

STATES OF JERSEY



HEALTH AND COMMUNITY SERVICES INTERIM BOARD (P.19/2023): SECOND AMENDMENT

Lodged au Greffe on 30th May 2023
by the Minister for Health and Social Services
Earliest date for debate: 13th June 2023

STATES GREFFE

HEALTH AND COMMUNITY SERVICES INTERIM BOARD (P.19/2023):
SECOND AMENDMENT

1 PAGE 2, PARAGRAPH (a) –

After the words “Health and Community Services”, insert the word “Advisory”.

1 PAGE 2, PARAGRAPH (b) –

After the words “report accompanying the proposition” insert the words –

“, except that within Appendix 1 –

- (i) in title of the Appendix, substitute the reference to ‘Interim Board’ with “Advisory Board”
- (ii) in paragraph 1, substitute the reference to the “Health and Community Services Board” with “Health and Community Services Advisory Board”
- (iii) after paragraph 11, insert the following new paragraph 12 and renumber the subsequent paragraphs accordingly –
 - “12. Amendments to the terms of reference could include providing for the Board to work across other health and community services whether or not in Jersey if the Assembly were so minded.”
- (iv) After the current final paragraph, insert a new paragraph as follows –
 - “23. The Board will meet every six months with the Council of Ministers to advise the Council on:
 - a. key matters arising in the Department including: challenges; risks; delivery of the Minister’s plan, policies and directions, and compliance with decisions of the Assembly; and
 - b. the activities of the Board.

The requirement to meet every six months will not preclude the Board, or the Chair, meeting with the Council of Ministers at any other point if deemed appropriate by the Chief Minister, the Minister and the Chair.”

MINISTER FOR HEALTH AND SOCIAL SERVICES

Note: After this amendment, the proposition would read as follows –

THE STATES are asked to decide whether they are of opinion –

to agree –

- (a) that the Minister for Health and Social Services should establish an interim non-statutory Health and Community Services **Advisory** Board providing for improved governance and oversight of the Health and Community Services Department; and

(b) the proposed terms of reference to which that interim Board will function, as set out in Appendix 1 to the report accompanying the proposition, except that within Appendix 1 –

(i) in title of the Appendix, substitute the reference to ‘Interim Board’ with ‘Advisory Board’

(ii) in paragraph 1, substitute the reference to the ‘Health and Community Services Board’ with ‘Health and Community Services Advisory Board’

(iii) after paragraph 11, insert the following new paragraph 12 and renumber the subsequent paragraphs accordingly –

“12. Amendments to the terms of reference could include providing for the Board to work across other health and community services whether or not in Jersey if the Assembly were so minded.”

(iv) After the current final paragraph, insert a new paragraph as follows –

“23. The Board will meet every six months with the Council of Ministers to advise the Council on:

c. key matters arising in the Department including: challenges; risks; delivery of the Minister’s plan, policies and directions, and compliance with decisions of the Assembly; and

d. the activities of the Board.

The requirement to meet every six months will not preclude the Board, or the Chair, meeting with the Council of Ministers at any other point if deemed appropriate by the Chief Minister, the Minister and the Chair.”

REPORT

Introduction

The purpose of this amendment is to provide clarity as to a number of matters related to the proposed Board, including its role as an advisory Board, the potential for the Board to have an extended remit, and the relationship between the Board and the Council of Ministers.

These clarifications have been made in response to feedback received.

Advisory

As set out in P.19/2023 as lodged, the Board is a non-statutory Board and, as such, there are limitations to its powers. It will not have the fiduciary and decision-making powers commonly associated with health boards across the British Isles, Commonwealth, and the U.S. The Board will operate by advising and making proposals to the Minister. The Minister will be at liberty to reject any such advice or proposals as the Minister deems appropriate, as is currently the case.

The term ‘advisory’ is inserted into the Board name, as set out in the Terms of Reference (ToR), to help ensure understanding of its role.

The proposed insertion of the term ‘advisory’ does not alter the interim status of the Board. As set out in P.19/2023 as lodged, the Board is ‘interim’ pending the development of the legislation necessary to establish in a statutory form or, in the event legislation is not adopted by the States Assembly, pending a decision of the States Assembly to continue, disband, or amend the functions of the Board in its interim form.

Extended remit

The ToR provide that the Board will work across the Government of Jersey’s Health and Community Services (“the department”), which includes all hospital, mental health, community, and social work services delivered by the department or commissioned by the department. This is as intended at this point in time. It is possible that the Assembly may determine, at some future point, that the Board should work across other health and community services whether or not in Jersey. For example, a single Board could potentially operate across Jersey’s and other jurisdiction’s health and care services, and, in the event a decision of this nature was to be taken, the ToR could be amended accordingly.

The ToR would be amended to clarify this point.

Relationship with the Council of Ministers

The ToR would be amended to require that the Board to meet every six months with the Council of Ministers to advise and update on matters relating to the department and the activities of the Board. The requirement to meet every six months does not preclude meeting at any other point if deemed appropriate by the Chief Minister, the Minister, or the Chair.

The purpose of these arrangements is to ensure cross-Ministerial liaison and contact. Whilst the Board’s remit is (as per the ToR) limited the department, the health and wellbeing of Islanders, and the quality of the services they receive, is a matter for all Ministers.

Financial and manpower implications

The resource implications remain as set out in point 53 on page 19 of P.19/2023 as lodged.

The resource implications remain as set out in point 53 on page 19 of P.19/2023 as lodged.

	2023 costs	Recurring annual cost
Chair remuneration	£172,800 (3 days per week at £1,440 per day)	£70,000 (48 days per year)
Chair expenses	£30,800	£9,000
Chair recruitment (to commence in time for end of fixed-term Chair's contract)	£15,000	£0
Non-Executive Director ("NED") remuneration	£37,500 (up to 36 days per year/ £15k pa per NED / half year cost)	£75,000 (up to 36 days / £15k pa per NED / full year cost)
NED expenses	£14,750	£36,000
Senior Independent Director / Chair of Audit Committee and Chair of Board committees – estimated additional remuneration and travel allowance	£8,000	£16,000
Secretariate support	HCS existing resources	HCS existing resources
NED recruitment	Up to £65,000	-
Total	£343,500	£206,000

Point 20 on page 7 of P.19/2023 as lodged states that the annual re-occurring costs is estimated to be £196,000. This is an error and should have read £206,000 as per Point 53.

For the purposes of clarity, P.19/2023 calculates the annual remuneration for all five Non-Executive Directors (NED) as being a total £75,000 per year, which would equate to £15,000 per year per NED if averaged out across the five roles. The recruitment website¹ for the NEDs reads £13,000 to £14,000 per year, not £15,000. This is because, whilst it is anticipated that each NED will be paid within the £13,000 to £14,000 range,

it may transpire that a market supplement is required to secure a candidate with exceptional experience.

Hence, for the purposes of calculating a maximum anticipated average cost, the total remuneration is estimated at £75,000 or £15,000 per NED.

The executive search agency's recruitment website erroneously stated that the anticipated number of days to be worked per NED was 20 days per year. This has now been resolved. As per P.19/2023 and, as set out above, the number of days will be up to 36 days. This includes all Board days, plus time for preparation, follow up and travel.

The NHS Remuneration Structure² which works to align the remuneration for chairs and non-executive directors of NHS trusts and NHS foundation trusts, provides a benchmark for levels of remuneration, that being a single uniform annual rate of £13,000 with discretion to award limited supplementary payments depending on the organisation's size and in recognition of designated extra responsibilities. The department, whilst being small in size, brings particular complexity as it includes adult social services and other community-based responsibilities, unlike many other health boards which provide governance for organisations responsible solely for acute hospital services.

It is the case that despite the NHS Remuneration Structure there are NHS organisations that are currently recruiting NEDs at below £13,000 level or who require a time commitment of more than 36 days per year for an equivalent rate of remuneration. It is important to recognise, however, that the proposed Board is seeking to attract Jersey resident candidates who are experienced Board level operators, in addition to non-resident candidates and local levels of remuneration for NEDs is generally higher than £13,000. For example, the average NED remuneration for Ports of Jersey and Andium Homes is c. £25,000 and £20,000 respectively.

It is important to note that, as the proposed Board is not established in law, it has no powers to increase the level of remuneration paid to Board members. The remuneration paid to NED's will be determined by the Minister; the remuneration paid to executive board members, who are Government of Jersey employees, is a matter to be determined in accordance with standard procedures and controls.