

4.9 Deputy R.G. Le Hérisier of the Minister for Health and Social Services regarding: under-spends of £10,000 or more within the different departments of Health and Social Services

What under-spends of £10,000 or more exist in the different departments of Health and Social Services - other than endoscopy - and what is it intended will be done with these under-spends?

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

I would like to ask my Assistant Minister to answer this question.

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

I would just like to inform Members that myself and the good Deputy Le Hérisier have exchanged some emails on this matter and he has gratefully agreed that this question is more suited to written answer, and with that in mind I intend to forward further details regarding any confirmed under-spends for 2010 once they have been finally established and verified.

4.9.1 Deputy R.G. Le Hérisier:

Notwithstanding the Assistant Minister's reply, for which I thank him, would he not agree that finding £700,000 - which of course is the sum that can be won at the Christmas Lottery - is a stupendously convenient find and does he expect to have any finds of a similar nature in the forthcoming period?

Deputy E.J. Noel:

Regarding the endoscopy under-spends; this was a very specific service development where we have a high level of certainty. The planned phasing of the staff recruitment associated with the development of this service, has meant that the under-spend in this area was available to us on a non-recurring basis; i.e. that it was a one-off. As Members will be aware, this has been identified as the expected funding source for the Health and Social Services strategic roadmap work.

4.9.2 Deputy D.J. De Sousa:

The Assistant Minister said that he had been emailing with the questioner and that he would give more information. Could the Assistant Minister please impart that information to all Members?

Deputy E.J. Noel:

I am happy to do so as and when it becomes available.

4.9.3 Senator S.C. Ferguson:

Knowing the Assistant Minister's interest and knowledge of things financial, would the Assistant Minister be able to tell us what the overall under-spend position at the end of October for Health and Social Services was?

Deputy E.J. Noel:

I have received, this lunchtime, a briefing which identified that Health and Social Services Department has a forecasted but as yet unverified under-spend amounting to circa £4.4 million. However, I must stress that this is an unverified forecast up until the end of month 10 for the current financial year.

4.9.4 The Deputy of St. John:

Given the possible under-spend of £4.4 million plus the £800,000 that was found for KPMG, which pushes it well over £5 million; does the Assistant Minister consider convincing the department for Social Security to bring a proposition to the House to take £6 million of their funding to bail out the hospital was prudent, given they have all this money in some kind of slush fund?

Deputy E.J. Noel:

Firstly, I would just like to correct the good Deputy of St. John on one matter; it is a total of £4.4 million, inclusive of the £800,000 that we have identified from the endoscopy service. I do not believe that to have a forecasted but unverified under-spend at this time of £4.4 million, which has been due mainly to slippage of services like the endoscopy and the full implementation of the Williamson proposals, and also some legal costs that we anticipated incurring in connection with the historical child abuse investigation; those funds will be incurred at some future date so really if we have not spent them in 2010, undoubtedly we will spend them in 2011 and the funds coming from the Health Insurance Fund are for ongoing primary care expenditure.

4.9.5 The Deputy of St. John:

The Assistant Minister mentioned funds set aside for the historic child abuse inquiry; can he explain how those funds got into the Department for Health? I was under the impression that they would have come under either Home Affairs and/or direct from Treasury and Resources.

Deputy E.J. Noel:

I believe that those funds came into Health and Social Services as part of a one-off package to deal with the costs that would arise out of that particular incident. They are a one-off cost which we have not incurred in 2010 but we believe that we will incur them in 2011.

4.9.6 Deputy A.E. Jeune:

What is rather worrying is that on top of that under-spend we have been spending £1,000 a day on an interim hospital manager, which has now gone over the 6 months. It is rather concerning.

The Bailiff:

What is your question there?

Deputy A.E. Jeune:

Sorry; can the Assistant Minister enhance any information on that or does he just agree?

Deputy E.J. Noel:

I believe the question was did I find it concerning; no I do not. I believe that the fact that we have identified £4.4 million of under-spends within our budget for this year, because we have not spent all of the items in 2010 but we anticipate to spend them in 2011, is a sign of good financial management within the organisation.

4.9.7 Connétable D.W. Mezbourian of St. Lawrence:

Many Members will be disappointed to know that some of the under-spend is part of the Williamson Implementation Plan and I would like the Assistant Minister to advise

the House how much of the under-spend pertains to that and when we can expect it to be spent in the way it was intended to be spent?

Deputy E.J. Noel:

The under-spend has come about through the same reasons primarily as the endoscopy under-spend; it is to do with staff recruitment. We have not recruited to those posts and hence we have the under-spend.

4.9.8 The Connétable of St. Lawrence:

If I may press the Assistant Minister, the staff recruitment appears to be the problem; will he update us, please, as to the exact position now? Has the department been able to recruit or are they still in the process of recruiting, because as far as I am concerned the implementation of the Williamson recommendations, I am sure, has the full support of this House and we want to know when it is going to happen.

Deputy E.J. Noel:

I can confirm that one of the posts we have recruited to and that is to the Managing Director of the Community and Social Services Department. I believe there are some other posts that we have not yet recruited to, as we have not recruited to endoscopy, but these are in train.

4.9.9 Deputy T.A. Vallois of St. Saviour:

Will the Assistant Minister undertake to provide all Members with a detailed email as to the make-up of the £4.4 million and whether these funds will be carried forward?

Deputy E.J. Noel:

As I said in the answer to the original question, once the under-spends have been finally established and verified, I will provide that information to all Members. Sorry, I missed the last point of your question.

Deputy T.A. Vallois:

Will the funds be carried forward?

Deputy E.J. Noel:

As with all departments, carry forwards go back to Treasury and then a business case has to be made if the department wishes to keep those funds, and Health and Social Services are no different; we will have to make a case to keep our under-spends.

4.9.10 Deputy T.M. Pitman:

I apologise if I misheard, but working in the U.K. I was under the impression we did not operate the same form of slippage as in the U.K., yet the Assistant Minister mentioned slippage. Could he just clarify what he said, because I may have misheard?

Deputy E.J. Noel:

We have slippage, of course, through items such as recruitment whereby we have not spent the money this year because we have not been able to recruit to the post. That does not mean that we do not need to spend that money, just that we have not spent it in 2010 but we expect that we will have to spend it in 2011.

[16:00]

4.9.11 Deputy M. Tadier:

Very quickly, the Assistant Minister told us initially that the under-spend was due to prudent management and then only a few moments later, told us that it is because they have not been able to recruit staff and that is why they have got this surplus. Which one is it and why have we been given those 2 answers which, apparently, contradict each other?

Deputy E.J. Noel:

The under-spend has come about because, in some areas of the department through recruitment or the inability to recruit but it is the sound financial management that has been able to identify that and to collate that information.

4.9.12 Deputy M. Tadier:

Does the Assistant Minister acknowledge that an inability to recruit adequate and capable staff to the hospital is not the same as good management? In fact, it is probably quite the opposite.

Deputy E.J. Noel:

I do not think the 2 are related, to be honest with you.

4.9.13 Deputy G.P. Southern:

What assurances can the Assistant Minister give to the House that next year, 2011, will be any different to 2010 in terms of guaranteeing that he has people in position that can deliver the entirety of the Williamson Plan in 2011?

Deputy E.J. Noel:

I am confident that, in 2011, the agreed implementation plan for Williamson will be completed.

4.9.14 Deputy G.P. Southern:

Supplementary, if I may, Sir. What will he do differently in 2011 that he has not done in 2010 to ensure that the right people are in the right places to deliver Williamson?

Deputy E.J. Noel:

We have already actioned that matter with the appointment of a Managing Director for Community Social Services. We have put the team in place and are restructuring the team to ensure that the agreed proposals for implementation of Williamson is completed in 2011.

4.9.15 Deputy G.P. Southern:

May I rephrase the question? The Assistant Minister seems to be having difficulty grasping the thrust. How will the Minister guarantee to put in place the right level of people in the right place to deliver the Williamson recommendations next year?

Deputy E.J. Noel:

I believe that we are putting the right people in place but, as comes to guarantees, I believe you cannot guarantee anything in life.

4.9.16 Deputy A.E. Jeune:

Would the Assistant Minister, when he produces his reply as requested by Deputy Le Hérissier, would he include with that the cost to the Health Department of staff who

have either been suspended, on garden leave or any other period of inactivity throughout the year? What was the total cost? Thank you, Sir.

Deputy E.J. Noel:

I am happy to arrange for that information to be provided but I do not see that it has any relevance on the question that was asked by Deputy Le Hérissier.

The Bailiff:

A final question, Deputy Le Hérissier, if you wish one.

4.9.17 Deputy R.G. Le Hérissier:

Would the Assistant Minister confirm that, as a professional accountant, he was totally embarrassed that there happened to be - fortunately - £800,000 in the department which conveniently met the bill of a total management audit and that, apparently, this resource could not be found within the department? Has that not been a source of total embarrassment to a professional accountant such as himself?

Deputy E.J. Noel:

No. The 2 bear no relation. Of the under-spends that have been identified that come to a total of £4.4 million, the case for the endoscopy is the one that we hoped to allocate to the ... sorry, Deputy Southern, do you want to say something? We hoped to allocate it to the roadmap. It is the one that we had most certainty over. There are other under-spends but, like everything else, they are yet to be finalised and verified but the one we have most confidence in is the endoscopy one.