

STATES OF JERSEY

Corporate Services Scrutiny Panel Comprehensive Spending Review Hearing

THURSDAY, 17th JUNE 2010

Panel:

Senator S.C. Ferguson (Chairman)
Deputy T.A. Vallois of St. Saviour
Connétable D.J. Murphy of Grouville
Mr. M. Oliver (Economic Adviser)

Witnesses:

Deputy A.E. Pryke of Trinity (The Minister for Health and Social Services)
Deputy E.J. Noel of St. Lawrence (Assistant Minister for Health and Social Services)
Ms. J. Garbutt (Chief Executive, Health and Social Services)
Mr. R. Jouault (Deputy Chief Executive, Health and Social Services)
Mr. R. Pearson (Director of Finance and Information, Health and Social Services)

In Attendance:

Mr. M. Robbins (Scrutiny Officer)

[15:32]

Senator S.C. Ferguson (Chairman):

Good afternoon. Welcome to this hearing of the Corporate Services Scrutiny Panel on the Comprehensive Spending Review. I wonder if, for the purposes of the ladies in New Zealand who do the transcriptions, you will say your name and position.

The Minister for Health and Social Services:

Thank you, Senator. I am Deputy Anne Pryke and I am Minister for Health and Social Services.

Assistant Minister for Health and Social Services:

Deputy Eddie Noel, Assistant Minister for Health and Social Services.

Chief Executive, Health and Social Services:

Julie Garbutt, Chief Executive for Health and Social Services.

Deputy Chief Executive, Health and Social Services:

Richard Jouault, Deputy Chief Executive, Health and Social Services.

Director of Finance and Information, Health and Social Services:

Russell Pearson, Director of Finance and Information for Health and Social Services.

Mr. M. Robbins (Scrutiny Officer):

Mick Robbins, Scrutiny Officer.

Senator S.C. Ferguson:

Sarah Ferguson, Chairman.

Mr. M. Oliver (Economic Adviser):

Michael Oliver, economic adviser to the panel.

Deputy T.A. Vallois of St. Saviour:

Tracey Vallois, Deputy of St. Saviour.

Connétable D.J. Murphy of Grouville:

Dan Murphy, Constable of Grouville.

Senator S.C. Ferguson:

Right. Now, as you will have seen, there are quite a lot of questions so we will have to motor, but if we cover the subject matter of a later question in an earlier one then I will take it out. Right. How would an ideal Health and Social Services Department differ from the current department?

The Minister for Health and Social Services:

Right, this is a good start of a question and it is like pie in the sky; I have several different avenues that I would go down, but talking realistically I think, as you know, Health and Social Services is very wide and diverse-ranging. You know how far it ranges from, but I think my priority would be ... overarching for all Health and Social

Services would be some sort of prevention, preventing people getting ill or preventing people getting into hospital. That must be one of our main aims, especially with the ageing population.

Senator S.C. Ferguson:

So more of a concentration, you know, pushing it back down to primary healthcare?

The Minister for Health and Social Services:

Yes, because I think everything so far has been focusing on secondary care and where primary care I think has lagged behind. So the emphasis must be - and I think, as I said, with the ageing population - it must be looking at more focusing on primary care. I think that includes kind of social services as well, making sure that we have systems in place looking at keeping people in the community for as long as possible. That only does not focus on kind of Health and Social Services side but working in partnership like with the G.P.s (general practitioners), family nursing services and especially the parishes because they have an important part to play because they know their community. Like, there is a scheme, I think, just beginning to set up in St. Clement where they are focusing on all those areas of being kind of one step ahead, being proactive, making sure that they can look after people in the community. So, that is kind of the overarching thing. Also, looking at our hospital portfolio, too, means looking at our property as well. So, I think we need to improve that.

Senator S.C. Ferguson:

So if we are keeping people out of hospital would you see a smaller hospital service then?

The Minister for Health and Social Services:

Perhaps not necessarily a smaller hospital because ... buildings-wise you mean or ...?

Senator S.C. Ferguson:

Well, we complain frequently about not having enough beds.

The Minister for Health and Social Services:

Well, I think it will ...

Senator S.C. Ferguson:

If you are keeping them out of hospital you will not need the beds.

The Minister for Health and Social Services:

Keeping them out of hospital will, hopefully, but then saying that hand in hand, too, there has been a lot of investment in hospitals in the U.K. (United Kingdom) needing more space around beds, bit more infection control, as people are ... obesity is a problem. We need the beds to become bigger. We need more space around the beds. So it is spatial as well that we have to look at, so you might not need the number of beds but you are going to need the space.

The Connétable of Grouville:

Would that include more help and support in the community for the parishes who are building and investing in the over-55 type housing for the elderly people in the parish? In other words, we can build the houses, we cannot support them medically. Could you see a way that you would expand your medical services to take account of that, that we are going to be building more of them?

The Minister for Health and Social Services:

Well, I would like ... because I know the parishes and ... like yourselves, when I was Assistant Minister for Planning and Environment, I was very focused kind of making sure that what we built for the over-55s was built ... was lifelong homes that people could stay in them.

The Connétable of Grouville:

That is fine, but then they do need the support of the medical services coming in as a backup on that.

The Minister for Health and Social Services:

They do need support.

The Connétable of Grouville:

Do you see that being part of your plan?

The Minister for Health and Social Services:

Well, it has to be. All those have to be in the mix because we cannot do it by ourselves. It is important that we do include the parishes in it, but as I said, the parishes, you know your community and be it just even simple things like kind of ... we do

not change plugs anymore but those kind of little things but they are important to the people who need to get them done.

The Connétable of Grouville:

Yes. I am just thinking freeing up your beds as well; by doing this, by building these homes for the elderly we are freeing up beds in the hospital as well. One of my aims in politics is trying to do that, keep people in their own homes for as long as possible, but as I said, we do need the medical backup as well, where people need visitors. I know the nursing association, you can subscribe to that, but is there anything in Social Services which could be improved on?

The Minister for Health and Social Services:

Yes, definitely. There is also kind of what we build as well, making sure that ... do they need steps? It is the mobility of people getting older, their mobility is not going to be as good so ...

The Connétable of Grouville:

No, well, they are obviously all built to a standard which is approved by your people before ... it is just, as I say, backup service of people calling ...

The Minister for Health and Social Services:

I will put this in now. I am a great pro person for a wet shower. I get that in every time I can because something as simple as that can keep somebody in their own home for so much longer.

The Connétable of Grouville:

Okay.

Senator S.C. Ferguson:

Yes, what is the service going to look like after the sort of cuts you are putting in at the moment?

The Minister for Health and Social Services:

I think, broadly speaking, the C.S.R. (Comprehensive Spending Review) process is about savings in 3 different ways and 3 different methods. First, I think we need to do things differently and perhaps look at doing fewer things and what we do is perhaps we need to look at different things. The patient and client safety must come up high on the list and hopefully, kind of as a follow-on from the previous question, the amount of activity going through

the hospital would be reduced because, as we know, it is cheaper to keep people ... if you are talking about pounds, shillings and pence, to keep people in the community and in their own homes.

Senator S.C. Ferguson:

Yes. You know, at what point did you stop concentrating on cuts and focus on management teams or frontline services or, indeed, both?

The Minister for Health and Social Services:

I think it is fair to say that everything was in the mix. We looked across the whole broad ... I know Richard spends a lot of time ... I do not know whether you want to add anything there, Richard.

Deputy Chief Executive, Health and Social Services:

Yes. I think when you are looking at the 2 per cent cuts for 2011 there is a lot more ... those particular cuts need to be cash releasing in quite a short timeframe so they tend to be quite specific schemes. I think you will see among the 2 per cent cuts there are some which are overarching initiatives like the "procure to pay" initiative, some corporate issues in there also, as the Minister says, about doing things less. So there are some activities that we are currently engaged in that we are planning to be engaged in less or not do at all if they are not core business. There is a difference between those kinds of cuts and the things which we talk about in 3 and 5 per cent for the following years, which are much more about significant service redesign and they require a longer lead-in time to get to those. So there is a difference between the 2 per cent and ...

Senator S.C. Ferguson:

Yes, and how far down the structure did you ... you know, how far down the departments did you go to look at the cuts? Did you go right down ...

Assistant Minister for Health and Social Services:

Do you mean in terms of going to frontline staff and ...?

Senator S.C. Ferguson:

Yes.

Assistant Minister for Health and Social Services:

Well, as you already know from the previous meeting earlier this week, H. and S.S. (Health and Social Services) has been one of the departments that has asked frontline staff for ideas and I think to date we have had in excess of 60 responses from frontline staff suggesting potential ways of doing what we do more effectively and more efficiently.

Senator S.C. Ferguson:

Yes, so what appetite is there for the abolition of individual programmes rather than attempts to slim, you know, sort of across the board? Have you really got a will to act structurally?

Assistant Minister for Health and Social Services:

There is a will to act structurally. The first phase of 2 per cents in some respects do look a bit more like ... well, they are efficiency savings as opposed to restructure ... savings coming out of restructuring. The latter is going to take us more time to reconfigure and that process has just started with the arrival of the new chief officer.

Senator S.C. Ferguson:

All right. We have the savings. How are you going to measure them?

Assistant Minister for Health and Social Services:

They are going to be measured from a Treasury point of view in cash limits and less cash limits.

Senator S.C. Ferguson:

Well, yes, but what methodology are you going to use because the one thing we have gathered is that there have been problems in identifying costs. So, how are you going to say: "Well, this was the saving. Have you got it?"

Director of Finance and Information, Health and Social Services:

Okay. I mean, to give some clarity over that, the bottom line is the cash limit for H. and S.S. will be reduced by £3.7 million, 2 per cent, in 2011. So there is one very clear bottom-line monitoring process that says H. and S.S. will have less money to spend on its overall envelopes of services than it has prior to the reductions. It is my job to make sure that the schemes that we have identified effectively deliver those recurrent budget reductions that enable

the cost base of H. and S.S. to fall to the same level as the new recurrent cash limit that H. and S.S. will have.

Senator S.C. Ferguson:

But if you have invest to save and growth money, is that not all going to get a bit blurred?

Director of Finance and Information, Health and Social Services:

No, because the schemes are very clearly identified as to what the savings are and the schemes that are growth and investments are also very clearly identified. So, for example, if we were to take the increasing cash limit associated with the Williamson developments, that is very clearly associated with a scheme of developments. Those are not the same schemes and developments that are listed on our C.S.R. sheet so I do not think they will be blurred, no.

[15:45]

Mr. M. Oliver:

So are you saying you know all your costs within the health service at the moment? You could cost everything up from soup to nuts, as the Americans would say?

Director of Finance and Information, Health and Social Services:

That is not quite what I said. Effectively, what I am saying there is if we want to do any bespoke pieces of costing work on any one of our individual services, or many of those individual services, the finance team can deliver that from a bottom-up process. So, if, for example, we wanted to clearly consider the cost of the physiotherapy reduction in service that we are talking about in the C.S.R., the finance team can identify that resource in recurrent budget terms because it is assigned to a budget holder and assigned to a service, we can identify where that is, we can identify the post that will no longer be in place and hence that recurrent budget can be removed, which then effectively brings us back in line with our overall reduction in cash limit. So, there are 2 pieces of work involved in that question. There is either the generic concept which we have talked about previously in this panel around the N.H.S. (National Health Service) acute service especially would operate a reference cost type process where they

routinely cost up all of their activities - because they match in their activity data very clearly with their finance data - to create unit costs of procedures and activities. Where we are in H. and S.S. is we are somewhat behind that due to the fact of the investment in the information systems which obviously will start to provide a level of that activity information that then can be matched in with our finance information and we could start to mirror, if we so wished, the process that the N.H.S. does. That is very different in an overall costing and management information tool compared to what we are talking about here, which is very clear schemes that the costs have been identified, the recurrent budgets have been identified, and these schemes will reduce those recurrent costs and reduce the recurrent budget to enable us to live within our new cash limit.

Senator S.C. Ferguson:

So if I ask the Fern Britton question and say: "If I want ..." Well, it is the idiot question, you know: "What is the cost, for example, of a hip replacement?" can you give me that figure?

Director of Finance and Information, Health and Social Services:

I could go away and we could cost that up for you in fine detail as to what it costs Jersey to provide a hip replacement.

Senator S.C. Ferguson:

But you do not have anywhere on your system you can press a button and it will say: "Hip replacement, that will be in the region of ..."?

Director of Finance and Information, Health and Social Services:

I could do it in the region of. I know it is ...

Senator S.C. Ferguson:

Well, plus or minus 5 per cent.

Director of Finance and Information, Health and Social Services:

But we would ... to give appropriate information to managers to be able to manage their service into the future, you are right that the whole activity base of acute services, all of the procedures, is not routinely costed up as it would be in the N.H.S., which I think is

what our original, back in P.A.C. (Public Accounts Committee), conversations were. I think that is very different to saying that H. and S.S. does not know the cost of its activities because it can identify on bespoke pieces of work the cost of any activity that it undertakes and the finance team can work with the managers to cost those up in detail. So if, for example, it was required to know the detail of orthopaedic costs, then the finance team would work out the costs of those orthopaedic activities.

Mr. M. Oliver:

But does it therefore mean that an everyday normal situation you have a feeling on the cost, a little handle, but you do not know exactly unless it was a real specialist piece of work that you were asked to deliver, is that what you are saying?

Director of Finance and Information, Health and Social Services:

We have our costs based by our specialties, but if you said to me: "What was the cost of a knee replacement in 2008 compared to a knee replacement in 2009?" we would have to go back, do a level of work, hopefully not that much if that was the exact question, and to undertake a costing exercise to compare the 2 costs between the years.

Deputy T.A. Vallois:

Surely that is more costly than having a routine way of costing what you do.

Director of Finance and Information, Health and Social Services:

That is true. The difficulty is the costing information is only as good as the activity information that you can feed into it, and the whole development in the I.C.R. (integrated care record) programme in H. and S.S. is about starting to provide that level of information so that the finance team can then work as effectively as you are saying to develop those cost base indices for management information. But sadly the financial information cannot be used to its full potential without being 100 per cent clear about exactly what activities are going on in service areas so that then the costs can be apportioned over those activities appropriately.

Mr. M. Oliver:

What date have you got for completion of that project?

Director of Finance and Information, Health and Social Services:

Well, the I.C.R. programme is due to go live later this year and then obviously we have to work very comprehensively with the information that is being provided in that system to then start to work up our strategy for either changing some of the inputs into that system so that it does work more effectively with the finance information, or obviously honing that and making sure that that information comes out for us to be able to develop a standard costing type management information system, which is definitely on my radar as something that we should be investing in to develop. It is a mixture of better activity information and then the finance team skills to be able to use that information to create the management information necessary.

Senator S.C. Ferguson:

So how have you been able to work out your savings if ... you must have had a lot of bespoke work to do?

Director of Finance and Information, Health and Social Services:

That is the way it works. At the moment unfortunately the managers of the service and the people on the ground often have a very good, indicative feel of what inputs go into the services that they are talking about and can guide the finance team very strongly in what those inputs are, meaning the finance team can cost up sometimes very quickly or sometimes it is indeed a far more comprehensive longwinded piece of work to identify what the actual cost of that service is, which therefore by definition the reduction of it, what it means in recurrent budget.

Senator S.C. Ferguson:

Anyway, it does not sound as if we know properly what things are costing. I am sorry, I am putting words into your mouth.

Deputy Chief Executive, Health and Social Services:

Can I suggest with the 2 per cent, going back to what the Minister was saying about doing things differently or doing less of things or doing different things, there is quite a lot of doing less of things within the 2 per cent. It is easier to identify the cost of doing less of things because if you are taking out a post or an activity there

are some very prescribed costs to that. Doing things differently, the longer term work, is much more difficult to cost.

Chief Executive, Health and Social Services:

Perhaps if I could add, I think it is quite right to look at how we can get a comprehensive management information system in place because the types of changes we will need to make in terms of moving forward into the 3 and the 5 per cent and beyond - because the pressures will always grow in terms of healthcare - does require us to have that type of comprehensive information available. So it does have to be a priority within H. and S.S.

Senator S.C. Ferguson:

Yes.

Deputy T.A. Vallois:

Is there not a concern, though, that possibly the 2 per cent that you would be saving will have an effect on the remaining 3 and 5 per cent that you need to save in the following years, so that they might come back to bite you, let us say?

Deputy Chief Executive, Health and Social Services:

I think with particular regard to that, one area we were looking at was with our S.L.A.s (service level agreements) with third sector providers because there is a real danger of being penny wise and pound foolish because a lot of our third sector providers provide activities which stop people coming into the much more expensive secondary care. So we have worked very closely with those third sector providers to make sure that if they have engaged with us in the C.S.R. process that they can do it, and some of them can, they can drive some efficiencies into their business without having a perverse impact upon the secondary care sector. So we have had to be very ... you are quite right, we have had to consider that very carefully at this first stage.

The Minister for Health and Social Services:

Also to add there the third sector, it is very important to include them into it, which we have done because they provide services that we could not be able to afford otherwise. They have been ... give them their due, they have been fully engaged.

Senator S.C. Ferguson:

Yes. So what other savings have you considered?

The Minister for Health and Social Services:

Well, there was a lot but by the time ...

Senator S.C. Ferguson:

You had a whole slew of them, presumably?

The Minister for Health and Social Services:

Well, when you are starting at a low level, they did all the groundwork, which was acceptable and not acceptable, so by the time it came up to ministerial level I think a lot of the filtering had been done. So when it came up to ministerial level we did have obviously a full discussion, full presentation, and we were able to put forward what we thought would be acceptable.

Senator S.C. Ferguson:

Yes, which stopped the patient transport being included.
[Laughter]

The Minister for Health and Social Services:

We are in a different place to where we were last year, I am pleased to say.

Senator S.C. Ferguson:

Good. What other reviews are you doing to support the C.S.R. work?

The Minister for Health and Social Services:

Well, Richard, did you want to ... as it is quite a ...

Deputy Chief Executive, Health and Social Services:

Yes. We are now about to enter a stage over the summer of developing a project to get into a lot of that work that we have been talking about, sort of a diagnostic phase of identifying the financial and non-financial information so that we can look at those broader schemes. I think one of the issues about some of the schemes that do come forward to the ministerial team but have not been taken up in 2011 is identifying those schemes that need much more feasibility work around them, around how they might work. This summer it is about developing better information so that we can cost out activities and really have a look at some of these more complex service redesigns.

Senator S.C. Ferguson:

We have had JD Edwards for some time. Why has it taken so long?

Deputy Chief Executive, Health and Social Services:

I do not think JD Edwards ...

Director of Finance and Information, Health and Social Services:

JD Edwards is a financial ledger system. It gathers up costs in a way for financial accounting so that the accounts of the States of Jersey can be consolidated up by department to create the statutory accounts. A system that involves integrating patient activities and matching those against costs of services is a completely different system, with respect.

Senator S.C. Ferguson:

Yes, although there must ... I mean, in some respects it is fairly easy to cost a factory with the widgets going through. It is not desperately different. Anyway, we had better carry on. Now, following submissions received by the panel, the public believe there is significant rampant waste with States workers and health in particular. What work are you doing to make people understand how things actually are?

The Minister for Health and Social Services:

Well, it would be nice to see those submissions, if we can, because ...

Senator S.C. Ferguson:

With pleasure.

The Minister for Health and Social Services:

If people have identified that, then it would be good to know, but I am very keen to ... if there is any kind of rampant waste, then I would certainly ...

Senator S.C. Ferguson:

This is what is coming into us.

The Minister for Health and Social Services:

Yes, and I would certainly like to know. As we know, as you know, Health and Social Services has a big carbon footprint and one of

the things that we discussed last year was being much more proactive in how we use our energy and that kind of eco-business. That is a huge piece of work because we do expend a lot of energy, but that needs ... that cannot happen overnight, unfortunately. That needs to be worked up, but that has to be one of our 3 and following 5 per cent savings. If there is more waste then I am there.

Senator S.C. Ferguson:

Yes. You know, we have even got one from a retired surgeon commenting on the change between the set-up when he was working and the set-up today, with an awful ... I am sorry, I do not want to digress into the 9 layers of management, but certainly you can have the submissions.

The Minister for Health and Social Services:

Because I know that you have emailed me a couple of times and included the new Chief Executive, so I think it would be ... as a fairly new ... well, as a newcomer, I should say, it would be good to have her thoughts and her comments.

Chief Executive, Health and Social Services:

Thank you. Yes, I am currently looking at the documentation that you have sent through with some interest, and I have also had a look at I think the PwC report that was completed last year. I think obviously it is only right and proper in the climate that we are in that we should look very carefully at managers and layers of management, what management is doing. I have to say my impression on being here, and I admit I am obviously only 3 weeks into the role, but I think in many respects Health and Social Services, certainly the health part of it, is sadly under-managed at the moment, particularly in terms of some of the missing capability and skills we would need. We are moving into a phase where we have identified savings we can make in the 2 per cent. We are starting to work up and identify the areas we can move into for the 3 and the 5 per cent, which will require major service redesign. To deliver those and deliver the savings requires really good project management skills, and that is a skill base that we do not currently have in H. and S.S. So I think while we do have to examine very carefully who does what and can it be done differently and will that give us a saving in management, there will be some need for reinvestment to make sure we get the right skills in to ensure we deliver what we say we are going to deliver.

The Connétable of Grouville:

You cannot do retraining within?

Chief Executive, Health and Social Services:

Sometimes you can, yes, and I think that has to be looked at, but I think we have to be able to say with confidence, if we have identified a good scheme, we are now going to deliver it. That requires to have the people on the ground who will go from having a good idea to actually making sure it happens.

The Connétable of Grouville:

It is just that I think we have a horror of the reinvestment word when it comes to saying: "Okay, we are going to save £20,000/£30,000/£55,000 but we need to put a manager in at £80,000 a year in order to do it." It defeats the object.

Chief Executive, Health and Social Services:

I think we need to look at the bottom line because some of it is invest to save and if we cannot invest and see a major saving that is much, much bigger than the investment it is not an appropriate scheme.

Senator S.C. Ferguson:

So you are saying that the 2 per cent is really the efficiency now and the big savings are going to come in the 3 and the 5 but they are not necessarily connected? You have not looked at 10 and divided it into 2, 3 and 5?

[16:00]

Chief Executive, Health and Social Services:

No. I think we do have to differentiate because what you can do with a smallish percentage saving in terms of looking for efficiencies and productivity gains is very different to when you are doing a major service redesign. I think one of the challenges we have does relate back to getting to a point where we have good quality management information. I am very familiar with the process in the N.H.S. that we have launched called "Q.I.I.P." which is looking for quality, innovation and improvements in productivity. In the N.H.S. it is quite easy to say: "What does it cost to do that? What is the best practice? Can we move to best practice and make a saving?" We are not quite there yet in terms of how we

have information, both financial and activity, to allow us to have those comparisons, but what I have already done with the hospital staff is start to say to them: "We know what good practice looks like so can we look to see if we are offering good practice?" and that should start to generate savings. I would much prefer to have the detail that sits around it, but we cannot afford to wait. We do need to get on with that.

Senator S.C. Ferguson:

Yes, because 10 per cent of the budget is about £17 million and you are going to have to ... we have been told that the staff have been tasked with saving £18.7 million in order to finance some growth. How will this work?

Assistant Minister for Health and Social Services:

In any programme you are going to have to devolve. You know, H. and S.S. is no different to any other business where you need to continue looking at what you are doing and continually say: "How can we do that more effectively and more efficiently?" Then you use that money that you save to invest, in terms of healthcare, acute care, in new procedures.

Senator S.C. Ferguson:

You have also got something like, what was it, £2 million-something in this year's Business Plan, in 2010, as well for growth.

The Connétable of Grouville:

You are saving 3.7 and spending an extra 2.5, net saving 1.2.

Senator S.C. Ferguson:

Yes, but there is also growth this year which is expected to carry on next year presumably.

Assistant Minister for Health and Social Services:

For specifically identified lines of expenditure. It think the £2 million growth is linked to pay and terms for middle grade doctors and nurses.

Chief Executive, Health and Social Services:

Could I make a comment on that? I think this just goes back to the point that you made earlier which is that at the same time as we are looking to reduce the cost limit on the bottom line the

population is growing, the population is ageing, there are new medicines coming on board, there are new treatments being made available that we quite rightly want to make available to the residents on the Island. So, at the same time as we need to hunt the efficiencies and the savings in the base, there will be requirements to fund growth for legitimate services that we want people to have and that is why we have to keep those lines separate because you need to be able to see, we need to be able to see, that we are making the savings on that bottom line but there will always be bids for growth because we need to offer those new treatments and those new medicines.

Senator S.C. Ferguson:

The presentation to Joe Public needs to make that very clear. Yes, because we have had delays on lead in times for savings in the past. How are you going to get a steady progression of savings from the proposals that are being made? Are you going to be able to get savings from the start or is there going to be a delay? How is it going to work?

Deputy Chief Executive, Health and Social Services:

I will pick that one up because I am leading the programme developing that project around each of the schemes. In the past we recognise that there has been difficulty in releasing the cash from saving schemes quickly enough. That is partly to do with the way in which the planning cycle works so that by the time the States approve the schemes it is quite late on in the year. We have certainly been caught out on that in the past so that by the time they are approved, work up to the schemes, some schemes may fall away and some may be accepted. So there has been a delay in when you can start up a scheme. What we are doing now is we are identifying the lead times for all of the schemes so we can start them as early as possible and we know exactly when we are going to start in the year and therefore we can profile the cash release for each of the schemes much more accurately.

Chief Executive, Health and Social Services:

Could I add one of the things that we will be doing is setting in place a programme, management office methodology, which I am sure you are familiar with, which will be to make sure that we say for every project that we need to put in place there will be a lead director, there will be a team, there will be a timeline identified, there will be a plan, and that will be rigorously monitored on a very

frequent basis so that we can intervene much earlier and get a much better grip on are we delivering what we said we would at the timescale we said we would and if we are not what can we do to recover that position or we need to find more schemes to make sure we deliver on the bottom line saving.

Senator S.C. Ferguson:

Yes, because one of the comments that comes out in the submissions is requiring managers themselves to find 10 per cent savings, a bit like asking turkeys to vote for Christmas.

Deputy Chief Executive, Health and Social Services:

I think with regard to the way in which we have worked at it so far with respect to the 2 per cent, certainly how we look to move forward in the 3 and 5, is we have not asked the managers to identify the schemes, we have engaged the entire staff. We have engaged the unions relatively well, not perhaps as much we would like to moving forward, the timescales have been quite tight, but we have had 4 opportunities so far to work with the unions, engaging them so they understand what those saving schemes are. We really need, going forward to this much more radical service we design, to work very closely with the unions and engage everybody, not just managers, in developing these plans. As the Assistant Minister said earlier, I think with the 60 or so schemes that we have had come forward from frontline staff, some of those are around efficiency savings, about identifying waste, which only frontline staff can see because they would see it in front of their very hands, or it is about identifying their own practice, about doing the things that they do differently and changing their working practices to reduce out of hours or overtime and things like that. So that is the way we plan to go forward is engaging everybody in the process.

Senator S.C. Ferguson:

Have you costed the value of those savings?

Deputy Chief Executive, Health and Social Services:

The schemes that we can accurately identify the costs for are in the 2 per cent. Some of the schemes put forward by staff are quite complex in the way in which we need to work them up and that is why they will be put into the 2012 and 2013 savings because it is going to take us that amount of time to put in those schemes and make sure that we have got accurate costs on what we are saving.

So a sort of feasibility study needs to happen first before we accept a scheme.

The Minister for Health and Social Services:

It is fair to say I feel that we are in a totally different place to where we were a year ago and walking around the wards staff are much more engaged, so much so that quite a few staff have come up to come and said: "I have got this great idea that is a way of saving money." So they are initiating their thoughts, their ideas, and they can just do it so easily on computer, online. I do not know how they do it but they just press a little thing there with their thoughts and whatever. So it feels so much different and the staff are engaged.

Senator S.C. Ferguson:

That is good.

Deputy Chief Executive, Health and Social Services:

That process is anonymous, which has worked out quite well as well so staff can anonymously submit their schemes without us knowing who they are. Sometimes they put their name next to it but sometimes we do not see it.

Senator S.C. Ferguson:

Yes, because you cannot really reward staff with good ideas if they are anonymous, can you?

Deputy Chief Executive, Health and Social Services:

We are looking at a scheme whereby we can reward staff. The people who come up with the ideas are probably the best champions for implementation. So if we can identify them that is really great because we can go back to them and engage them with the delivery of that scheme and they can see their idea coming to fruition. We are thinking about how we might go about rewarding individuals with respect to that.

Senator S.C. Ferguson:

I was talking about that. I do not know that you need an enormous financial reward, just sufficient and the recognition.

The Minister for Health and Social Services:

I feel it is important that you just need to engage every single one across Health and Social Services completely otherwise we are

never going to achieve it. As I said, where we are walking round the wards staff are approaching me with their ideas and that is good.

Senator S.C. Ferguson:

Now if we go on, in mental health you are removing a longstanding vacant post. Is removing money for a wage that is currently not being paid really a true saving?

Assistant Minister for Health and Social Services:

If it is coming off the bottom line cash limit, which it is, then it is.

Senator S.C. Ferguson:

No. If you look at it, you have been collecting money for a vacant post for however long. Now, you have obviously been using that money somewhere else in the set-up so can you really call that a genuine saving?

Assistant Minister for Health and Social Services:

Yes, because you are taking it off your bottom line cash limit, so you are reducing your bottom line cash limit which means that you have not got it to spend.

Senator S.C. Ferguson:

Well, yes, but you have been bolstering your bottom line cash limit with a post that you have not had filled. So you are using the money, say to provide secretarial assistance in the radiography department.

The Connétable of Grouville:

Can we ask the question: what has happened to the money? What was that money used for if it was not used for that particular post?

Director of Finance and Information, Health and Social Services:

Allow me to help here. We need to divide the 2 up, very clearly. If we talk about the C.S.R. for a moment and say the concept of removing a budgeted post by definition reduces the cash limit in H. and S.S. and therefore achieves the C.S.R. saving. So that bit, obviously to clarify. The question that is being asked is saying the actual budget that sits there in previous years, if it has been vacant for a number of years, has obviously, in the bottom line of H. and

S.S., breaking even means that it has been utilised for other purposes and the reality of that is, yes, it has and it has been used for non-recurring issues that have occurred in the year. So, for example, we may have had a high level of agency staff requirement in the C.A.M.H.S. (Child and Adolescent Mental Health Services) team in that year and that budget then would have contributed to that issue. So the key thing is saying by removal of this budget it is now no longer available to non-recurrently contribute to other pressures that that service may have experienced in the past and it will have to have a different way of managing those. If the reality of the scheme was that the money was permanently needed for another permanent problem with that team you are correct in saying that it would not be a saving because, while the budget could be reduced, that cost would continue to exist in H. and S.S. which, by definition, would need a budget against it.

Senator S.C. Ferguson:

Yes, but at the moment there is no clear identification as to what it has been used for.

The Connétable of Grouville:

I can understand that you do not go to the bottom line, you go to the top line, and the top line is you get £1 million and you spend £1 million. In the middle somewhere it has been spent and whether it was designated for one thing or another thing it has gone.

Deputy T.A. Vallois:

So basically you losing, as you would say, a contingency kind of fund that you would use to dip into when you needed to and there may be issues if that goes, if something crops up that is urgent and you have not got a contingency fund outside that baseline, that existing vacant post.

Assistant Minister for Health and Social Services:

That is correct but there will be a central contingency fund available.

Deputy T.A. Vallois:

When?

Assistant Minister for Health and Social Services:

When or where?

Deputy T.A. Vallois:

When would a central contingency fund be available?

Assistant Minister for Health and Social Services:

It would be part of the 2011 budget.

The Connétable of Grouville:

Where did it come from?

Assistant Minister for Health and Social Services:

It is going to be a centrally housed contingency fund.

The Connétable of Grouville:

Where did it come from in the first place? Let us say that post was worth £60,000, say, and that £60,000 went into your budget, it was used as a contingency. Now it is no longer there but you are saying the £60,000 is still there.

Assistant Minister for Health and Social Services:

No, there is going to be a central Treasury, not central H. and S.S., contingency fund.

The Connétable of Grouville:

We do not want to replace that £60,000, do we?

Chief Executive, Health and Social Services:

No.

The Connétable of Grouville:

Exactly, that is the point. There is no point in replacing that £60,000, that has gone.

Assistant Minister for Health and Social Services:

I am wearing my Assistant Treasury hat here as opposed to my Assistant Health hat. From 1 January 2011 onwards there is going to be a contingency pot for the States of Jersey to use for unforeseen circumstances year on year and that is where if there is an ...

The Connétable of Grouville:

Yes, Philip has explained that to us.

Assistant Minister for Health and Social Services:

... unforeseen circumstance happening in H. and S.S. then it will be up to H. and S.S. to go to Treasury and say ...

The Connétable of Grouville:

You will not have the £60,000 to draw on.

Chief Executive, Health and Social Services:

No, but that means if we still need to spend whatever we were spending that £60,000 on we have got to find other efficiencies and savings within the reduced budget.

The Connétable of Grouville:

Excellent. That is what I wanted to hear.

Senator S.C. Ferguson:

If you have got a 7.5 per cent vacancy rate in nursing posts, how are you going to consider that when the full 10 per cent is dealt with?

The Minister for Health and Social Services:

Again, as I said, it is making sure that the frontline services have to be protected. The extra funding that we had for nurse recruitment was a States proposition last year and that was important and that was a result of a nursing staff review so there was a lot of evidence behind that. It is again making sure that 3 and 5 per cent are well worked up and we know the pros and cons, so to speak, of the different schemes that come forward.

Deputy Chief Executive, Health and Social Services:

I think it is important to recognise that 7.5 per cent vacancy rate is one of our cost drivers because dealing with that 7.5 per cent vacancy rate by very expensive agency and bank is pushing costs very high. So as part of the efficiency savings we need to bring down our vacancy rate because every time we bring that down we reduce expenditure.

The Connétable of Grouville:

The agency system, how does it work? Are you using agencies where the nurses are living in Jersey or are you bringing nurses in from the U.K. to cover?

[16:15]

Deputy Chief Executive, Health and Social Services:

It is the latter by preference in terms of the local workforce first and then in emergency, when we cannot provide the specialist skills, then we are bringing in agency from the U.K. and that is expensive.

The Connétable of Grouville:

So your local agency then, are you in competition with other employers?

Deputy Chief Executive, Health and Social Services:

For the bank, what we call the nurse bank, is staff who work for Health and Social Services. They might have an established post within Health and Social Services but they may also do additional hours on bank.

The Connétable of Grouville:

I see, but I am talking about an agency now. Let us say you went to an agency in Jersey, are you in competition for the staff nurses they have got there, for instance with other employers? I am thinking about how you could pressure the rate down a bit.

Director of Finance and Information, Health and Social Services:

The answer to that is I think, yes, we are. The competition is limited because of Health and Social Services being the prime place where they would end up doing work but obviously they could be engaged with Family Nursing and Home Care or with private nursing homes on the Island. So there is a level of competing.

The Connétable of Grouville:

So you are not a monopoly employer or customer for the agencies?

Director of Finance and Information, Health and Social Services:

A very strong player in that but not a monopoly, not the only consumer of those services.

Deputy Chief Executive, Health and Social Services:

Unfortunately a lot of the areas whereby we have difficulties recruiting are very specialist areas and therefore you will not find them just locally, you will not find a renal nurse just on bank or with Guardian Nursing.

The Connétable of Grouville:

At some stage surely it must be more economic to take on fulltime nurses rather than go to the agencies. There must be a breakeven point where it is not just worth going to the agencies.

Chief Executive, Health and Social Services:

Absolutely.

Senator S.C. Ferguson:

Have you done an overall assessment of the number of short and long term vacancies and reviewed what you have got outstanding?

Chief Executive, Health and Social Services:

I am sure that has been done.

Deputy Chief Executive, Health and Social Services:

It is a very detailed piece of work that has been put together by the workforce planning team around nursing vacancies, about profiling where our gaps are, identifying ...

Senator S.C. Ferguson:

No, that was not my question, if you will excuse me. I said have you assessed the number of vacancies unfilled, maybe splitting into short term and long term? Have you done any work on that?

Deputy Chief Executive, Health and Social Services:

Yes.

Senator S.C. Ferguson:

Can you say what the value of that is?

Deputy Chief Executive, Health and Social Services:

I do not have that information with me but we can certainly make it available to the panel.

Senator S.C. Ferguson:

Super. How are you going to measure the savings in procurement, anybody? Sorry, Russell, it is yours.

Director of Finance and Information, Health and Social Services:

It is very important with procurement savings to understand that there are 3 levels of savings in procurement. There is the avoidance of costs, so keeping our cost base lower than it would be due to the natural purchase of items. There is the actual reductions in prices, for example, that can generate those savings. Then the ultimate bottom line on that is the fact that we have got a recurrent budget for, say, £20,000 worth of consumables and we achieve the same volume of appropriate consumables for £19,000, as an example. That is what generates, in that example, a £1,000 recurrent budget saving which contributes then to the C.S.R. programme. So our procurement or pay to procure programme, which is obviously led by the States of Jersey head of procurement, of which we are the pilot project in that, has considerable opportunities in it to provide the appropriate level of consumables into H. and S.S. at a reduced price and a reduced volume to ensure that we can create the savings that are on the C.S.R. programme.

Senator S.C. Ferguson:

Is your management information system sufficient to enable you to identify these?

Director of Finance and Information, Health and Social Services:

It is another area where it is very time consuming because identifying a change in price, for example, is very easy to do from the procurement systems because if they were buying it at £10 last month and due to a course of action, a renegotiating of a contract, et cetera, they are buying it at £5 then obviously it is very clear that there is a £5 saving. The difficult bit is making sure the relationship between the recurrent budget and that action is managed through the whole of H. and S.S. that then releases the recurrent budget to contribute to the C.S.R. programme. So the initial stage of saying we have made a saving is very easy to identify because, as I say, the procurement team were purchasing at £10 previously and now they are purchasing at £5, very straightforward. I have to be very careful that that does not turn into a trumpet headline that says: "Is this not fabulous? H. and S.S. have saved £5 per unit" because that is only a saving in

C.S.R. terms if the recurrent budget is reduced to represent that amount.

Senator S.C. Ferguson:

So you will be producing the evidence on that?

Director of Finance and Information, Health and Social Services:

We will have to because that is the only way I can make sure the recurrent budgets are reduced in the appropriate service areas to then contribute to the reduction in the overall cash limit of H. and S.S. and that is quite a complex piece of work, depending on the particular consumable that is being purchased or service that is being purchased, how it is budgeted for across the whole of H. and S.S.

Senator S.C. Ferguson:

Forgive me for not getting this straight. You have not really got the I.T. (information technology) in place at the moment to do this?

Director of Finance and Information, Health and Social Services:

I am not sure any organisation would have the level of I.T. that relates the savings in procurement down into its general ledger system. It is about understanding the procurement saving and what that means for the organisation and then ...

Senator S.C. Ferguson:

If you spend less on paper this year than you did last year and you buy roughly the same amount that is one form of identifying the saving, surely.

Director of Finance and Information, Health and Social Services:

That is right and that is very simple from the procurement team who can identify that very easily. The difficulty comes in saying: "Where is paper budgeted for in H. and S.S.?" If it is in one line that says "paper" it is very simple to equate the reduction in price to the reduction in cost to the reduction in budget. If, for example, you take 2 millimetre needles, which are used across all sorts of surgical areas in H. and S.S., and someone says: "We are buying those needles for half a penny cheaper now than we were last year" that as a headline is quite easy to do because the

procurement team would know we bought 10,000 in year 1, we are going to buy 10,000 in year 2 and we have saved half a penny on each one. The difficulty comes down in saying what we have got to understand is where every one of those needles is charged to in H. and S.S. so that the recurrent budget that currently exists can be extracted out from all of those areas and offset against the C.S.R. programme. So it depends on the commodity that we are talking about and how it is charged to the individual business areas in H. and S.S., depends how easy it is to extract the recurrent budget to then achieve the targets that are put down.

Senator S.C. Ferguson:

Right. Under your overheads section there is a £34,000 saving for workforce planning and admin and there is an element of invest to save in the acquisition of I.T. to track nurses' times and so on. Where is the investment coming from? Is this really a saving?

The Minister for Health and Social Services:

Yes, it is a saving. You can answer it in detail.

Deputy Chief Executive, Health and Social Services:

That is returning back to the Constable's earlier point about agency and bank being an expensive way of providing services and if you have a helicopter view of where all your human resources are at any one time then you are much likely to be able to deploy those resources more efficiently. This is about purchasing software at a cost, an investment, and therefore reducing your reliance on agency and bank and having much more efficient deployment of your existing establishment and therefore that is the saving.

Director of Finance and Information, Health and Social Services:

Maybe if I could just add a little bit more to that. The main saving in that particular scheme is in the administration time that currently is done manually and in the future will be done by the I.T. system. So there is a team of individuals who work on co-ordinating bank and agency staff into the areas that are needed to cover the shifts. Through the use of efficient I.T., which is where a one-off investment comes in, there is a recurrent saving on a member of staff because effectively the machine is doing the job that an administrator would have done previously.

Senator S.C. Ferguson:

Although anecdotally one hears about agency staff who come in, find they are not needed and just stay on ... I think they get told to go home but they still get paid. This is an expensive ...

Director of Finance and Information, Health and Social Services:

You are right. That is an inefficient way of deploying an expensive resource. The I.T. system that is proposed, it is proposed that it makes sure that is better controlled so that those circumstances that you have just described are minimised and do not happen.

The Minister for Health and Social Services:

We will always need extra bank staff or locum staff or whatever because that is the nature of the business. Just as a side issue, that is why it is important, I think, that we press ahead with our grow your own nurses, specially in the healthcare system, because they are our own and they are going to be more effective and a cheaper workforce and safer workforce than employing agency or locum staff.

Senator S.C. Ferguson:

Yes, because in your primary care savings there is £930,000 which is about reconfiguring some areas of primary care expenditure to the Health Insurance Fund. Is that really a saving? It is an accounting thing.

The Minister for Health and Social Services:

It might be but when I first started off Health and Social Services had been doing a lot of work, been paying for a lot of services which should be done within the primary care of which people have been paying into the Health Insurance Fund for the wages. Those services are primary healthcare and should be costed out from Health and Social Services. So that is where the transfer is and we are working very closely with the Minister and staff in Social Security to identify those areas and work them up. Coughing: I was thinking of smoking, that is one area.

The Connétable of Grouville:

The Health Insurance Fund is lovely. It is a sort of little golden calf that trots along every so often. Social Security used it to save £1.4 million we noticed quite recently. If £930,000 is coming out as

well, at some stage it is going to run out and where are you going to get the money from then?

Assistant Minister for Health and Social Services:

It is currently refreshed(?) year on year ...

The Connétable of Grouville:

Yes, I know, but that is going to run out one day.

Assistant Minister for Health and Social Services:

... and it has got significant reserves. The more we use it at some point in the future it will run out. It will run out at some point in the future regardless because of our demographic.

The Connétable of Grouville:

That is what I mean.

Assistant Minister for Health and Social Services:

So at some point in the future the Minister for Social Security is going to have to look at that fund and how it is sustained.

The Connétable of Grouville:

I would contend, and I think the Chairman agrees with me, that is not a saving, this is a drawing on savings.

Senator S.C. Ferguson:

It is not a saving in net revenue expenditure for the whole States.

The Connétable of Grouville:

Take a helicopter view, as you said.

Deputy Chief Executive, Health and Social Services:

That is correct. It is absolutely transparent what it is. It is a movement of services from one place to another and therefore a movement of the funding stream from there as well. There are elements of the secondary care budget which in any other part of the world would be delivered in primary care and would be funded out of primary care. When you go to see your G.P. money comes out of the Health Insurance Fund for all of the activities except for G.P. Co-op which comes out of the secondary care budget. There can be no rhyme or reason for that.

Senator S.C. Ferguson:

So, looking at the C.S.R. as a whole, what obstacles do you see in the way of achieving the overall process? You have got 10 per cent to come off. What are going to be the hardest things?

The Minister for Health and Social Services:

I think the hardest as we go forward is ... a couple of points I would like to make. It is very important to have that data behind us so we can evidence it. That is vital and that is going to come. Another area too, I am not saying it is going to be easy, hands up to that, it is not but we need to look forward for a way of finding it to work. The general public's expectations are high and it is the big questions that all the public will have to look at in the future, look at the services: do we still need to provide them? If we do, how are we going to provide them? Do we provide them in the same way or is there room to look at providing them in a different way? Those are very big questions that we all have to look at and all need to be addressed as we go forward.

Senator S.C. Ferguson:

Are you going to look at the whole thing - I think we have touched on it earlier - and say: "These are services which are better provided in the N.G.O.s (non-government organisations) and third sector"?

The Minister for Health and Social Services:

Absolutely, but not just with the third sector but are these services better provided in the U.K.

[16:30]

Also, I will just give an example like orthopaedic surgeons because they are now sub-specialising. You will not get a general orthopaedic surgeon any more because their college said they have got to sub-specialise: you get one for hips, shoulders and whatever. So is it feasible that we have a consultant orthopaedic surgeon that does hips, knees and shoulders? That is going to be counterproductive because if we do that then they will not have the throughput of patients to keep their qualification up, their revalidation up. So it is all these questions that have to be put in the mix at the same time. In fact, it is going to be difficult but there are the big questions too that we have to look at and on top of that we have to make sure that we look after the ageing population too.

Senator S.C. Ferguson:

One of the sort of underlying themes of this is improvements in I.T. Will you be doing a review of the whole I.T. side of Health?

The Minister for Health and Social Services:

As I said, data information too but I am not an I.T. ...

Director of Finance and Information, Health and Social Services:

There is a comprehensive project ongoing in H. and S.S. currently to replace the ageing administration systems. Those are on target to be replaced, there is funding to do that, and out of that then comes an enhanced information system to start to grow and develop the management information that is appropriate for the service as it moves forward.

Senator S.C. Ferguson:

Given that we have seen in the U.K. that I.T. is a sort of black hole into which money disappears - I think you will probably have seen that - this is perhaps an area where you will be looking to keep that under control.

Chief Executive, Health and Social Services:

It is a double-edged sword. In some respects it makes it more difficult here because we have not got the sorts of information systems yet, although they are coming, that they have in the U.K. But you are quite right, it also gives us the opportunity to learn and make sure that we do not repeat the errors that were made in terms of how those information systems were acquired in the U.K.

Senator S.C. Ferguson:

A sort of final one I suppose: how has this spending review been treated differently to the one produced in 2005 by the previous Council of Ministers? I am not sure how many of you were here in 2005.

The Minister for Health and Social Services:

I was not here. I think because this, so to speak, is for real we are aware ... as we know, we have got a big deficit, £50 million-plus deficit. The world has changed, not only here but in the U.K. as well as Europe and across the world, and this is for real this time. Giving due respect to all the staff, I think they do realise that and

they are coming more and more in line with it and that is a good thing.

Senator S.C. Ferguson:

Given that at the moment the split is 50/50 between £50 million to be raised in taxes, £50 million in spending cuts, if the F.P.P. (Fiscal Policy Panel) advise an 80 spending cuts/20 per cent tax increases split how will you cope?

The Minister for Health and Social Services:

Take one step at a time, really.

Senator S.C. Ferguson:

Is that going to provide significant problems?

Assistant Minister for Health and Social Services:

That will be a challenge but that is what we are here for.

The Minister for Health and Social Services:

It will be difficult decisions that we all have to take and it will be very serious questions about the future of Health and Social Services if we were put in that position. It would be very, very big questions.

The Connétable of Grouville:

We had a little question and answer session with your acting Chief Officer about the gardening and we ended up, Sarah and I, thinking that it is a ministerial decision as to whether you outsource your gardening or whether you reduce the workforce within the public health department. Is it your intention to go out and get outside contractors in to do some of this work rather than keep on with having gardeners employed?

The Minister for Health and Social Services:

I think we are losing one gardener's post, if I remember rightly, this time round. As I said before, everything has got to be put into the mix with the 3 and 5 per cent and that is right across the board of Health and Social Services.

The Connétable of Grouville:

I got the impression that in order to outsource some of this work there would have to be a ministerial decision. Are you willing to go that far?

Assistant Minister for Health and Social Services:

There would have to also be dialogue with the unions.

The Connétable of Grouville:

Yes, I understand that but are you willing to do that, that is the question.

The Minister for Health and Social Services: I would need to see some evidence and reports worked up and also, as Eddie said, we have got to think of the unions as well in there.

The Connétable of Grouville:

Of course you have but the public purse is a pretty good reason for that.

Deputy Chief Executive, Health and Social Services:

I think, as we said last time, in the 2011 savings there is a reduction in service and for consideration in 2012 and 2013 in respect to that there are options that we put forward as to how that can be addressed, how that service can be provided, what level of service is required and whether it can be delivered by another States department or whether it can be outsourced. All those options will be considered.

The Connétable of Grouville:

We went through this, if you remember, I told you the story about the Grouville school garden when the headmistress went out and did it in the afternoon for nothing. I think if you are going to do this job properly and cut properly you are going to have to look at outsourcing some elements of what you are doing at the moment. I think that is a political decision and it has got to be taken.

Deputy T.A. Vallois:

Are you working with Guernsey on the C.S.R. and if so how well are you working with them?

The Minister for Health and Social Services:

Yes, we are working with Guernsey and there is one area in particular we have had dialogue with Guernsey. I know the staff and Russell have been over recently to Guernsey to talk to them, because there must be some savings, even though they provide ...

I am quite amazed when I go over how differently they provide health and social care.

Deputy T.A. Vallois:

I am assuming that will be part of the 3 and 5 per cent going forward.

The Minister for Health and Social Services:

Yes.

Deputy T.A. Vallois:

Also with regards to the terms and conditions in the growth proposals that you have, I am just wondering if you can explain exactly how you work with the Chief Minister's Department, the H. R. (human resources) facilities, in doing that because obviously your department is very specialised in areas. I am just wondering how you work in that set-up to look at the terms and conditions.

Deputy Chief Executive, Health and Social Services:

With respect to the middle grade doctors and with the nursing, we will always be working with specialist organisations in the U.K. with regard to the level of negotiating that. That piece of work is then taken forward to the States Employment Board so that is the interface with the expertise in the U.K.

Senator S.C. Ferguson:

Thank you very much indeed, ladies and gentlemen. It is nice to be able to say "ladies" in the plural for a change.

[16:38]