient Appointment

### Percentage of patients waiting more than 90 days for First Outpatient Appointment

This measure includes all types of outpatient appointments within HCS, as such it provides an overview position, but doesn't recognise specific specialty improvements, like the commissioned Dental scheme which has been successful in reducing the waiting lists in this area. Areas with challenges are Ophthalmology, Clinical Genetics, Trauma and Orthopaedics and Dermatology, however plans are in place for each of these services. Our target is less than 25% and our end of year position is 48.2%.

## Outpatient Did Not Attend (DNA) Rate

When a patient does not attend their booked appointment, that appointment could have been used for another patient. This contributes to increased waiting times. Our target is to have less than or equal to 8% of all appointments not being attended. The year started positively, with our Quarter 1 figure being 7.1%, but then deteriorated to an end of year position of 10.7%. We aim to minimise DNAs by sending text message reminders to patients where possible, but since the introduction of the new Electronic Patient Record (EPR) this has been less effective as patients need to opt in to receive their reminders.

## Outpatient Follow-Up Rate

The follow up ratio is monitored to ensure that a patient receives care in the right place. In England in 2022/23 there were 2.1 follow up attendances for every new attendance. This figure varies by specialty, but at an overall level HCS is targeting a reduction in the number of follow ups required. This will free up time for more new appointments which will reduce waiting lists and times. Our baseline for the year was 3.1, with a target of less than or equal to 2; our end of year position was 2.7.

## Children's Health: Was Not Brought Rate

The Was Not Brought Rate measures when a patient, who is under 18 years of age, does not attend (or is not brought to) their booked appointment as that appointment could have been used for another patient - this contributes to increased waiting times. Our Quarter 1 position was positive, with 8.7% against a target of less than 9.8%, however our position deteriorated over the year, and we finished with an average over the year figure of 15.1%. Actions are in place to address this, including clinical staff calling parents/guardians and a follow up letter. This will help improve understanding of causes.



# Infrastructure and Environment (I&E)

Andy Scate  
Chief Officer

## Delivery of key objectives

### Performance Against Key Objectives

I&E's work in 2023 has been within a context of tight financial resources, increasing inflationary pressures across contracts and materials, and pressures on departmental income. The challenge has been magnified by staffing pressures throughout the year, and significant vacancy levels.

From a headline perspective, the key aims of the department have been met with critical national infrastructure continuing to serve the Island, property assets continuing to provide appropriate spaces for public service delivery, regulatory and natural environment processes and services enabling economic activity, and the continued protection of Islanders, as well as the Island's built and natural environments and species.

### Key Government Projects

The Our Hospital project was reviewed and has evolved into a more deliverable New Healthcare Facilities Programme. The focus now is to progress the Acute Hospital at Overdale, with funding secured for the immediate phase of design in 2024.

The new Government Office project is on track to be complete in the Summer of 2024 and will mean Islanders can access many Government services all in one place, in one visit. Work is underway across Government to ensure colleagues are well prepared for the move.

Public sport facilities continued to be decanted from Fort Regent into new premises. I&E is working in partnership with the Jersey Development Company in assessing the future direction of this facility. During 2023 Springfield Stadium has undergone improvements that

include better accessibility for people with disabilities and changes to the fencing, aligning with the requirements of the English Football Association.

The delivery of the Oakfield Sports Centre is also now moving forward again following a re-tendering exercise after the collapse of the original contractor.

The eagerly-awaited new skatepark at Les Quennevais opened to the public in February 2023 and can be enjoyed by Islanders of all ages and backgrounds. The purpose-built 2,000 square metre facility was constructed by specialists with experience of more than 100 different skateparks and landscape objects built all over Europe.

The new Sewage Treatment Works ('STW') was a significant success for I&E within 2023, with completion being achieved, on time and within budget. This is one of the most significant pieces of Island infrastructure. Work has now commenced on liquid waste capacity projects feeding into the STW, which will in turn unlock rezoned housing sites.

Of specific note has been the agreement to licensing under the Private Rented Dwellings (Health and Safety) Law which has been the culmination of five years of work, and the publication of the draft Marine Spatial Plan providing a future direction for Jersey's territorial waters.

Completion of the original building contract for the new mental healthcare facility at Clinique Pinel in St Saviour was achieved in September 2023. The new facility will replace the service currently provided at Orchard House and will provide 26 new ensuite bedrooms and an article 36 Place of Safety. Additional post-contract works are nearing completion and occupation is scheduled for the first-half of 2024.

## People and Culture

The department has had a very positive year in the people and culture space. There has been a significant focus on resourcing and strategic workforce planning, and we have seen positive results in attracting new members of staff which has seen vacancy levels drop. In addition, the department has continued to progress staff through the World Class Manager programme, has held more leadership and induction events, and has delivered several successful Lunch and Learn information or training sessions. Of note is a focus on diversity and inclusion, mental health, and the roll out of a resilience programme within the department.

I&E ended the year with Our Stars Awards for Team of the Year, Rising Star, and the Working in Partnership Award. It also had several highly commended and runners up.

## Digital Technology

The department has successfully engaged with the ITS project and has led on release 3, "Connect Assets". It has formed a new Enterprise Asset Management team for the Government of Jersey and has gone live in 2023. The RIDA project, which will provide more efficient and modern systems for Islanders interacting with the Regulation team, has also moved closer to its launch.

## Climate Change

Positive joint working continues across the Government of Jersey as part of the Carbon Neutral Roadmap. Of particular note in I&E, is the continued efforts to decarbonise the government fleet of vehicles, and progression of work to move forward various property initiatives to lower the carbon impact of government buildings. This latter area is significantly challenging due to the age of the estate and limited availability of resource.

## Resilience

The department has responded very well to a number of significant incidents facing the Island during 2023. These have included the ongoing response to the Haut du Mont and L'Ecume II tragedies, the significant loss of livestock, flooding at Grands Vaux, the Island-wide gas outage, and the preparation for and response to Storm Ciaran.

Emergency response and contingency planning has held up well and the response teams have been a credit to the Island. Despite these duties, core services have been maintained.

## Service Performance

The department has had a challenging year in maintaining service levels for the Island. It has faced continuing recruitment pressures which, whilst reducing, remain at around 18%. In addition, it has been faced with unprecedented inflationary pressures across contracts, materials and projects which have not been seen for decades, and a significant drop in income in certain areas, such as Sport.

I&E Key Service Performance Measures (SPMs) score the department on its current short-term performance. They provide a broad overview of the delivery of key services across the department.

Regulation of food safety has seen a backlog of food hygiene inspections due to utilisation of an external contractor. This has enabled the service to prioritise interventions with those premises that are the greatest risk to the public.

The Planning Services Improvement Plan, that followed the report by the independent planning inspector Jim Mackinnon, is in the improvement/enhancement stage. It is recognised that service levels require improving in this area going forward. There was only one planning application awaiting validation and requiring action from Planning Services at the end of 2023

Public bus journeys remain in an abnormal growth situation relative to the lower base of 2022 which was suppressed by lingering effects of the Covid pandemic. As 2023 was on a par with previous record demand, 2024 is unlikely to see the same double-digit year on year growth.

Public footpaths and multiuser paths have been maintained and remained safe for public access with scheduled surveys and remedial work ensuring the network of Access Pathways and Sentinel sites are contributing to the Islands environment.

Water quality monitoring of groundwater, surface water and coastal waters is done according to the annual monitoring timetable, that is developed and adjusted to account for risk. In 2023, extra monitoring commenced as part of the hydrological survey of PFAS (an umbrella term for a family of chemicals) in St Ouen's Bay and Pont Marquet and this pulled resource away from lower risk monitoring as defined in the timetable.

The Government of Jersey, including the Jersey Property Estate aims to deliver net zero emissions by 2050, with a minimum of 68% emissions reduction by 2030 and 78% by 2035 to be delivered through a comprehensive action plan. The amount of energy measured in CO<sub>2e</sub> per square meter per year measures how much carbon our buildings emit. In 2023 the indicator measured 22 CO<sub>2e</sub> per square meter across the 270 sites included within the Island Property Estate. This provides a better estimate of our building's true carbon footprint, offering a more accurate picture of its contribution to climate change.

The expected higher rainfall in Q1 and Q4 generates increased flows for treatment as a result of some combined sewers in town taking both foul and fresh water. There are also several areas in the network around the Island where we suffer from infiltration of surface water which increases flows during periods of heavy rainfall, adding pressure to the overall liquid waste processing system.

Levels of recycling have continued at a steady state throughout 2023, without any significant intervention being in place to divert material from the Energy Recovery Facility. The Energy Recovery Plant operational availability has been very good throughout 2023.

Our mission to accelerate the decarbonisation of the Government's vehicle fleet, replacing with clean, smart mobility has seen a further nine vehicles switched over to electric vehicle (EV), and the transition of all diesel vehicles onto renewable diesel (SGRD). 74% of the total fleet are now using low-carbon fuel solutions, with further EV's on order. The overall fleet size and total mileage has also been reduced in 2023.

The continual review into the replacement and enhancement of Government run sport facilities has been a focal area. The gym at Fort Regent has now closed and the new gym facilities at Springfield have opened. 4,000+ Active members are now using the current range of Government gym/pool/group exercise facilities on offer to Islanders, with actual annual attendance up by 5%.

# Justice and Home Affairs (JHA)

Kate Briden  
Chief Officer

## Delivery of key objectives

### Justice and Home Affairs Department Summary

2023 has been a year of significant progress for the Department in terms of delivery against our Minister's priorities. We have also laid good foundations for 2024, with investment continuing for the Ambulance and Fire and Rescue Services, an immediate priority for the JHA Minister on her appointment. The achievements of all the Services are set out below. These provide a comprehensive picture across the Department for 2023 and show the depth and breadth of our work. We have reacted quickly and decisively to changes and challenges which came our way, including the explosion at Haut du Mont and the sinking of the L'Ecume II, both in December 2022, the flooding at Grands Vaux in January 2023 and Storm Ciaran in November 2023. JHA teams responded immediately and continue to do so. I am proud of everything they do and have achieved.

### Building a Safer Community (BASC)

Good progress has been made refreshing our community safety and substance use approach - the Building a Safer Community Framework and Action Plan have been drafted and agreed, the BASC coordinator and analyst have been appointed, the framework written in alignment with existing GoJ EDI values and initiatives will be formally launched in April 2024.

### Civil Contingencies Law

We commissioned and have received the report from our expert advisors on a new resilience strategy, within which a new resilience law will sit. This will be shared with relevant Ministers in early 2024.

## Strategic Workforce Plan

The implementation of our Strategic Workforce Plan (SWP) is well under way with workshops having been held on three of our key priority areas - recruitment and resourcing, performance and wellbeing. Our fourth priority area is Equity, Diversity & Inclusion (EDI) - our EDI group 'Shoulder to Shoulder' represented JHA at the Pride Festival in September and were nominated for an 'Our Stars' award in October. They also rolled out online discrimination training through JACS to managers, offered free heart screening through the Neil Hussey Heart Charity and held a PTSD awareness talk in November. Our SWP includes a Strategic Wellbeing Framework which has been published and includes our vision which is 'for JHA to be a desirable place to work, within which our people feel safe and well'. The framework has eight strategic wellbeing principles across four wellbeing pillars. Wellbeing plans are in the process of being implemented across JHA services in 2024.

## Jersey Customs and Immigration Service

Activity at the borders continued to return toward pre-pandemic levels with increased sea and air services and passenger numbers. Additional funding was approved, and resources allocated to JCIS to manage the additional work. The service continued to focus efforts to identify and prosecute those responsible for trafficking drugs and laundering the proceeds of crime.

The post-Brexit immigration regime contributed to labour market shortages particularly in occupations that previously relied heavily on EU workers such as hospitality. However, it should be noted that the shortage of workers is a complex issue involving factors such as the impacts of Covid, changing migration patterns, accommodation shortages and cost of living considerations.

Achievements included the extension of the ID card pilot scheme to end September 2024 and that the remaining provisions of the Nationality and Borders Act 2022 is on track for introduction, as necessary, in 2024.

## States of Jersey Prison Service

In 2023 significant progress was made in embedding the new operating model for the prison, with each Head of Function now accountable for performance and finance. This shift in focus is key to ensuring that the prison is complying with the expectations of Her Majesty's Inspectorate of Prisons with a full inspection booked for November 2024, the results of which will be published.

As a result, existing key performance indicators have been further reviewed and revised for 2024 and a rolling 12-month average will be used from Q1 2024. This is to provide a broader picture of the level of improvement and will ensure that the measure reported on is consistent with national standards.

The prison achieved the most significant improvement in staff survey score in any department in Government since the survey began. This was further reflected in that, for the

first time since before the pandemic, the Prison achieved full staffing levels in 2023. People management is robust with significant reductions in absenteeism and an improvement in retention.

The prison committed to improving its social media presence in 2023 to help islanders understand the outcomes of the prison. It already has 1.5k followers and is reaching over 10k people per week, with very positive feedback.

## States of Jersey Ambulance Service

In 2022, an Ambulance Service delivery and implementation plan started tracking progress against actions and objectives set from an independent review (Association of Ambulance Chief Executives) and the Ambulance Service business plan, 2022/25. Thirty-six key objectives were identified, the program having commenced in late 2022. By the end of 2023, four key objectives have been completed in full, thirty were partly completed with continuing work in progress with two having not been commenced. Of particular note was the improvement in ambulance response times due to the introduction of a fourth crew, funded via the 2023 to 2026 Government Plan business case.

As part of a 2023 service restructure, new posts were evaluated and are currently being recruited to support the Ambulance Services evolving clinical governance framework in support of delivering high quality and safe patient care and meeting the inspection requirements of the Jersey Care Commission. Internal progression opportunities also increased the number of Ambulance Technicians and enabled the introduction of the Emergency Care Assistant. Staffing knowledge and skill levels were maintained through the Training Department and the successful recruitment of four external and one local paramedic. The newly established GoJ Key Workers accommodation project supported the successful recruitment of external candidates.

Throughout 2023, work has continued to determine the way forward for a new Ambulance Station, and in the meantime ensure appropriate maintenance for the current facility, with condition surveys of the current Station having identified the need for remedial works to ensure service resilience until a new station is commissioned.

A key priority within the service remains the continuing improvement of the service and staff welfare. It was recognised through the Government of Jersey, 'Be Heard' survey that staff wanted more input into their service and its development. In 2023 the introduction of joint consultative meetings with staff representatives and all staff station meetings, has commenced.

The tragic events of Haut Du Mont demonstrated the States of Jersey Ambulance Service emergency preparedness and resilience for a Major Incident. A review into the major incident capability of the service has been undertaken which demonstrated satisfactory training and equipment but acknowledged some limitations due to islands economy of scale and low frequency of certain incidents. In 2023 the Island's Memorandums of Understanding with UK Ambulance Trusts were reviewed and circumstances where UK specialist services are required refreshed. These have been re-reviewed and agreed providing the islands support in unprecedented circumstances such as Haut Du Mont.



## States of Jersey Fire and Rescue Service

The year started and ended with weather related major incidents. Island-wide flooding in January, with a concentration of impact in the Grands Vaux area, and Storm Ciaran in November contributed to the overall increase in emergency response activity levels, although firefighters are experiencing a gradual upward trend in activity driven by demand anyway.

We are using the Government Plan investment in the service to address pressing issues in relation to demand and capacity, risk and compliance with modern professional standards. The onboarding process has started for 13 retained firefighters and 2 additional whole-time posts with the recruitment due to be completed in January 2024.

In direct response to a peer review outcome, we have reestablished the SoJFRS as an accredited RYA training centre. We have started a programme of accreditation for all Incident Commanders, and we have accredited all our Level 1 Commanders in 2023. We have commenced a programme of guided learning, assisted by London Fire Brigade, for our new high-rise procedures. We also now have a policy officer assigned to SoJFRS for the fire safety legislation. We continue to roll out the NFCC competency framework and have completed the change initiative mandate for the Fire Safety Law change.

## Health and Safety Inspectorate

2023 was a year of challenge and change in HSI. The first half of the year saw a diminished team with only 25% of inspector resource and attempts at recruitment underway. This situation was further exacerbated by the retirement of the Director at the end of April. With very limited resource the focus was primarily on reactive work (complaints and investigations) including the ongoing joint investigation with the States of Jersey Police into the tragic explosion at Pier Road in December 2022.

The second half of the year saw a new Director and Inspector join. Due to the difficulties recruiting experienced Inspectors it was decided to recruit two trainee Inspectors who will undergo a three-year regulatory training programme with the UK Health & Safety Executive starting in 2024.

## JHA Business Support Unit

In 2023 the unit supported and / or coordinated numerous programmes, events, initiatives, and incidents across JHA services. A key theme was the amount of unplanned activity that required support and diversion of resources or engagement and management of temporary resources. The number of Major incidents (Operation Spire and Storm Ciaran being of particular note) meant additional work / support being provided re governance, logistics, emergency planning, travel and wellbeing.

Specific additional other areas of demand were:

- Health and Safety minimum standards audits and adoption,



- The department's Strategic Workforce Plan - Shoulder to Shoulder (EDI) / JHA Wellbeing Week / Staff awards
- 'Connect' system changes and adoption (People, Finance, Assets and Procurement)
- Information Security / Data Privacy Framework / Records Transformation Program

## Service Performance

### Jersey Customs and Immigration Service

2023 saw a significant increase in drug detections (£1.7 million) with a particular increase in the value of seizures at the Post Office including significantly larger seizures of ecstasy and cannabis / cannabis products. The Service collected £79m in import GST, Excise and Customs duties.

The issue with passport applications in 2022, processing backlogs had been up to 10 weeks at their peak in Q3, has been fully addressed with all non-express passports processed in 2023 within 6 weeks.

Work continued with stakeholders from across government and industry to facilitate, where possible, access to overseas labour to ensure the economic wellbeing of the Island. The effect of Brexit on immigration is clearly shown in the number of work permits issued by JCIS (400 in 2020 and over 3000 in 2023).

The UK / Crown Dependencies Customs Union successfully operated for the third year and over 4.1m goods consignments and 0.23m goods declarations were processed through the customs declaration systems 'CAESAR' (so 4.1m compared to the 2020 baseline of 2.9m).

Development work, undertaken in 2022, enabled the public interface with CAESAR to go live in February 2023 which significantly improved the customer experience and reduce administrative burden. The preparations made for the reduction in the GST 'de minimis' from £135 to £60 enabled the changes to take place on 1st July 2023.

### States of Jersey Prison Service

Work to resolve the significant impact on staffing due to changes to parental leave (and the backdating of that allowance) and a backlog of recruitment is starting to pay dividends in understanding the true cost / impact of this on the service but continues to be a significant operational challenge and/ or cost pressure.

However, despite these challenges a highlight was that, although the annual target for prisoners with discharge plan in place was missed by 6% (92% vs 98%), Q4 improved 23% from Q3.

Other highlights included - out of cell hours, per prisoner per day, increasing to 7 hours 27 minutes per day, from the baseline of 5 hours 30 minutes in 2022 / prisoners engaged in

learning and employment programmes increasing to 3 hours 44 minutes, per day per prisoner, up from 2 hours 19 minutes in 2022. This was an increase of 1hr 35 mins per day. This was due to successful recruitment of vocational trainers, opening of new workshops and collaboration with Highlands College

The ultimate measure of the prison this year will be the inspection result, the establishment will be scored against 5 criteria and can score up to a 4 in each. The leadership team are working to ensure at least a score of 3 in each area which would give confidence of a good or excellent prison.

## States of Jersey Ambulance Service

In 2023 the Emergency Services Control Centre received 14,331 healthcare emergency calls and attended 11,212 (48/52% split male/female, 73% Medical attendance & 27% Trauma calls) with 67% of patients conveyed to the Hospital. Under the newly implemented Ambulance Response Program (ARP 2022), Category 2 was the most common triaged call, benchmarked on requiring attendance within a mean average of 18 minutes.

Category 1 ambulance calls are those that are classified as life-threatening and needing immediate intervention and/or resuscitation, e.g. cardiac or respiratory arrest. The national standard sets out that all ambulance trusts are to respond to Category 1 calls in a mean average time of 7 minutes and at least 90% of Category 1 calls in 15 minutes. In 2023, the Jersey Ambulance Service met the national standard with 90% of Category 1 calls being responded to under 12 minutes 19 seconds. The mean annual response to Category 1 calls was 7 minutes 10 seconds, falling only 10 seconds outside of the national standard.

Category 2 ambulance calls are those that are classed as an emergency or a potentially serious condition that may require rapid assessment, urgent on-scene intervention and/or urgent transport. For example, a person may have had a heart attack or stroke or be suffering from sepsis or major burns. The national standard sets out that all ambulance trusts are to respond to Category 2 calls in a mean average time of 18 minutes and at least 90% of Category 2 calls before 40 minutes. In 2023, the Jersey Ambulance Service met the national standard with 90% of Category 2 calls being responded to under 16 minutes 31 seconds. The mean annual response to Category 2 calls was 9 minutes 26 seconds.

Category 3 ambulance calls are those that are classified as urgent. They are problems (not immediately life-threatening) that need treatment to relieve suffering (e.g. pain control) and transport or clinical assessment and management at the scene. The national standard sets out that all ambulance trusts are to respond to 90% of Category 3 calls in 120 minutes. There is no target for the average response time. In 2023, the Jersey Ambulance Service mean annual response to 90% of category 3 calls was 74 minutes.

Category 4 ambulance calls are for incidents that are not urgent but need assessment (face-to-face or telephone), and possibly transport, within a clinically appropriate timeframe. According to the national standard, 90% of Category 4 calls should be responded to within 180 minutes. In 2023, the Jersey Ambulance Service mean annual response to 90% of category 4 calls was 114 minutes.

The switch in 2022 to ARP has enabled the Ambulance Service to benchmark with UK

Ambulance Services with the newly appointed ambulance analyst producing monthly Emergency Performance Reports to support internal review and identify improvements in service provision. As ARP differs to our previous system, Key Performance Indicators (KPI's) will therefore not be comparable to previous performance data provided prior to October 2022.

## States of Jersey Fire and Rescue Service

The nature of the Major Incidents occurring in 2023 meant that during the related peak periods experienced, the increased number of emergency calls were triaged. The effect of this can be observed in the Q1 and Q4 response time performance. While up against the baseline performance needs to improve and the aim is to achieve at least 80% in this area. The Government Plan investment will, over the coming years, help increase capacity, and this will help, as will work to reclassify some incident types in our call handling system.

For another year, there were elevated levels of demand across all areas with a year-on-year increase of 14% in emergencies (1422 in 2023 vs the 1,245 in 2022) and 56% higher than the baseline figure used for public service annual report and accounts of 907 in 2020. The fire rate is higher than in recent years but not as high as the period from 2010 to 2020. We attended more automatic fire alarm activations in lower risk premises and lower risk times than we should; this is a contributory factor and must be addressed through system changes at the call handling stage. A notable contributor is the rate of non-fire emergencies, traffic incidents, flooding and weather, sea and water rescue among others. All these factors had an impact on capacity to be able to undertake proactive work (safe and well visits) and an increase in the number of non-fatal fire injuries.

## Health and Safety Inspectorate

The focus on reactive work meant that we achieved the targets of responding to 100% of complaints within the specified timeframes. However, the lack of resource as well as the significant reactive workload had an inevitable impact on the ability to undertake proactive inspections of high-risk workplaces. With 50% Inspector resource available in the second half of the year we were able to start to redress the proactive/reactive work balance, such that we achieved 37% of our overall proactive inspection target by the end of the year.

A large positive for 2024 is that the HSI team are now at full complement, and we can expect increased delivery, particularly as the new trainees build their regulatory experience.

# Treasury and Exchequer (T&E)

Richard Bell  
Treasurer of the States

## Delivery of key objectives

### Sufficient resources and effective processes

**Ensuring that there are sufficient resources and effective processes in place within Revenue Jersey and the Finance Hub.**

Customer Service was a high priority for 2023 and continues to be in 2024, rolling out corporate standards and reporting for customer satisfaction and complaint handling wider across the department.

The Public Employee Pensions Team exceeded service level agreements, by completing 94% of work within 5 days. Over 90% of income was received digitally and despite challenges with the introduction of the Connect system, by providing additional resources to the Finance Hub, turnaround time for invoice payment had returned to target by the end of the year. We will focus on improving this performance further in 2024.

The States Assembly approved additional resources which will help improve further our customer service, in particular telephone enquiry times.

### Digital technologies to improve customer experience

**Continuing to work on digital technologies to improve customer experience.**

Revenue Jersey completed transition from email to online forms for all written personal tax enquiries, transforming average wait times from 6 weeks to 3 days. Revenue Jersey created online tax return demonstration videos for retirees and those with simple circumstances. We collaborated with government colleagues to improve and expand the Government online services portal, preparing for launch in 2024.

We also improved and expanded the online registration form for GST, to accommodate overseas retailers, and designed and launched the online Partnership return.

## Modernising the tax appeal process

### **Modernising the tax appeal process making it more open and transparent.**

Along with the Judicial Greffe, we are progressing plans to transfer management responsibility for the Commissioners of Appeal work to the Tribunal Service by the first half of 2024. This plan remains on schedule. The Finance Law incorporates two amendments to appeals provisions, addressing stakeholder concerns related to settlement agreements and direct access to the Commissioners.

## Improvements to the accessibility of public facing services

### **Making ongoing improvements to the accessibility of public facing services.**

Revenue Jersey sustained its commitment to assisting customers with digital support, including Digital ID setup and troubleshooting, at the Personal Tax Community Helpdesks and Customer and Local Services at La Motte Street during the online filing deadline week. Revenue Jersey also collaborated with Customer and Local Services and Modernisation and Digital to provide and promote a face-to-face digital identity set up service that does not require a passport.

Using customer feedback, improvements have also been made to the personal tax return, the pay your taxes and pay your invoice online journeys, and working with Customer and Local Services, the business cessation online journey.

## Service Performance

### **C&AG, PAC and Scrutiny recommendations implemented**

#### **Treasury and Exchequer – C&AG, PAC and Scrutiny recommendations implemented in year**

Available data demonstrates the Treasury & Exchequer's commitment to implementing recommendations provided by external Scrutiny. Many of the historic recommendations have been either resolved, implemented or reinvigorated. Continued focus will be required to ensure we maintain our commitment to implementing recommendations.

## Finance Hub – Income and Payments

During 2023, 80% of invoices were paid within 30 days. The data highlights that whilst there were some issues paying supplier invoices from previous years at the start of 2023 these were issues resolved in year. Data around invoiced debt, available at year end, demonstrates Treasury & Exchequer's commitment to ensuring that income is received within appropriate timeframes.

## Rate of Return on Investments

### Treasury and Investment Management - Rate of Return on Investments

2023 saw investment returns at 10.7 %. The three year performance was on average 4.5% per annum. Whilst strong this was behind our benchmark as it covered a period of exceptional volatility including the covid recovery and central bank interest rate hikes and high inflation.

## Revenue Jersey – Customer Service

Performance targets for personal tax services are split into periods through the year, due to seasonal spikes caused by filing and payment deadlines.

We outperformed our target to assess 80% of returns within 30 days up to 31<sup>st</sup> March, achieving 85%. We also outperformed our target to assess 80% of returns within 60 days between 1 April, and 30<sup>th</sup> September, achieving 74% within 30 days, and 91% within 60 days. Revenue Jersey also exceeded its 8.5 minute call answering target, averaging 7 minutes 6 seconds for the year. Online enquiries: 85% resolved in 2 days, 90% within 5 days.

Cost to collect £1 of revenue has increased to 1.09p, above the 1p target. Arising from investment in our teams to improve operational performance, including customer service, but also to enhance resourcing within the International team given increased international obligations.