

States of Jersey Group 2022
Annual Report and Accounts

R.73/2023

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.

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How to use the Annual Report and Accounts

Structure of the Annual Report and Accounts

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

Part 1: Performance Report – sets out a summary of the financial performance of the States of Jersey Group and the performance of the Government of Jersey.

Appendix 1: Financial Review – sets out detailed information on the financial performance of the States of Jersey Group.

Appendix 2: Sustainability Report – sets out detailed information on the sustainability work of the States of Jersey Group.

Part 2: Accountability Report – 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 – 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

Further and more detailed information can also be found at the separate document:

Annex: Government Department Annual Reports – sets out the detailed information on the performance of the Government Departments.

2022 Election

The election of a new States Assembly took place in June 2022 and the new Council of Ministers was appointed on 11 July 2022.

This Annual Report and Accounts therefore covers approximately the final six months of the previous Council of Ministers (Chief Minister Senator Le Fondré) and six months of the new Council of Ministers (Chief Minister Deputy Moore) which was appointed on 11 July 2022.

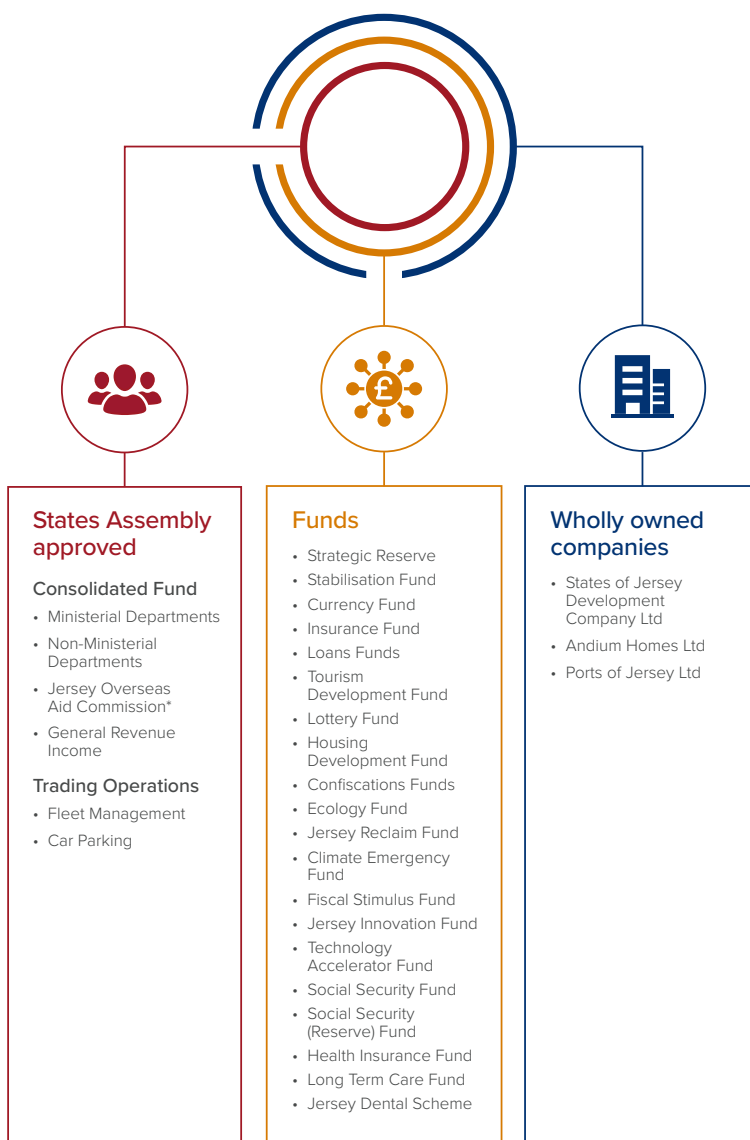
In advance of the election, from 10 May until 11 July 2022, the Government of Jersey was subject to the [pre-election period](#) where government activity is conducted under specific rules which protect impartiality and mitigate against political advantage.

New Chief Executive Officer

Interim Chief Executive Officer, Paul Martin left at the end of his 12-month fixed term contract and on 1 February 2022, Suzanne Wylie took office as Chief Executive Officer and Head of the Public Service. The CEO's role is principal advisor to the Council of Ministers and she is accountable for the administration and general management of the public services and implementation of corporate and strategic priorities. As Principal Accounting Officer, she must also ensure the probity and regularity of the finances and that resources are used economically, efficiently and effectively.

Scope of the Annual Report and Accounts - 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 \(JFReM\)](#), the technical accounting guide to the preparation of the financial statements for the States of Jersey Group.



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

The majority of the entities within the States of Jersey Group, as set out below, fall within the Accounting Boundary as defined in the JFReM which is based on direct control of the 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. The accounts presented in this report include all the entities shown as within the Accounting Boundary in the table below.

Entities consolidated within the States of Jersey Group accounting boundary

Government Departments	Non-Ministerial Bodies
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	Stabilisation Fund
Assisted House Purchase Scheme	Currency Fund (comprising Jersey Currency Notes and Jersey Coinage)
99 Year Leaseholders Fund	Insurance Fund
Agricultural Loans Fund	Jersey Reclaim Fund
Tourism Development Fund	Climate Emergency Fund
Channel Islands Lottery (Jersey) Fund	Fiscal Stimulus Fund
Jersey Innovation Fund	Ecology Fund
Housing Development Fund	Fishfarmer Loan Scheme (Dormant)
Criminal Offences Confiscation Fund	
Civil Asset Recovery Fund	Trading Operations
Technology Accelerator Fund	Jersey Car Parking
Strategic Reserve	Jersey Fleet Management
Social Security Funds	
Health Insurance Fund	
Social Security Fund	
Social Security (Reserve) Fund	
Long-Term Care Fund	
Jersey Dental Scheme	
Consolidated Subsidiary Companies	
For further information in regards to the accounting principles behind recognition of these entities are detailed in the accounting policy.	
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)	
For further information in regards to the accounting principles behind recognition of these entities are detailed in the accounting policy.	
Jersey Electricity PLC	
JT Group Limited	
Jersey Waterworks Company Limited	
Jersey Post International Limited	

Core Entities

States of Jersey Group

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 Group 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	Jersey Sport Limited
Digital Jersey Limited	Jersey Legal Information Board
Jersey Business limited	Bureau des Iles Anglo-Normandes
Jersey Finance Limited	Channel Islands Brussels Office
Visit Jersey Limited	

The States of Jersey Group comprises, similar to other national governmental structures, a large, complex and diverse group of entities.

It is therefore worth highlighting that these entities provide a very broad array of public services and vary widely in size, scope, budget, roles, and responsibilities. Each entity also has its 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 further 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'. The '[Government of Jersey](#)' 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, and group of entities within the States of Jersey Group or the entity itself.
- 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 [here](#).

Abbreviations used in Annual Report and Accounts

Minister

CM	Chief Minister
MHC	Minister for Housing and Communities
MEDTSC	Minister for Economic Development, Tourism, Sport and Culture
MCEDU	Minister for Children and Education
MENV	Minister for the Environment
MER	Minister for External Relations
MHA	Minister for Home Affairs
MHSS	Minister for Health and Social Services
MID	Minister for International Development
MINF	Minister for Infrastructure
MSS	Minister for Social Security
MTR	Minister for Treasury and Resources

Department

CLS	Customer and Local Services
COO	Chief Operating Office
CYPES	Children, Young People, Education and Skills
ECON	Economy
ER	External Relations
HCS	Health and Community Services
IHE	Infrastructure, Housing and Environment
JHA	Justice and Home Affairs
OCE	Office of the Chief Executive
SPPP	Strategic Policy, Planning and Performance
T&E	Treasury and Exchequer

Chief Minister's Foreword

2022 was a year of change for Jersey, and one that will sadly be remembered for the tragedies that impacted our community in December.



Deputy Kristina Moore
Chief Minister

Firstly, I wish to thank our emergency services personnel, healthcare workers, and wider public sector staff for their unwavering commitment in responding to December's major incidents. The investigations to determine what happened in each case will continue throughout 2023, and I appreciate everyone's ongoing hard work.

The new Government has been well supported since we entered office in July 2022. I am grateful to all those in the civil service who helped us to deliver on our 18 actions in the first 100 days of the newly formed Council of Ministers. It was the first time a Government had devised and delivered a [100 Day Plan](#) and helped us to focus on immediate areas of need that had been highlighted to us by Islanders. We are currently experiencing a period of change in leadership following the announcement that our CEO Suzanne Wylie is to return to Northern Ireland. I am grateful to Suzanne for her professionalism, hard work and support, and wish her well for the future. We are moving quickly to consider the future of the CEO role, both in how it is structured and the next postholder. Our aim is to provide continued stability in order to deliver on our ambitious agenda.

Since the election in June 2022, and my appointment as Chief Minister, the Council of Ministers has made rapid progress in delivering and initiating necessary change in crucial areas of Government and the community, as identified by Islanders. We have also committed to greater transparency and engagement with the public. Our new [Government Programme](#), consisting of our Strategic Priorities, Government Plan, [Ministerial Plans](#) and [Delivery Plans](#) ensures that the public have a clear framework against which to hold us accountable. Documents such as this are vital to report on and present information to the public.

Our overarching goal is for Jersey to be a community where everyone can thrive. To do this, we have committed in our Strategic Plan to taking actions in seven priority areas. We are aiming to improve people's quality of life both for today and into the future, by ensuring our economy remains strong, that we plan for the future, and take care of our beautiful environment.

In addition, the Council of Ministers has identified three areas of relentless focus to drive forward our delivery on the priorities of the public:

- Cost-of-living
- Housing
- Recruitment and retention

We have delivered focused support for those who are most vulnerable to the rising cost of living, together with other initiatives including the Community Cost Bonus and Parental Support Payment. This package put almost £15 million back into Islanders' pockets by the end of 2022 and will continue to help those that need it most with a further £42 million in 2023.

On housing, we have committed to delivering the additional affordable accommodation we require in both St Helier and other parishes, as well as placing a greater focus on more open space and high-quality education and community facilities. This includes having the right infrastructure in place above and beneath ground to allow us to build the homes we need. We also committed to supporting first-time buyers with their purchases – utilising the £10 million that was set aside for this very purpose.

To begin addressing our recruitment and retention challenges we have increased the minimum wage to £10.50 per hour and established a Population and Skills Working Group to consider our migration rules, supply lines, transport links, and the skills people need for the modern and future economy. The newly created Cabinet Office is identifying actions to ensure that the recruitment process in our public service is swift and efficient in order to employ the best people to deliver services for the public.

Tangible delivery is always the final, and hardest, step. We have now entered that phase and have a short window to achieve our objectives and deliver the improvements we need – a stable and skilled workforce, a growing economy and a prosperous property-owning democracy.

Deputy Kristina Moore
Chief Minister

Date: 28 April 2023

Minister for Treasury and Resources Foreword

In an environment of ongoing economic uncertainty, the 2022 Accounts show continuing progress on our aims for Long-term finance sustainability and stability.



Deputy Ian Gorst
Minister for Treasury and Resources

I am pleased to present the 2022 Annual Report and Accounts which project a strong outlook for our Island. We must continue to shape policies which deliver a sustainable economy and ensure that the benefits of economic success can be shared across our community.

Our Finances are continuing to recover from COVID. We are in the enviable position of having repaid all borrowing relating to COVID during 2022. Expenditure has dropped from 2021 as spend on COVID unwinds – however we have also needed to deal with a number of pressures, and this highlights the ongoing need to ensure driving value for money across all services.

The Cost-of-Living crisis has become the Treasury's number one priority, with swift action taken in 2022 and continuing measures in 2023.

Income has continued to show resilience with our General Revenues for the year totalling over £1bn for the first time, and as a result our Balance sheet remains strong.

We must remain consistent in supporting low, simple, and competitive taxes. Over the term of this Government Plan, we will continue to monitor the international roll out of the OECD global tax rules – Pillars 1 and 2: ensuring that we preserve our commitment to global tax standards and maintaining our international tax competitiveness. Importantly, to steer us through the MONEYVAL assessment in 2023, which is crucial for the well-being of our economy and to protecting jobs in the Island.

In the wider global economy, the performance of investments has been challenging in 2022, and the Government portfolio is not immune. We have seen decreases in value; however, we are invested for the long-term, and have still seen good growth over 3 and 5 years, and have good, robust strategies to ensure strong returns for islanders in the medium to long term.

We have continued to invest in our Island, including through our wholly owned companies. Andium Homes invested £105m in the year in its capital programme for the delivery of additional homes whilst SoJDC invested a further £51m in the year in its capital programme.

There is a lot to be thankful for in the 2022 Accounts, with a positive position compared to expectations in the Government Plan. However, we face many challenges ahead, and must consider carefully how this can be of most benefit to the Island. The FPP have advised transfers to the Stabilisation Fund and Strategic Reserve to insulate the Island from future economic conditions.

Over the next four years, the Treasury and Council of Ministers will need to focus on the challenges facing our community and concentrate on the issues that matter to Islanders. Government must shape its policies to support a strong economy, ease the pressure on family budgets in these exceptional times, and ensure our success can be shared across the community.

We will not hesitate to announce further measures should there be a need. In a highly competitive world, our long-term economic success cannot be taken for granted and, to this end, we will continue to develop a sustainable economic framework within which we can create the right conditions to achieve Jersey's full economic potential in the face of varied global challenges.

The Public accounts are in a strong position to address challenges: We must protect our Island's future by achieving long term sustainability of our public finances, investing in health and education, and investing in our economic recovery and growth.

Deputy Ian Gorst
Minister for Treasury and Resources

Date: 28 April 2023

Performance Report

Introduction

The Performance Report includes the following:

- The Chief Executive Officer's Report
- A summary of the financial performance of the States of Jersey Group
- A summary of performance of the Government of Jersey

Detailed performance analysis can be found at:

- Appendix 1: Financial Review
- Appendix 2: Sustainability Report

Further information at department level can be found at:

- [Annex: Government Department Annual Reports](#)
- [Annual Service Performance Measures 2022](#)



Performance in 2022

A Summary from the CEO and Head of the Public Service

Suzanne Wylie

Chief Executive

Introduction

I arrived in post early in 2022, taking over from Paul Martin, and set about leading the Public Service both in the final stages of the previous Government and in the early stages of this new Government.

Starting from the lead-in to the June 2022 elections, diverse teams came together to prepare the ground for an incoming new administration, ready to move forward with the entire government planning process, the implementation of the Chief Minister's 100 Day Plan, and the mini-budget to address the cost-of-living crisis.

I have been impressed by the calibre and dedication of my colleagues throughout the public services and our arm's length bodies, particularly in the face of continued pressures and unexpected events. These events included the tail-end of the pandemic response, the impacts of the war in Ukraine, the cost-of-living crisis, as well as the recent tragedies to affect the Island. The responses to these challenges in my view sum up what public service is all about, and demonstrate commitment to supporting Islanders.

The responses to the explosion at Haut du Mont and the loss of the fishing vessel L'Ecume II highlighted the close working relationships between the Government of Jersey, States of Jersey Police, Fire and Rescue and Ambulance Services, Andium Homes, Ports of Jersey, Parishes, businesses, charities, and volunteers. We are all indebted to their service at a time of unimaginable grief.

Performance Reporting

The annual [Service Performance Measures for each department](#) are being published online for the first time this year, with departmental commentary on their 2022 service performance included in the Annex – Government Departmental Annual Reports.

Although the highlights are summarised in the following pages, I would encourage you to read the detail of these short departmental reports to understand the breadth and depth of the work that is undertaken, achievements made, the standard of service delivered, and the improvements in train. Performance reports for all departments are also published on www.gov.je each quarter.

In terms of overall performance of the public service, we are improving year-on-year in setting targets, measuring progress and demonstrating change. We regularly seek feedback from service users and received almost 8,000 responses to our surveys in 2022. Customer satisfaction scores were up from 2021 to almost 80%, and 4 out of 5 people surveyed said their interaction with government was 'easy' or 'fairly easy'. It is clear that, despite the challenges mentioned above, the majority of services to the public are still highly thought of by Islanders.

Budgetary Control

Despite the impact of inflation on supplies and contracts, for example, all departments met or came in under their budget targets, with the exception being Health and Community Services (HCS).

Additional money had to be reallocated to HCS, particularly towards the end of the year. This was due primarily to pressures on the department from increases in healthcare demand, including long term care, and a significant increase in costs during the period of high inflation.

It also became apparent during 2022 that the last year of the original rebalancing (efficiency) programme would not meet targets, particularly in the front-line services such as HCS and Children, Young People and Education Services (CYPES). This led to the new Government reconsidering the targets and setting out a four year programme for realising a total of £40m of savings, with a significant focus on targeted Value for Money Reviews.

Independent Covid Review

In the second quarter of 2022, I commissioned an Independent Covid Review, led by Sir Derek Myers, in response to a State's Proposition brought by Connétable Jackson. The review panel reported in September 2022. Whilst important lessons were identified and action is being taken forward under our resilience workstreams, the overarching conclusion was that the Government did a good job; the impact of the pandemic could have been much worse; and the Government's interventions helped to protect Islanders.

Capital Build Programme

A considerable number of projects were completed or progressed under the capital programme, including significant progress on the Sewage Treatment Plant, the Millbrook children's water park, further works at La Moye Prison, and the Les Quennevais skatepark. In addition we commenced the new Government Headquarters which is currently within budget and on time to deliver for the summer of 2024. We have also made significant steps forward on the Inspiring Active Places programme with the completion of Springfield Stadium enhancements and the first stage of the Oakfield Sports project.

Despite the volatility in the economy and the effect this has generally had on costs of materials and contracts, there was no overspend within the capital programme. Further, the Corporate Programme Management Office (CPMO) made significant improvements in setting out key staging points for effective decision making and proportionate governance.

Whilst planning permission was granted for the Our Hospital Project in May 2022, the new Government undertook a review of the project as it became apparent that the existing project

could not be developed within the agreed budget envelope. The review was carried out within a short space of time, and a new multi-site New Health Facilities project set in motion. The new project is based on the development of a hybrid, phased re-provision of healthcare facilities, which replaces the single-site Our Hospital project. This includes the main delivery sites at Overdale and Gloucester Street/Kensington Place, as well as other sites, with opportunities to locate some services in other places. As part of the programme, the former Les Quennevais School health project is on track and due to deliver by the summer of 2024.

As referred to above, the new government headquarters building at The Parade will enable the Government of Jersey to consolidate staff and reduce dependence on multiple leasing arrangements, as well as freeing up buildings and sites for other purposes as staff move out. The new building will be built to BREAAAM excellent standard, will significantly reduce energy use, and will reduce travel between buildings.

Systems

Work continued on the design of Integrated Technology Solution (ITS), which will replace some outdated systems and improve the efficiency of our systems for procurement, financial management, asset management and recruitment and training of our staff. Whilst these are largely internally facing systems, they will, when implemented effectively, mean that we can provide more efficient services to Islanders and business. The first phase of implementation went live in January 2023.

A number of critical cyber security improvements were also made throughout 2022, given increased threat levels.

Our Workforce

During the year, a significant focus was placed on moving forward the GoJ People Strategy, including the launch of a volunteering programme and the development of a number of diversity networks throughout government. This has meant that our people have been supporting the Island in a much wider way, and that GoJ is actively encouraging a more diverse workforce.

Departments across government continued to develop both their People and Culture Plans and their individual Workforce Plans, attempting to address some critical recruitment challenges such as healthcare staff, social workers, teachers and engineers.

Accountability and senior officer performance systems were improved throughout the year, to ensure a more effective focus on the delivery of priorities and value for money.

The table outlining staff numbers employed across the public service can be seen on page 184. It should be noted that, as previously reported in the press, there is an increase in the number of public servants between 2021 and 2022. The vast majority of these posts relate to key service delivery demands and moves to fill vacant posts. They include additional teaching assistants and teachers, additions in our blue light services, a developing public health function, and fixed term staff delivering the ITS programme.

Delivery Hub and Cabinet Office

As part of the Chief Minister's 100 Day Plan, the Cabinet Office was established at the centre of Government. This brought together the parts of the civil service that support policy development, communications, ministerial offices, the CEO, people and digital services, project management and risk and audit. This aims to provide more effective support to Ministers to support them in developing policy and translating this into delivery.

A new Delivery Hub was set up within the Cabinet Office to assist with solving some of the more complex Island problems. An example of their work has been to improve recruitment and retention of some key posts in the most critical services, such as for teaching assistants and teachers. This approach is being rolled out for social workers and health workers.

Other Key Highlights

The Bridging Island Plan was unanimously adopted by the States Assembly in March 2022, providing the very important policy framework for ensuring the balance between needed development and protection of the Island's natural environment and heritage.

In the Autumn of 2022 the cost-of-living crisis was becoming evident and the Government responded with its mini-budget aimed at supporting those most in need through a 12% increase in Income Tax thresholds; a temporary reduction in Social Security contributions; doubling both the Cost of Living Temporary Support Scheme and the Community Cost Bonus; increasing income support components; temporarily increasing cold weather payments; and increasing the Old Age pension rate. I commend the Government, the Treasury, Social Security and Policy teams for delivering this support so quickly.

This Government has placed considerable emphasis on improving accessibility to decent and affordable housing. During 2022, Customer and Local Services continued to develop the Housing Advice Service, which exists to provide enhanced advice and support to Islanders who require support with housing; a formal definition of homelessness was published to make sure that those in greatest housing need are able to access the support they require; a Vacant Homes Service was launched; and Andium continued to progress with a significant build programme.

Health and Community Services came under significant pressure throughout the year as it continued to work within Covid guidelines for many months; faced allegations of poor behaviours and cultures in some parts; and responded to the publication of the Hugo Mascie-Taylor report on Clinical Governance that highlighted a lack of assurance in quality and safety. As a consequence, the Minister for Health and Social Services published a response setting out the improvements she expected to see implemented going forward. Additional budget was agreed in the Government Plan for a turnaround team to support the existing HCS team in bringing about the needed improvements.

As CEO I was directly involved in the appointment of this turnaround team, which was well underway by the end of the year. The team began the process of fact finding and planning improvements which are being implemented alongside the internally-led 'Being Our Best Programme', involving staff from across the service. In addition, proposals for an HCS Board to oversee quality and safety, with the involvement of Non-Executive Directors, were initiated. An interim Chairperson was appointed as a first step.

We also continued to build on our public health work, including the use of the COVID Health Recovery Fund to fund work to better understand the health and wellbeing implications of the pandemic. Within CYPES, participation standards were published to ensure that we involve more young people in decision making.

2022 has also been a positive year for sustainability, both for Government and the wider States of Jersey Group. A Decarbonisation Unit was established and we are offsetting our carbon footprint, installing electric charge points throughout Jersey, using 4 million fewer litres of water, and have reduced our total print volume by 2.5%, amongst a raft of other sustainability measures. In terms of our Government of Jersey fleet, we made significant steps forward in the use of sustainable diesel and electrification.

In summary, I believe this report demonstrates that the wider public sector is delivering on the objectives set by the Council of Ministers as well as demonstrating an agility in dealing with the emerging pressures and incidents facing Islanders. Whilst there is still much to be done to demonstrate excellence in performance effectively across all of our Public Services, I am very proud of Jersey's public servants for what they delivered in 2022 and their commitment to their public service values, as we strive to provide modern, efficient, and value-for-money services to Islanders.

I commend the performance report to all interested parties.

Yours

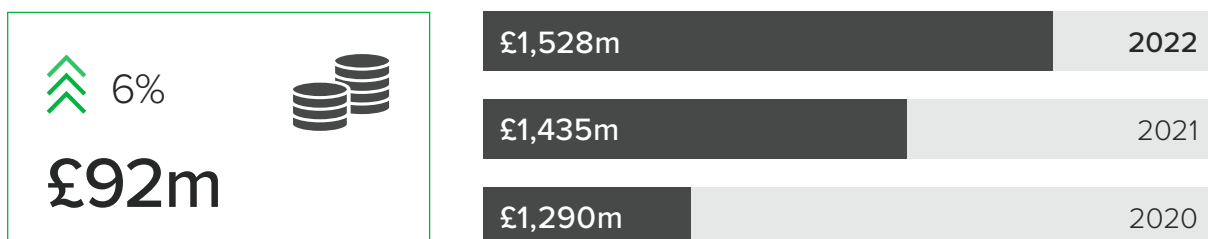
Suzanne Wylie
Chief Executive

Date: 28 April 2023

Summary of the financial performance of the States of Jersey Group

For more information see Appendix [X] Financial Review

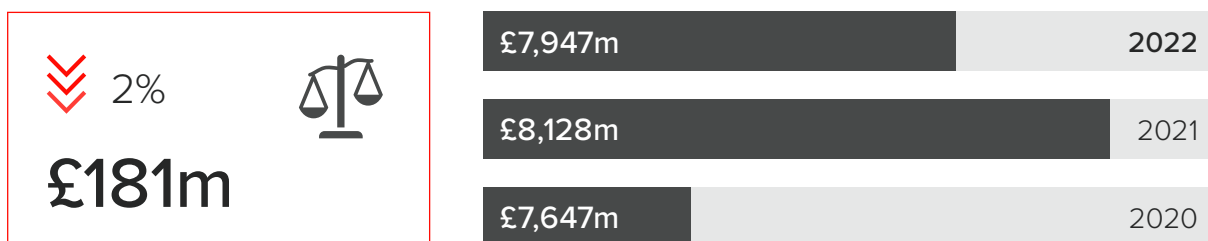
Group Income



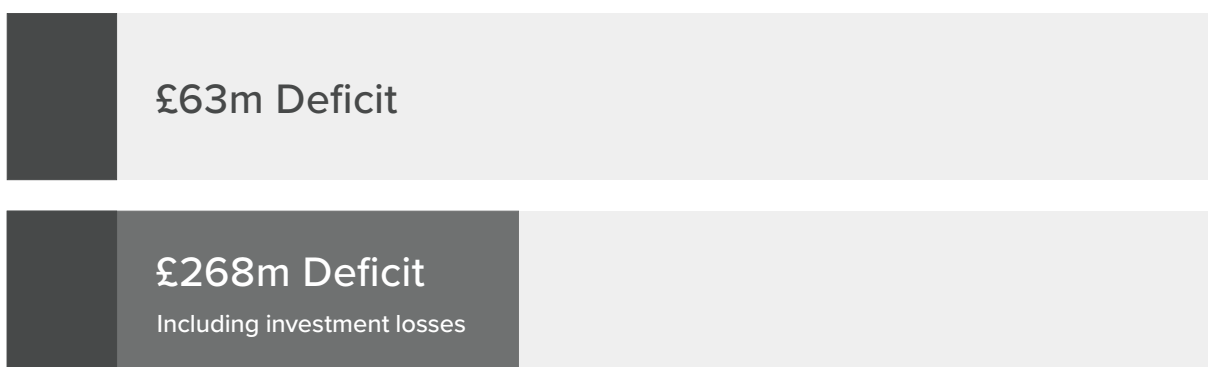
Group Expenditure



Group Balance Sheet - Net Assets



Group Surplus/Deficit

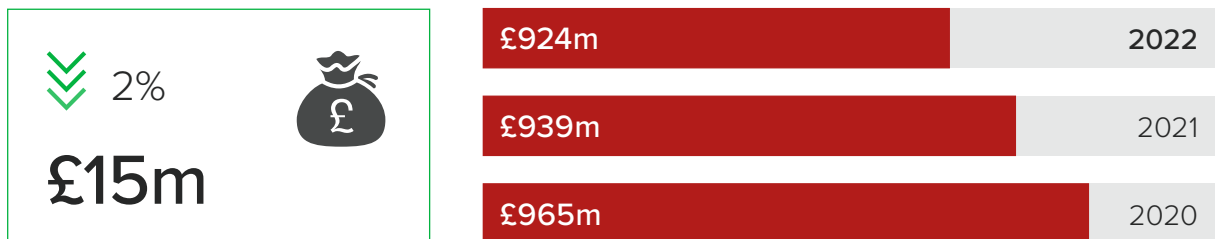


Summary of the financial performance of the States of Jersey Group (Continued)

States Assembly Approved Income



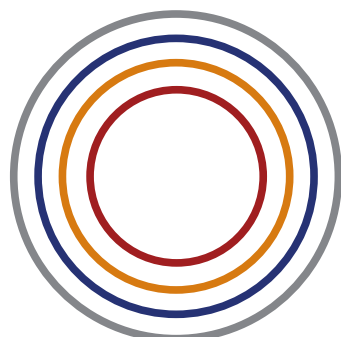
States Assembly Approved Expenditure



States Assembly Surplus



States of Jersey Group – Financial Performance



SOJ Group

- Revenue £1.5 billion (up 6%)
- Expenditure £1.6 billion (up 4%)
- Losses from the revaluation of investments of £213 million compared to gains of £348 million last year

Highlights Include:



States Assembly approved

Net General Revenue Income £1,028 million. £30 million (3%) increase from 2021. Includes:

- Income Tax £720 million (up 12%)
- GST £118 million (up 11%)
- Impôts and Stamp Duties £121 million (up 14%)
- Dividends £12 million (down 75%)

Department Net Expenditure £873 million. £15 million (2%) decrease from 2021. Includes:

- Staff Costs £512 million (up £35 million, 7%)
- Social Benefits Payments of £127 million (down £29 million, 19%)

Operating Surplus £155 million. (£110 million in 2021)

Surplus after depreciation £104 million. (£59 million in 2021)

Revenue spend on projects less net income from trading operations £35 million (£12 million in 2021)



Funds

Income £366 million. £33 million (10%) increase from 2021. Includes:

- £326 million of Social Security contributions excluding those from the States of Jersey (up 10%)

Expenditure £440 million. £35 million (9%) increase from 2021. Includes:

- Social Security contributory benefits £376 million (up 7%)

Net Operating Expenditure £74 million (£72 million 2021)

Investment losses of £239 million. (£326 million gains in 2021)

Net Expenditure £313 million. (£254 million net income in 2021)



Subsidiaries

Income £109 million. £11 million (11%) increase from 2021. Includes:

- £58 million of rental income through Andium Homes (up 5%)
- £29 million of sales in Ports of Jersey including landing dues (up 38%)

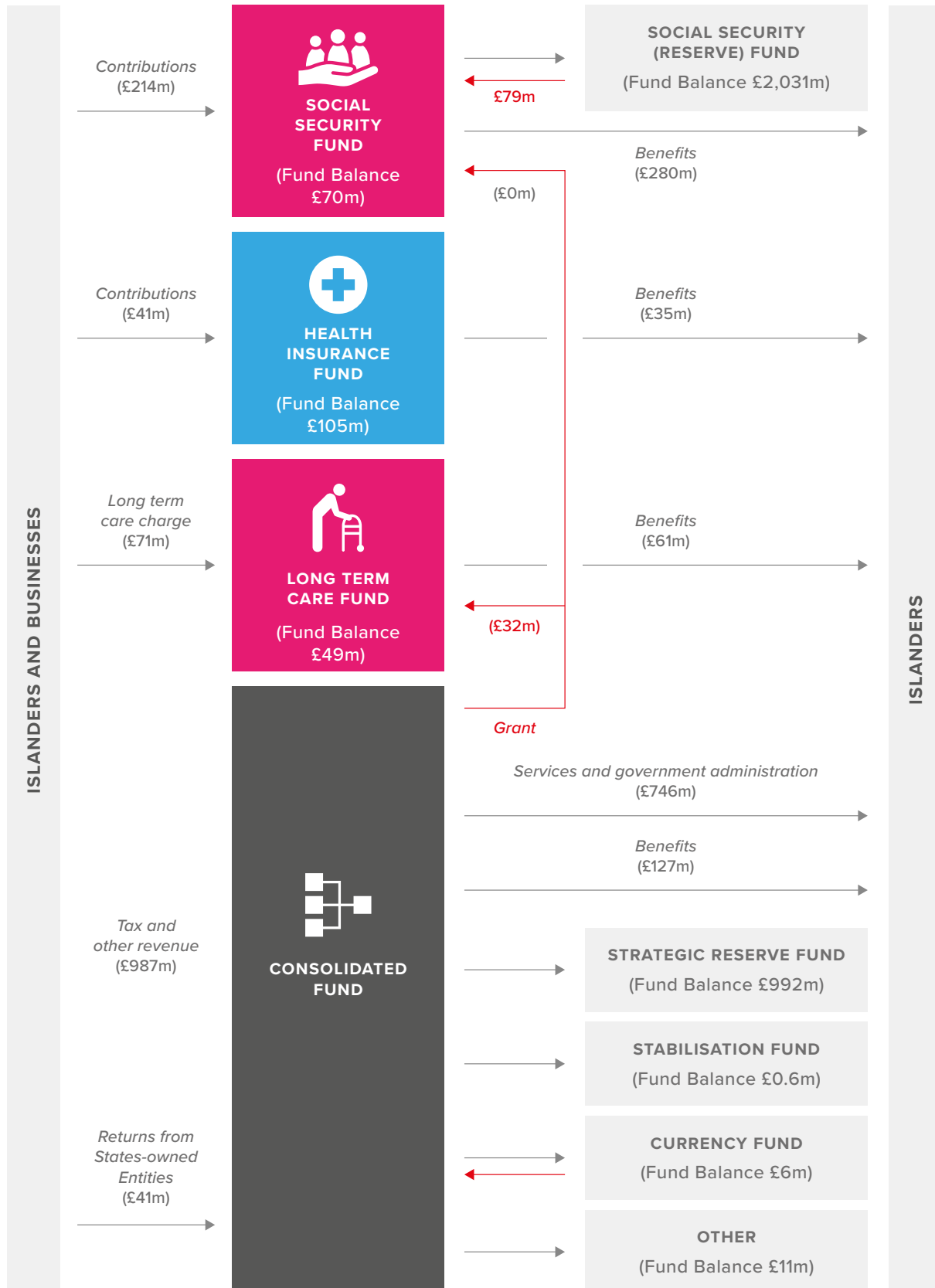
Expenditure £111 million. £9 million (7%) decrease from 2021. Includes:

- £30 million of staff costs (up 15%)
- £29 million of financial returns to the States of Jersey from Andium Homes (down 5% from 2021)
- £18 million of premises and maintenance costs (up 16%)

Net Operating Expenditure £2 million. (£22 million in 2021)

(Rounding applied)

How Islanders' Money Is Used



Summary of performance of the Government of Jersey

Introduction

The States Assembly and the Council of Ministers

The States Assembly, also known as the States of Jersey¹, 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 account².

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

More information on the membership of the Council of Ministers during 2022 can be found at [Accountability Report](#).

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 proposals³.

The Chief Executive Officer is the Chief Executive to the Council of Ministers. In this context, she is the principal advisor.

Each Minister is a corporation sole⁴. 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 officers⁵. 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 direction⁶.

1 Also known as the 'Assembly of the States of Jersey', the 'States of Jersey' or sometimes just 'the States'

2 [What is the States Assembly? \(gov.je\)](#)

3 Art. 18 SOJL

4 Art. 26 SOJL

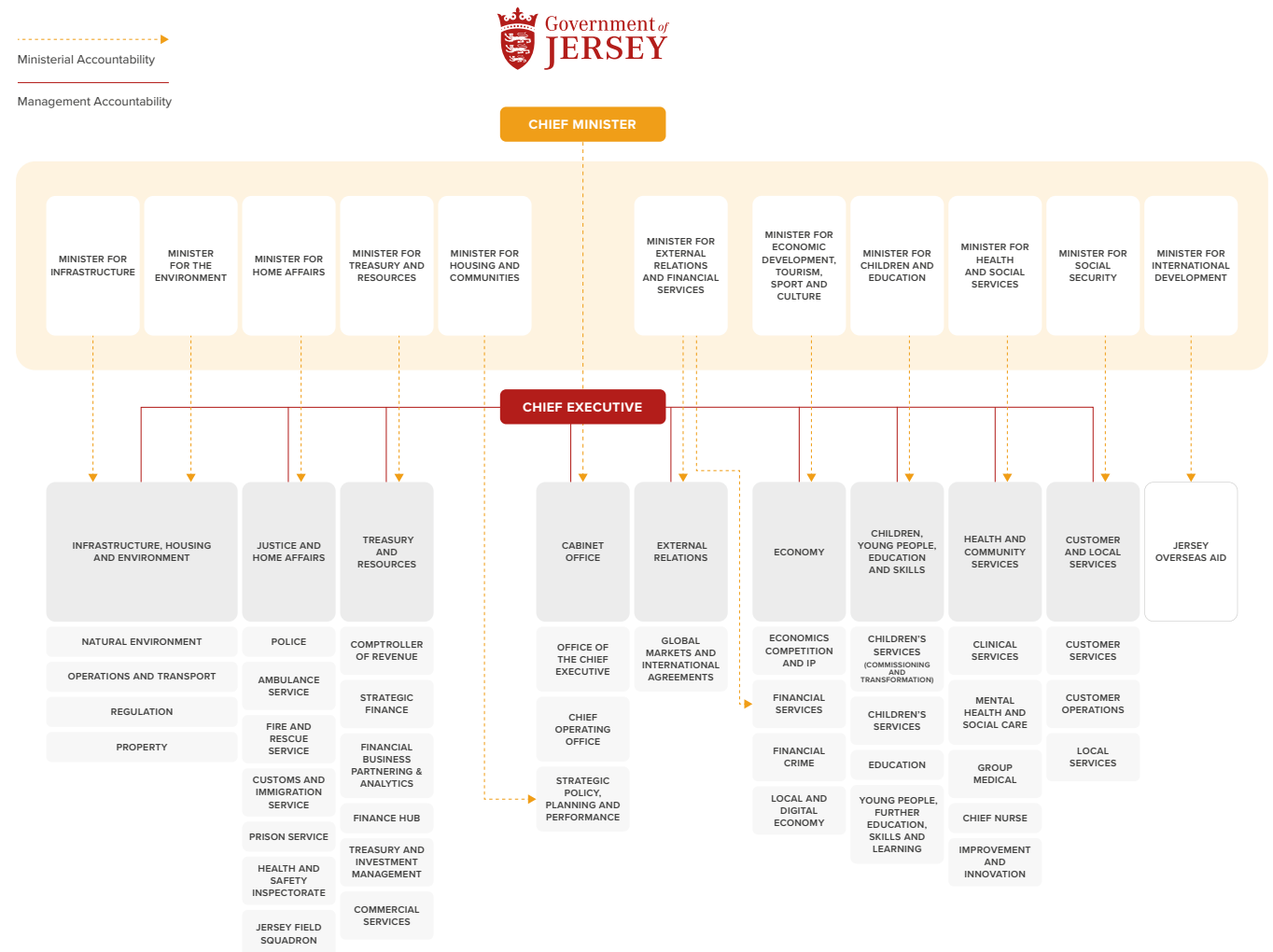
5 Art. 18(3A) SOJL

6 Art. 26(6) SOJL

The Government of Jersey

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

Following the approval of the Government Plan 2023-26 the structure of the Government of Jersey is:



As at 31 Dec 2022

In September 2022, the Chief Minister announced the establishment of the Cabinet Office to better coordinate the work of ministers, strengthen decision-making and support integrated working. As at 31 December, proposals for the senior leadership structure of Cabinet Office had been approved; the aim is to complete the senior leadership implementation by mid-February. The detailed work regarding the realignment of Cabinet Office Tier 2 and 3 (Directors and Heads of Service) commenced in January 2023.

In February 2023 the Chief Minister announced that political and legal responsibilities for Financial Services would transfer to the Chief Minister. Deputy Elaine Millar and Deputy Ian Gorst were appointed as Assistant Chief Ministers with delegated responsibility for Financial Service.

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’⁷. 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 2018-2022

Between 2018 and July 2022 the [Common Strategic Policy 2018-2022](#) (CSP18-22) of the previous Council of Ministers focused on the following Priorities:

One Government

5

**Strategic
Priorities**

We will put children first
by protecting and supporting children, by improving their educational outcomes and by involving and engaging children in decisions that affect their everyday lives

We will improve Islanders' wellbeing and mental and physical health
by supporting Islanders to live healthier, active, longer lives, improving the quality of and access to mental health services, and by putting patients, families and carers at the heart of Jersey's health and care system

We will create a sustainable, vibrant economy and skilled local workforce for the future
by delivering an economic framework to improve productivity, by nurturing and strengthening our financial services industry, by enhancing our international profile and promoting our Island identity, by delivering the best outcomes from Brexit, and by improving skills in the local workforce to reduce Jersey's reliance on inward migration

We will reduce income inequality and improve the standard of living
by improving the quality and affordability of housing, improving social inclusion, and by removing barriers to and at work

We will protect and value our environment
by embracing environmental innovation and ambition, by protecting the natural environment through conservation, protection, sustainable resource use and demand management, and by improving the built environment, to retain the sense of place, culture and distinctive local identity

8

**Common
Themes**

We will enable Islanders to lead active lives and benefit from the arts, culture and heritage	We will make St Helier a more desirable place to live, work, do business and visit
We will promote and protect Jersey's interests, profile and reputation internationally	We will improve transport infrastructure and links
We will work in partnership with Parishes, churches, faith groups, community groups, the third sector, volunteers, businesses, trade unions and key stakeholders	We will prepare for more Islanders living longer
We will explore and use the opportunities offered by digital	We will nurture a diverse and inclusive society

5

**Ongoing
Initiatives**

A States Assembly and Council of Ministers that work together for the common good	A new, long-term strategic framework that extends beyond the term of a Council of Ministers
A modern, innovative public sector that meets the needs of Islanders effectively and efficiently	A sustainable long-term fiscal framework and public finances that make better use of our public assets.
An electoral system which encourages voter turnout and meets international best practice	

The previous Council of Ministers set out how it would deliver the CSP18-22 in 2022 through the [Government Plan 2022-25](#) and the [Departmental Operational Business Plans for 2022](#).

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. It focuses 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



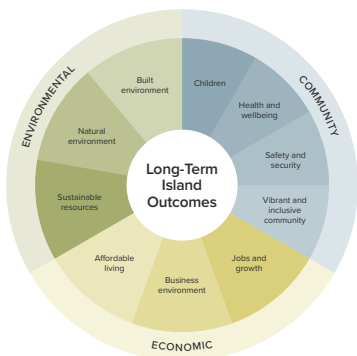
- Building trust**
We will uphold the highest standards of conduct, enhancing trust in Government by being responsive, compassionate, accessible, and inclusive, harnessing the expertise of those in Government, the States Assembly, and the public of Jersey. This includes being serious about and responsive 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 Constatables 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



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.

Government Programme 2023-26: From vision to action

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



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 2023.

Provides a clear focus for action, and aiding the Assembly in holding each Minister to account for their delivery.

Presented to States Assembly on 11 October 2022 and then updated annually



Government Plan

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

Approved by the States Assembly on 16 December 2022 and then annually prepared, debated and approved



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 and updated annually



Government Programme 2023-26



100 Day Actions

In July 2022 Chief Minister Deputy Kristina Moore announced the Council of Ministers' set of **18 priorities** aimed at improving Government decision-making, increasing transparency and engagement, and addressing some immediate concerns of Islanders.

[Council of Ministers' 100 Day Plan \(gov.je\)](http://gov.je)

Address the cost of living crisis	Islanders can better engage with government	Involve young people in policy formulation and decision making	Establish the Older Persons Living Forum	Hasten our progress towards a living wage for all	Introduce an appeal process for the Co-Funded Payroll Scheme
Create a Cabinet Office	Limit the number of houses that can be built over 3000sq ft for a period	Conduct an evidence-based review of the Our Hospital Project	Establish a public service ombudsperson	Ensure that school children have access to one meal a day in school	Bring forward propositions to create prefabricated homes
Create a People and Skills Commission	Reorganise government departments to provide for direct accountability of ministers	Deliver free sanitary products	Ministers will finalise their plans for the coming year and present their plan to the States Assembly	Open constituency offices	Plan to open a Cultural Centre



In October 2022 it was reported that the Government had completed, or made significant progress, on all 18 actions.

[100 Day Plan delivered \(gov.je\)](http://gov.je)

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.

The 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](#).

Service Performance Measures

The Jersey Performance Framework also includes the Service Performance Measures for each Government Department which, since 2021, have been published each quarter on [Performance Measures 2022 \(gov.je\)](#).

This year the annual [Service Performance Measures](#) for each Department are also being published online for the first time; departmental commentary on their 2022 service performance is included in the Annex – Government Department Annual Reports.

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, quarterly reporting against the Service Performance Measures was also introduced, to provide Islanders with more timely information on the performance of Government Departments.

This Government has moved to make these performance reports more meaningful and the Chief Statistician has worked with departments during 2022 to review their measures to ensure that they are relevant to users and Islanders rather than just being of relevance internally. A reduced set of measures have therefore been included in the 2023 Delivery Plans.

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 2018-22 Priorities which were most closely aligned with the Island Outcomes
- The Common Strategic Policy 2022-26 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. For more detailed Government department performance analysis see the Annex – [Government Department Annual Reports for 2022](#) and the [Service Performance Measures for 2022](#)
- Key Events, Themes and Risks in 2022 associated with the Common Strategic Priorities
- 2022 Milestones – milestones for the Government of Jersey in 2022

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).

Community Wellbeing

Island Outcomes			
<p>Children</p> <p>Children enjoy the best start in life</p>	<p>Health and Wellbeing</p> <p>Islanders enjoy long, healthy, active lives</p>	<p>Safety and Security</p> <p>Islanders feel safe and protected at home, work and in public</p>	<p>Vibrant and Inclusive Community</p> <p>Islanders enjoy living in a vibrant and inclusive community</p>

CSP Priorities for 2018-22		
<p>We will put children first</p> <p>By protecting and supporting children, by improving their educational outcomes and by involving and engaging children in decisions that affect their everyday lives</p>	<p>We will improve Islanders’ wellbeing and mental and physical health</p> <p>By supporting Islanders to live healthier, active, longer lives, improving the quality of and access to mental health services, and by putting patients, families and carers at the heart of Jersey’s health and care system</p>	<p>We will reduce income inequality and improve the standard of living</p> <p>By improving the quality and affordability of housing, improving social inclusion, and by removing barriers to and at work.</p>

CSP Priorities for 2023-26			
<p>Children and Families</p> <p>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</p>	<p>Health and Wellbeing</p> <p>Provide and regulate good quality healthcare and social services, promoting better health and wellbeing underpinned by improvements in public health</p>	<p>Ageing Population</p> <p>Enable people to live active, independent, healthy lives as they live longer</p>	<p>Community</p> <p>Create a more inclusive, vibrant community where people feel respected and able to flourish, as well as safe and protected</p>

Community Wellbeing (continued)

Key Ministers

Chief Minister	Ministerial Plan 2023 and Delivery Plan for 2023
Minister for Children and Education	Ministerial Plan 2023 and Delivery Plan for 2023
Minister for Economic Development, Tourism, Sport and Culture	Ministerial Plan 2023 and Delivery Plan for 2023
Minister for External Relations	Ministerial Plan 2023 and Delivery Plan for 2023
Minister for Health and Social Services	Ministerial Plan 2023 and Delivery Plan for 2023
Minister for International Development	Ministerial Plan 2023 and Delivery Plan for 2023
Minister for Justice and Home Affairs	Ministerial Plan 2023 and Delivery Plan for 2023
Minister for Social Security	Ministerial Plan 2023 and Delivery Plan for 2023

Key Departments

Children, Young People, Education and Skills	For performance analysis see: CYPES Departmental Annual Report 2022 and CYPES Service Performance Measures 2022
Strategic Policy, Planning and Performance	For performance analysis see: SPPP Departmental Annual Report 2022 and SPPP Service Performance Measures 2022
Health and Community Services	For performance analysis see: HCS Departmental Annual Report 2022 and HCS Service Performance Measures 2022
Customer and Local Services	For performance analysis see: CLS Departmental Annual Report 2022 and CLS Service Performance Measures 2022
Justice and Home Affairs	For performance analysis see: JHA Departmental Annual Report 2022 and JHA Service Performance Measures 2022
Economy	For performance analysis see: ECON Departmental Annual Report 2022 and ECON Service Performance Measures 2022

Community Wellbeing (continued)

Key data

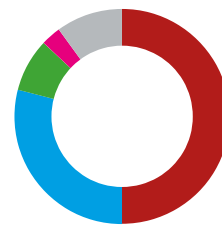
The results of the census of 21 March 2021 were published during 2022.

On that date:



Total resident population of Jersey was **103,267**

Increase of 5,400 since 2011 corresponding to an increase of **5.5%** over 10 years.⁸



- **Half (50%)** of Jersey residents were born in Jersey.
- **Nearly a third (29%)** were born in the British Isles
- **8%** were born in Portugal / Madeira
- **3%** were born in Poland
- **11%** were born elsewhere¹¹



The dependency ratio for Jersey (the ratio of those outside of working age to those of working age) was **52%**; up from **46%** in 2011.⁹



87% of adults stated that they identified as straight or heterosexual



2.0% identified as either gay, lesbian or bisexual. **0.2%** of the adult population stated another sexual orientation.¹²

There were **51,003** males and **52,264** females.¹⁰



There were **189** adults (**0.2%** of the adult population) who reported that their gender was not the same as the sex they were registered at birth.¹³

In 2021 **19,577** children and young people resident in Jersey

In 2021 **4,662** were below 5 years old

In 2021 **12,868** were 5-16 years old (compulsory school-age)

In 2021 **2,047** were 17-18 years old

Note

⁸ R_CensusBulletin1_20220413_SJ.pdf (gov.je)
⁹ R_CensusBulletin1_20220413_SJ.pdf (gov.je)
¹⁰ R_CensusBulletin1_20220413_SJ.pdf (gov.je)
¹¹ R_CensusBulletin1_20220413_SJ.pdf (gov.je)
¹² R_CensusBulletin1_20220413_SJ.pdf (gov.je)
¹³ R_CensusBulletin1_20220413_SJ.pdf (gov.je)

Community Wellbeing (continued)

Children

11,700 children were taught in Government of Jersey schools

The total number of pupils in GoJ schools increased over a five year period to the academic year 2020/21 but the **numbers have reduced over the last two academic years.**

Increase in Care Leavers in Education, Employment or Training from **44.2% in the first quarter to 58% in the fourth quarter.**

Health and Wellbeing

820 Jersey babies delivered in 2022 (a decrease from 2021)

38,949 Emergency Department patients attended – an increase over 2021

8,890 operations performed

81,024 surgical outpatient appointments attended

11,666 Jersey Ambulance Service 999 calls attended

Safety and security

Medical '999' call volumes **continue to increase** – 11,666 in 2022 against a baseline of 9,957 in 2020

'Red 1' mean average ambulance response times were **7:28 minutes**, only marginally off the target of 7 minutes

'Red 2' mean average response times were **9:42 minutes**, well within the target of 18 minutes

1,186 fire and rescue emergencies in 2022

Vibrant and Inclusive Community

Work permits applications – **400 in 2020, 1700 in 2022**

Visa applications – **400 in 2020, 1000 in 2022**

Approximately 400,000 visits across the whole library network (Town, Communicare and Mobile)

Community Wellbeing (continued)

Tragic Events: L'Ecume II and Haut du Mont

In December 2022 the Island suffered two major tragedies; the explosion at Haut du Mont and the loss of the fishing vessel L'Ecume II, leaving families bereaved and people displaced from their homes. Both of these tragedies shocked our Island Community. They also demonstrated the dedication of, and close working relationships between the Government of Jersey, States of Jersey Police, Fire and Rescue and Ambulance Services, Parishes, businesses, charities and volunteers. The value in close working relationships with colleagues in Guernsey, the UK, France and beyond was also evident.

L'Ecume II

On 8 December, the fishing vessel L'Ecume II sank following a collision at sea, with the tragic loss of life of the three crew members. In the days following the incident an exclusion zone was established and an extensive search and recovery operation for L'Ecume II and her crew took place. This round-the-clock operation involved the Government of Jersey and States of Jersey Police, Fire and Rescue and Ambulance Services, Parishes, Ports of Jersey and Guernsey and French Emergency Services, working closely with members of the fishing and maritime community and the public.

The L'Ecume II's wreckage and surrounding seabed were extensively searched by MV Freja using specialist equipment. On Wednesday 14 December, the bodies of two crew members were brought ashore. The vessel was searched extensively but very sadly the third crew member was not found. A decision has now been made to raise the wreck.

The Government of Jersey and States of Jersey Police provided support through the Family Liaison Officers, and the Ministry of External Relations, to the families of the crew.

An independent investigation is being led by the States of Jersey Police, supported by UK's Maritime and Coastguard Agency Enforcement Team. Based upon this investigation, the Attorney General will determine whether any criminal charges should be brought.

Given the resource pressures put upon the States of Jersey Police by the Haut du Mont disaster (see below) additional resource was sought and a senior investigator appointed.

In addition, a maritime safety investigation is being led by the Bahamas Maritime Authority.

The Government's priorities are ensuring that the families and communities here and in the Philippines are supported; the facts are established; and any necessary action taken, to ensure an incident like this does not happen again.

Haut du Mont

At just before 4am on 10 December 2022 an explosion took place at a block of flats in Haut du Mont, an Andium Homes operated property on Pier Road, St Helier. The building was demolished by the explosion and a fire subsequently occurred.

Community Wellbeing (continued)

Emergency services including States of Jersey Fire and Rescue Service, Police Service, Ambulance Service and the Honorary Police attended at the scene, which was declared a major incident. A surface search of the site was carried out. The fire was extinguished by the Jersey Fire and Rescue Service by 8am. Two firefighters were injured during the response. Fort Regent, the vaccination centre, and the immediate vicinity around Pier Road were closed to the public.

Jersey's Emergency Services were subsequently supported by the South-West Hazardous Area Response Team and the Urban Search and Rescue Team from Hampshire and Isle of Wight Fire and Rescue Service who brought their specialist skills to assist with the ongoing site search. Further support was provided by the Military and Coastguard services who provided essential logistical support.

Two wounded people were taken to Jersey General Hospital and Islanders were asked not to go to the Emergency Department unless absolutely necessary. Relatives were contacted by Family Liaison Officers. Tragically, ten people died as a result of the explosion.

Approximately 30 households were displaced by the explosion. Haut du Mont residents were initially moved to the Town Hall or went to stay with their families, where they were offered support by Government of Jersey, Andium Homes, the Parish of St Helier and St John Ambulance. The Bailiff's Island Appeal was launched and many other individuals, charities and organisations, including the Jersey Chamber of Commerce and the Institute of Directors, provided donations and assistance.

The Government of Jersey and Andium Homes coordinated support for the displaced families and individuals, including alternative housing, financial help, the redirection of post, GP care, emotional wellbeing services and travel.

Investigations are being led by States of Jersey Police, and also include the Health and Safety Inspectorate. Support continues to be provided at the time of writing.

Key Theme: Hospital Facilities

At the start of 2022, the Our Hospital project was progressing plans for a single-site hospital at Overdale. Following a public inquiry in April 2022, the Planning Inspector presiding over the inquiry recommended to the former Minister for Environment that he grant conditional planning permission for the development.

The former Minister for Environment authorised this permission. However, alongside this, discussions between the Government of Jersey and the appointed Design and Delivery Partner about affordability within the uncertain economic climate had been on-going over several months. Global events such as the Covid-19 pandemic and the war in Ukraine had resulted in increases in costs of materials, labour shortages and fractured international supply chains.

As the year progressed, the Design and Delivery Partner and expert cost consultants advised that the single-site Overdale scheme was not likely to be deliverable within the limit approved by the States Assembly at £804.5m. Costs plans suggested that under the market conditions at the time, costs would be £70 million to £115 million in excess of the figures provided in the approved Outline Business Case.

Following the general election, the new Chief Minister commissioned a review as part of her 100-day plan to identify whether any changes could be made to the hospital project to deliver a more affordable and appropriate alternative.

Community Wellbeing (continued)

As a result of the discussions between the Government of Jersey and the Design and Delivery Partner on cost that had commenced prior to the general election, the Pre-Construction Services Agreement was concluded in September 2022 by mutual agreement.

The completed review was presented to the States Assembly in November 2022 and concluded that the adoption of a phased option delivered over two or more sites, Overdale and Gloucester Street/Kensington Place, would provide the best opportunity to make the scheme more affordable and appropriate.

It suggested that this would be a prudent risk management approach to deliver a more affordable project through a different financing model, and by spreading commitment to spend over a longer period, rather than progressing a significant scheme that would be delivered in one phase. It also concluded that services could be broken over two or more sites to deliver a more appropriate service provision without the same degree of environmental or infrastructure impacts as a single-site scheme.

In December 2022 as part of the Government Plan 2023-2026, funding was approved to develop detailed feasibility studies to identify a route to delivery for a hybrid, phased reprovision of healthcare facilities. The feasibility studies are likely to consider options for a scheme that includes the main delivery sites at Overdale and Gloucester Street/Kensington Place, as well as other sites. For example, the studies will consider the potential for utilising the former Les Quennevais School on a long-term basis, and opportunities to locate mental health services with or separate from the anticipated main delivery spaces.

It is important to note that feasibility studies currently being undertaken will establish a clearer picture of overall cost for the hybrid, phased approach. It is also important to ask at the point of delivery of feasibility studies, and an Outline Business Case, that the States Assembly and public do not just take into account cost in making judgements about plans for New Healthcare Facilities, but that they consider the environmental factors, the benefits, the risks, the constraints, the deliverability and the financing of delivering different options, in taking an overall view of the proposed arrangements.

As part of the Government Plan 2023-2026, funding was also approved to enable the strategic acquisition of property in Kensington Place, and for early works at the former Les Quennevais School to continue. These works will enable services currently delivered from Overdale to be relocated quickly once plans are in place for a smaller scale redevelopment of part of the site.

Separately, the Government of Jersey has now agreed the Planning Obligation Agreement that enables initial demolition work to begin at Overdale. This means that whatever the agreed direction of travel the project will allow the demolition and clearing of the site for any enabling works.

Community Wellbeing (continued)

Key Theme: Public Health

The Public Health directorate is being strengthened so that it can cover the full range of public health policy and delivery functions: improving health and tackling inequality, protecting health, healthcare public health, and public health intelligence, as well as continuing Medical Officer of Health functions.

The Public Health directorate has developed throughout 2022. Following recruitment of Jersey's first Director of Public Health in summer 2021, during 2022 appointments were made to three senior professional positions, which completes the leadership team.

As part of the COVID transition and in line with a recently completed internal health protection review, the COVID Response Team has become a dedicated health protection team, expanding its remit to support prevention of infectious disease, environmental hazards and contributing to major incident planning and response. A new public health law will be prepared for lodging in 2024, which will support the continued strengthening of the function, embedding population health into the work of the whole of Government.

The directorate has been developing a strategy for improving population health, which will guide activities for future years and will be published in early 2023. To help develop the strategy, the 'Big Health and Wellbeing Conversation' was held in October, with the Public Health team talking with over 1,000 Islanders to understand individuals' perceptions of their own health and wellbeing. In addition, the COVID Health Recovery Fund has enabled the temporary recruitment of qualitative analysts to better understand the health and wellbeing implications of the pandemic, and more public engagement will be undertaken in 2023.

In May, the health promotion team moved into Public Health from HCS, which enables joined-up health promotion activities between the two teams, and it was agreed that children's immunisation delivery would be moved to Public Health from January 2023.

Community Wellbeing (continued)

Principal Risks

For information on our areas of focus and mitigations in respect of these risks see the [Accountability Report](#).

Patient waiting times for treatment due to post Covid backlog for elective surgery and difficulty recruiting. To mitigate this risk the Government invested in developing capacity and productivity across day surgery and main theatre. Additional productivity led initiatives were also commenced, to permit more efficient use of Clinicians time and to reduce the number of empty appointment slots.

Assurance on the quality and safety of HCS care. The Hugo Mascie-Taylor report revealed that despite the hard work of staff, there is no effective assurance system in place, data quality is poor and serious longstanding cultural issues remain unresolved. The report identified 61 recommendations to be addressed. These recommendations have been incorporated into a significant improvement programme for secondary care.

Assurance on the provision of services and care that will effectively support the best outcomes for children's health. Of particular focus is the protection of children in the care of the Government and also the growing number of referrals in to CAMHS and number of children and families requiring support. The Government has placed a significant focus on safeguarding and from the beginning of 2022 there was allocation of an additional £6 million of funding into CAMHS over the next 4 years to address the capacity issues and increase the workforce within CAMHS. Current waiting times for CAMHS remain within targets. The Care reform programme is also underway with a core focus on children in need, vulnerable children, family support and early intervention.

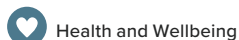
Community Wellbeing (continued)

2022 Milestones



Children

[Multi-agency child neglect strategy launched](#)

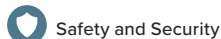


Health and Wellbeing

[COVID-19 Vaccination offered to vulnerable 5-to-11 year olds](#)

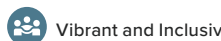
[Ministers announce plans for COVID-19 de-escalation](#)

[Visiting to mental health and adult hospital wards resumes](#)



Safety and Security

[Two sentenced for drug trafficking and money laundering offences](#)



Vibrant and Inclusive Community

[New Jèrriais dictionary for nursery children](#)



Children

[Contact Tracing in education settings ends](#)

[Major plan to improve children's mental health and wellbeing](#)

[Improvements in Child and Adolescent Mental Health Services](#)

[Fee structure proposed for children's services providers](#)



Health and Wellbeing

[Long COVID clinic launched](#)

[Safer Travel Policy to be suspended from Monday](#)

[COVID-19 vaccines to be administered in secondary schools and colleges](#)

[Office of the Superintendent Registrar's annual report](#)

[Testing staff recognised for administering one million PCR tests](#)



Safety and Security

[Postal importation of drugs](#)

[Two sentenced for Class A drug importation](#)

[Emergency Services complete first driving course](#)



Vibrant and Inclusive Community

[Arts Strategy and Creative Island Partnership unveiled](#)

[New marriage and civil partnership laws passed](#)

[Government pledges £1 million to Ukraine appeal](#)

[Disability and Inclusion report published](#)



Children

[Healthy eating programme launches in primary schools](#)

[Children and Young Persons Survey results published](#)

[Regulation of children's social work and mental health services](#)

[Free app for families with children under five](#)



Health and Wellbeing

[Improved Rehabilitation Services announced](#)

[Assisted dying engagement to start](#)

[COVID-19 Spring boosters offered to vulnerable Islanders](#)

[First Island-wide Health and Care Partnership Group meeting held](#)



Safety and Security

[Three sentenced for drug and money laundering offences](#)

[Man sentenced for attempted drug importation](#)

[Prisoners support local charities with crochet project](#)



Vibrant and Inclusive Community

[New Strategy sets out Future for Jèrriais](#)

[Firefighters travel to deliver fire engines for Ukraine](#)

[Polish Ambassador to visit Jersey](#)

[Children's book explores Jersey's Stone Age past](#)



Children

[COVID-19 Education Recovery Report launched](#)

[Welsh universities to charge Jersey students home fees](#)

[Teachers' Survey shows impact of pandemic](#)

[Year 6 students have their say at the first 'Little Parliament'](#)



Health and Wellbeing

[Updates to COVID-19 guidance in education and childcare settings](#)

[Public Health advise on rare hepatitis in children in the UKM](#)



Safety and Security

[Money laundering case in the Royal Court](#)

JANUARY

FEBRUARY

MARCH


APRIL

Community Wellbeing (continued)


2022 Milestones

 Children


- [Launch and celebration of Jersey's first Language Policy](#)
- [New panel set up to support young people's mental health](#)
- [Jersey's foster carers recognised](#)
- [New cycle initiative for Les Landes School](#)
- [Higher Education Grant Scheme uplift applied](#)

 Health and Wellbeing

- [Assisted dying report on public engagement](#)
- [Response to report from Comptroller and Auditor General](#)
- [Director of Public Health issues reassurance on monkeypox](#)

 Safety and Security


- [£1.9 million of funds seized](#)
- [Jersey Fire and Rescue Service launch new initiative](#)
- [Sentencing following Class A drug importation](#)

 Vibrant and Inclusive Community


- [Jersey's Heritage Strategy is published](#)
- [Jersey welcomes Thai Ambassador](#)
- [Jersey Cultural Diversity Map Launch](#)

 Children


- [Hundreds have their say on Jersey Children's Day](#)
- [Highlands College launches digital degree](#)

 Health and Wellbeing

- [Monkeypox added to notifiable diseases](#)
- [Time is running out for the spring booster](#)
- [Rise in Covid cases](#)
- [Rock-up clinics return](#)

 Safety and Security


- [New premises officially opened for Victims First Jersey](#)
- [Attorney General secures repatriation of \\$529,000 to U.S.A.](#)

 Vibrant and Inclusive Community

- [Jersey delegation attends British-Irish Council](#)
- [Creative spaces launched](#)
- [Connect me connecting our communities](#)
- [Ministers to support Jersey at Commonwealth Games](#)

 Children

- [New bursary route for trainee teachers](#)
- [Online maths tuition for Covid recovery](#)
- [Thousands attend Children's Day events](#)
- [Children's Commissioner resigns from her post](#)
- [Inspiring the Future launched in Jersey](#)

 Health and Wellbeing


- [Community First Responders are introduced](#)
- [Contact tracing for probable Monkeypox](#)
- [Student nurses and midwife celebrate final teaching day](#)

 Safety and Security


- [New developments enhance reducing reoffender strategies](#)
- [Drug Smuggler Jailed](#)
- [States of Jersey Fire and Rescue Service reducing the risk of wildfires](#)
- [RNLI lifeboat review published](#)

 Children

- [Haute Vallée summer school returns](#)
- [A level students celebrate success](#)
- [GCSE students celebrate results day](#)

 Health and Wellbeing

- [Maternity celebrates World Breastfeeding Week](#)
- [New doctors begin training at Hospital](#)
- [Neonatal unit opens as part of Maternity refurbishment](#)
- [Independent Health Board to be established in response to hospital review](#)
- [Public Health to provide harm reduction messaging](#)
- [Eligible Islanders able to book their Autumn Booster](#)

 Vibrant and Inclusive Community

- [International Cricket Tournament](#)

MAY

JUNE

JULY

AUGUST

Community Wellbeing (continued)

2022 Milestones

Children

- [Support service for families celebrates first year](#)
- [Government standards for engaging with children and young people](#)
- [Jersey Child Measurement Report](#)
- [Bailiff to open youth and community centre](#)

Health and Wellbeing

- [Mortality Report for 2021 published](#)
- [Our Hospital Review](#)
- [Jersey Immunisation Statistics report published](#)

Safety and Security

- [Appeal against forfeiture of £1.9m dismissed](#)

Vibrant and Inclusive Community

- [Free Jërriais picture book for all Reception students](#)
- [New children's book explores Jersey's history](#)
- [Corn Riots set to become annual event](#)

Children

- [Social Work graduates celebrate 100% success](#)
- [£1.6 million ringfenced for healthier school meals](#)
- [School funding formula published](#)
- [Town Primary School Review report published](#)
- [Participation Standards published on 100th day](#)
- [Jersey student maintenance payments increased](#)

Health and Wellbeing

- [Minister unveils plans in response to clinical governance report](#)
- [All Islanders invited to join Jersey's Big Health and Wellbeing Conversation](#)
- [Islanders asked to help develop adult mental health services](#)
- [Jersey Independent Covid-19 Review Final Report](#)
- [Islanders' views sought on Assisted Dying](#)
- [Results of blood testing for PFAS chemicals](#)

Safety and Security

- [Taskforce launched to tackle Violence Against Women and Girls](#)
- [Three couriers sentenced for attempted importation of cocaine](#)
- [New Ambulance Response Programme to improve patient care](#)

Vibrant and Inclusive Community

- [Opera House investment](#)
- [Same sex parent legislation to be lodged](#)
- [Older Persons Living Forum launched](#)
- [Women encouraged to talk about the menopause](#)
- [International Cultural Centre Steering Group launched](#)
- [Free period products for Islanders launched](#)
- [Ministers strengthen national and regional French ties](#)

Children

- [Review of Springfield School published](#)
- [Policy Inclusion Framework consultation period launched](#)
- [Review of St Martin's School published](#)

Health and Wellbeing

- [Obesity, Diet and Physical Activity Profile published](#)
- [Chair appointed to establish new Health and Care Board](#)
- [Minister publishes Jersey Care Model Review](#)

Safety and Security

- [Independent reviews of two States of Jersey emergency services published](#)

Vibrant and Inclusive Community

- [Disability Inclusion event](#)
- [Crown Dependencies Minister visits Jersey](#)
- [Channel Islands ministers visit Brussels](#)
- [Jersey delegation attends British Irish Council](#)
- [Ministers meet with European Ambassadors](#)
- [New Common Policy for External Relations](#)

Children

- [FE and skills report sets out life-long learning aim](#)
- [Plat Douet School review published](#)

Health and Wellbeing

- [Scarlet Fever advice for Islanders](#)
- [Island's Mental Health Profile Published](#)
- [New dental scheme to tackle child waiting times](#)

Safety and Security

- [Exclusion zone around maritime collision site](#)
- [Major incident update](#)
- [Two men sentenced for tobacco and cigarette smuggling](#)

Vibrant and Inclusive Community

- [Minister attends Commonwealth summit](#)
- [Minister meets with French Secretaries of State](#)
- [Alarm that supports people to live at home upgraded](#)

SEPTEMBER

OCTOBER

NOVEMBER

DECEMBER

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 2018-22

We will reduce income inequality and improve the standard of living

By improving the quality and affordability of housing, improving social inclusion, and by removing barriers to and at work

We will create a sustainable, vibrant economy and skilled local workforce for the future

By delivering an economic framework to improve productivity, by nurturing and strengthening our financial services industry, by enhancing our international profile and promoting our Island identity, by delivering the best outcomes from Brexit, and by improving skills in the local workforce to reduce Jersey's reliance on inward migration

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

Economic Wellbeing (continued)

Key Ministers

Minister for Economic Development, Tourism, Sport and Culture	Ministerial Plan 2023 and Delivery Plan for 2023
Minister for External Relations	Ministerial Plan 2023 and Delivery Plan for 2023
Minister for Housing	Ministerial Plan 2023 and Delivery Plan for 2023
Minister for Social Security	Ministerial Plan 2023 and Delivery Plan for 2023
Minister for Treasury and Resources	Ministerial Plan 2023 and Delivery Plan for 2023

Key Departments

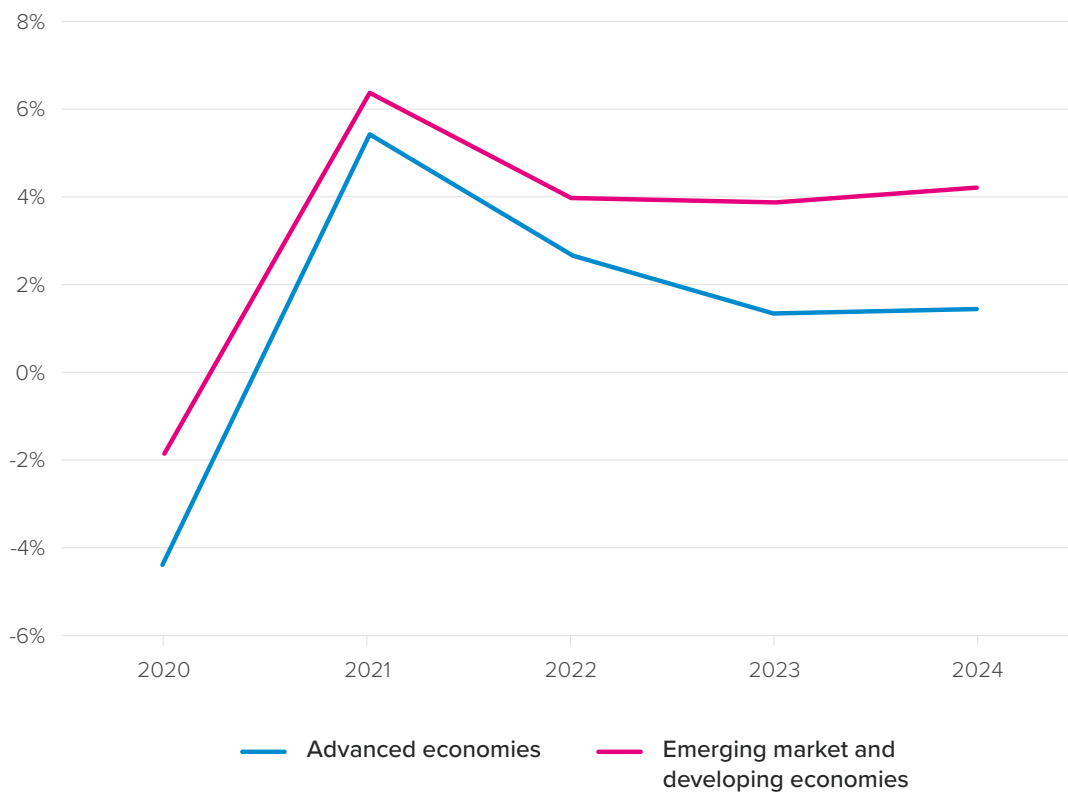
Economy	For performance analysis see: ECON Departmental Annual Report 2022 and ECON Service Performance Measures 2022
External Relations	For performance analysis see: ER Departmental Annual Report 2022 and OCE Service Performance Measures 2022
Strategic Policy, Planning and Performance	For performance analysis see: SPPP Departmental Annual Report 2022 and SPPP Service Performance Measures 2022
Customer and Local Services	For performance analysis see: CLS Departmental Annual Report 2022 and CLS Service Performance Measures 2022
Treasury and Exchequer	For performance analysis see: T&E Departmental Annual Report 2022 and T&E Service Performance Measures 2022

Economic Wellbeing (continued)

Economic context

The international economic outlook

The economic outlook for 2022 was mixed. In its latest projections published in [April 2023](#), the International Monetary Fund forecast global growth of 3.4% in 2022 and 2.8% in 2023, both of which are much lower than the 6.3% growth seen in 2021. Whilst global growth of 2.8% may appear strong, growth of below 3% is considered weak in the global context.



Growth in the US, Eurozone and UK slowed in 2022. Inflation forecasts for 2022 were revised upwards to 7.3% (advanced economies) and 9.9% (emerging markets and developing economies). Rising inflation, driven by the ongoing conflict in Ukraine, and the ensuing tighter monetary conditions, are reducing household consumption and affecting business investment. Further, weak conditions for the global economy were compounded by reduced demand from China; China experienced rapidly spreading COVID-19 cases in 2022, which dampened production and growth due to its zero-tolerance policy and the resultant local lockdowns. However, this has since been lifted, paving the way for faster recovery in 2023 but inflationary pressures persist.

Economic Wellbeing (continued)

Economic context (continued)

Jersey's economic outlook

After a sharp contraction in 2020 of -9.6% (GVA) Jersey's economy bounced back strongly in 2021 growing by 9.2%. This was faster than any other advanced economy. Strongest growth was seen in the hotel, restaurants and bar sector (+56%) with weaker growth seen in financial services (+5% - mainly due to the effect of Bank Rate cuts affecting profits), public administration (+4%) and wholesale and retails (+2%). The only sector in which real GVA fell was the electricity, gas and water sector (-5%).

Available data suggests that Jersey's economy continued to perform well in 2022, with increases in the Bank Rate expected to drive banking profits.

Since a pandemic peak in the lockdown of spring 2020, the number of people Actively Seeking Work (ASW) in Jersey has fallen from 2,290 to just over a quarter of that figure at 620 in June 2022, the lowest since records began. This, combined with approximately 1,000 job positions being available, places the economy in a position of near-full employment and suggests a strong recovery from the pandemic.

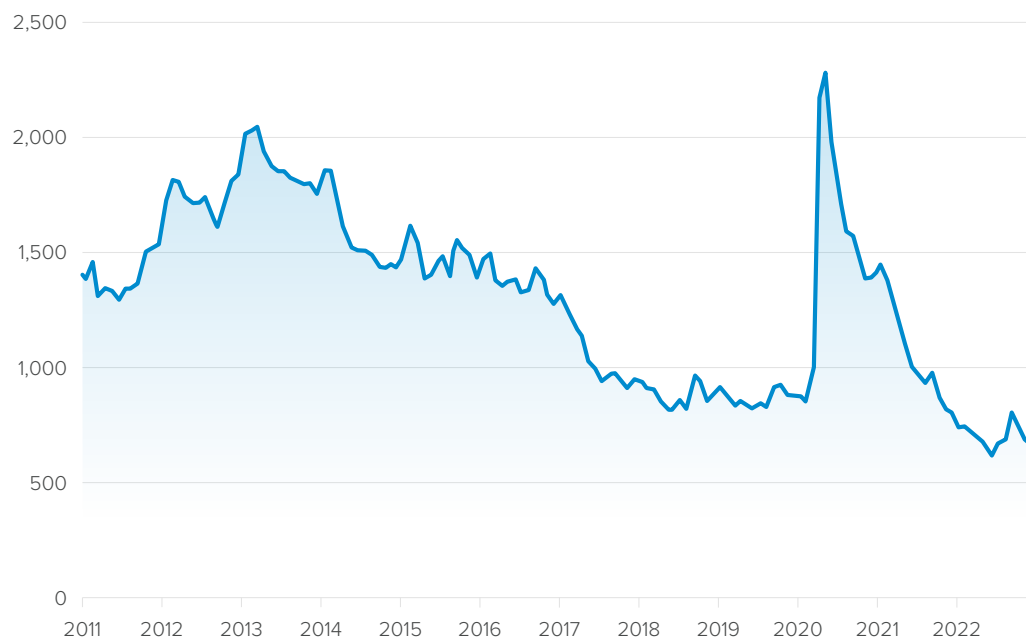


Figure 3: Actively Seeking Work (non-seasonally adjusted). Source: Statistics Jersey

Results from the Business Tendency Survey throughout 2022 suggest that the economy had recovered post-pandemic. However, by June businesses in all sectors reported facing considerable price-related pressures. Results from December 2022 indicate that no business reported a decrease in input costs on the previous quarter, compared to 84% reporting an increase. In the finance sector, 21% of surveyed businesses reported a decrease in profitability, compared to the considerably higher figure of 52% in the non-finance sector.

Economic Wellbeing (continued)

Economic context (continued)

The headline business activity indicator, although still neutral in December 2022, had fallen, with business optimism remaining negative.

Where previously the hospitality industry was lagging behind other areas on a return to trend 'business activity' levels due to extended periods of inactivity through the pandemic, they have now caught up with other sectors, turning negative in December 2022. On the other hand, the finance sector faced the least impact from the pandemic and therefore had the least recovery needed to return to trend levels. Most sectors are now sitting in a similar, slightly positive place on this measure, however business activity for hospitality has become negative in December 2022.



Figure 4: Weighted net balance of responses to business activity question of the Business Tendency Survey, by sector. Source: Statistics Jersey

Jersey's Standard and Poor credit rating unchanged

In January 2022 Standard & Poor's (S&P) credit rating for Jersey was unchanged at AA-/A-1+; this was affirmed again in January 2023. 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.

Economic Wellbeing (continued)

Key Theme: Cost of Living Crisis

Following the election of the new Government, a number of measures were approved unanimously by States Members to address the cost of living crisis in a mini budget, which included:

- 12% increase in Income Tax thresholds and allowances
- A temporary reduction of 2% in Social Security contributions from 1 October to 31 December 2022
- Doubling the Cost of Living Temporary Support Scheme (COLTS) from £20 to £40 per person per month, August to December 2022
- Doubling the Community Cost Bonus (CCB) from £258.25 to £516.50 and extending eligibility to include households who paid less than £2,735 tax in 2021
- Increasing Income Support components, from January 2023, in line with September 2022 RPI figure
- Temporarily increasing cold weather payments to £70 a month from October to March 2023 regardless of the temperature

In addition, the Old Age Pension rate was increased in October 2022 in line with June 2022 RPI Pensioners of 7.7%.

In its Annual Report (November 2022) the Fiscal Policy Panel commented that Jersey's economy had been largely insulated from the weakening global outlook and rising inflation. Its forecasts for economic growth remained largely unchanged from the summer, with a near-term period of stronger growth expected (as increases in the Bank Rate feed through to higher Banking profits).

The FPP concluded that Jersey's economy overall remains in a good position to weather global shocks, but looking ahead there were risks from an ageing population, weak productivity and also the impact on households from rising interest rates.

Source: Fiscal Policy Panel

Key Theme: Housing Crisis

Statistics published by Statistics Jersey show that the House Price Index in 2022 was 11% higher than in 2021, with affordability, as measured by whether a working household with mean net income (£68,100) is able to purchase property, worsening. For illustration, the mean (average) price of a one-bedroom flat increased from £322,000 in 2021 and £361,000 in 2022 and the price of a two-bedroom house increased from £567,000 to £636,000. Advertised private sector rental prices were 10% higher than in 2021.

Key Government activities in 2022:

- Customer and Local Services continued to develop the Housing Advice Service, which exists to provide enhanced advice and support to Islanders who require support with housing. Throughout 2022 improvements were made to process, systems, structure and communications, in line with recommendations from Homelessness Link UK.

Economic Wellbeing (continued)

Key Theme: Housing Crisis (continued)

- A formal definition of homelessness was also published, which helps to ensure that those in greatest housing need are able to access the support they require, and to build a picture of the true extent of homelessness in Jersey.
- The publication of the Modern Methods of Construction: Housing Delivery Innovation report, which was delivered as part of the Chief Minister's 100 day action plan. This made six ministerial commitments, including that a Construction Sector Innovation Hub will be established to support housing delivery. An inception session was held with key stakeholders in November 2022, and more announcements in relation to the hub will be made in 2023.
- The publication of the Action on Vacant Properties plan, which included six actions to tackle the issue of vacant homes in Jersey, including the creation of the Empty Homes Service which launched in January 2023.

Principal Risks

For information on our areas of focus and mitigations in respect of these risks see the [Accountability Report](#).


Inflationary Pressures. 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 via the 100 Day Plan, Cost of Living Strategy Group, mini budget and the Government Plan 2023-26.

Island workforce sustainability. Not delivering a workforce strategy that develops local talent or brings the right skills to the Island would impact the ability to sustain our economic strategy and improve productivity. Mitigations include development of the Digital Skills Academy; Jersey Employers Group and Government of Jersey Engagement; the Economy Workforce Plan and the Government of Jersey People and Culture Plan.

Loss of Economic Prosperity. A failure to sustain, diversify and grow could impact economic prosperity negatively. Consequential damage could be to the public finances and ability of the Government to deliver high quality public services and support. Mitigations include diversification of the local economy; delivery of the Financial Services policy framework; and the Future Economy Programme (Economic Framework).

Economic Wellbeing (continued)

2022 Milestones

JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
<p> Affordable Living Fair Rents Plan published</p> <p> Jobs and Growth Business support extended Unemployment at pre-pandemic levels</p>	<p> Affordable Living Right sizing housing survey launched</p> <p> Business Environment External Relations Minister's statement on sanctions Corporate tax filing deadline consultation opens Ministers respond to situation in Ukraine Rwandan delegation undertakes visit to Jersey Jersey included in UK-New Zealand Free Trade Agreement (FTA)</p> <p> Jobs and Growth Business support extended to more sectors Consultation opens on new rules for business partnerships Hundreds of Islanders take up retraining offer Proposition lodged to protect zero-hour employees Self-employed given additional time to make Co-Funded repayments</p>	<p> Affordable Living Housing Gateway eligibility expanded</p> <p> Business Environment Statement on Ukraine Chief Minister to visit the United States of America Jersey implements latest UK sanctions Hospitality Partnership between Jersey and Antigua and Barbuda Customer relationships associated with Russia and Belarus Jersey suspends tax cooperation with Russia Ghanaian delegation visits Jersey Pensions regulations strengthened Jersey and Kenya sign historic Asset Recovery Agreement Control of Housing and Work law amendments adopted</p> <p> Jobs and Growth Government launches careers opportunities Digital Degree Apprenticeship scheme launched</p>	<p> Affordable Living Financial Wellbeing in Old Age report published March 2022 Retail Prices Index report published</p> <p> Business Environment Boost for charities claiming back tax Government policy paper on international tax Business Tendency Survey results published PYB 'Ways to pay' booklet delivered</p> <p> Jobs and Growth Free skills courses open to Islanders Registered unemployment report published Unemployment figures lowest since 2011 Help At Home campaign: 33 Islanders offered jobs Government apprentice scheme applications open #RecruitLocal campaign results released December Labour Market report published</p>	<p> Affordable Living Temporary cost of living scheme available Rent tribunal recruitment New process for COVID-19 sickness benefit claims Income Distribution Report Published Jersey Homes Promise proposals</p> <p> Business Environment Don't put off filing your tax return Strategic Overview for Economy</p> <p> Jobs and Growth Technology Accelerator Fund next steps</p>	

Economic Wellbeing (continued)

2022 Milestones

JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
<p> Affordable Living</p> <p>June 2022 Retail Prices Index report published</p> <p>Employment forum consultation on the minimum wage</p> <p> Business Environment</p> <p>Four weeks to online tax deadline</p> <p>Deadline reminder for voluntary independent taxation</p> <p>Business Tendency Survey results published</p> <p>Telecommunications Statistics and Market report published</p> <p> Jobs and Growth</p> <p>Registered unemployment report published</p>	<p> Affordable Living</p> <p>£56.5 million mini-budget proposals unveiled</p> <p>Northern Quarter: 169 new affordable homes</p> <p>Mini Budget Q and A</p> <p>House price report for the second quarter 2022</p> <p>Average Earnings and Income Distribution reports published</p> <p> Jobs and Growth</p> <p>Careers event for school leavers and graduates</p> <p>Government Foundations programme getting people back into work</p>	<p> Affordable Living</p> <p>Recruitment opens for additional member of Rent Tribunal</p> <p>Increase in the Minimum Wage</p> <p>Mini-budget proposals Passed</p> <p>Community Costs Bonus enhanced to help with the cost of living</p> <p> Business Environment</p> <p>Final week of Export Strategy Consultation</p> <p>Replacing Jersey Currency</p> <p> Jobs and Growth</p> <p>Jersey publishes national strategy for combatting financial crime</p> <p>Minister approves urgent support for dairy sector</p>	<p> Affordable Living</p> <p>Revenue Jersey Community Helpdesk</p> <p>Homelessness definition published</p> <p>Support available from Housing Advice Service</p> <p>September 2022 Retail Prices Index</p> <p> Business Environment</p> <p>Financial Crime Risk Assessment is launched</p> <p>Population & Skills Ministerial Group launched to tackle labour shortages</p> <p>Business Tendency Survey results published</p> <p>Financial crime risk assessment extended</p> <p> Jobs and Growth</p> <p>Measuring Jersey's economy: GVA and GDP 2021</p> <p>Jersey Skills Show returns next week</p> <p>Launch of the Co-Funded Payroll Scheme Appeals Process</p> <p>Registered unemployment report published</p> <p>Actively seeking work figures released</p> <p>June Labour Market Report published</p> <p>Jersey Aircraft Registry to close</p>	<p> Affordable Living</p> <p>Private Rented Dwellings Licensing Scheme</p> <p>Action On Vacant Properties report published</p> <p> Business Environment</p> <p>Jersey recognised for tax cooperation</p> <p>Short-term holiday lettings reminder</p> <p>House price report for the third quarter 2022</p> <p>French business connections develop</p> <p>‘Pay on Account’ taxpayers - Payment deadline</p> <p>Financial stability advice takes step forward</p> <p> Jobs and Growth</p> <p>Channel Islands ministers visit Brussels</p> <p>Treasury Minister says economy remains strong at Chamber of Commerce meeting</p> <p>Digital Skills Strategies launched today</p> <p>New Common Policy for External Relations</p>	<p> Affordable Living</p> <p>Closer to home event focuses on cost of living and winter pressures</p> <p>Increase to weekly care rates</p> <p>Indicators of deprivation report released today</p> <p>Parental support payments for families with under 5 years residence</p> <p>Gateway income thresholds increase</p> <p> Business Environment</p> <p>Consultation response published – access to beneficial ownership information on legal entities</p>

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 2018-22

We will protect and value our environment

By embracing environmental innovation and ambition, by protecting the natural environment through conservation, protection, sustainable resource use and demand management, and by improving the built environment, to retain the sense of place, culture and distinctive local identity

We will reduce income inequality and improve the standard of living

By improving the quality and affordability of housing, improving social inclusion, and by removing barriers to and at work

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

Environmental Wellbeing (continued)

Key Ministers

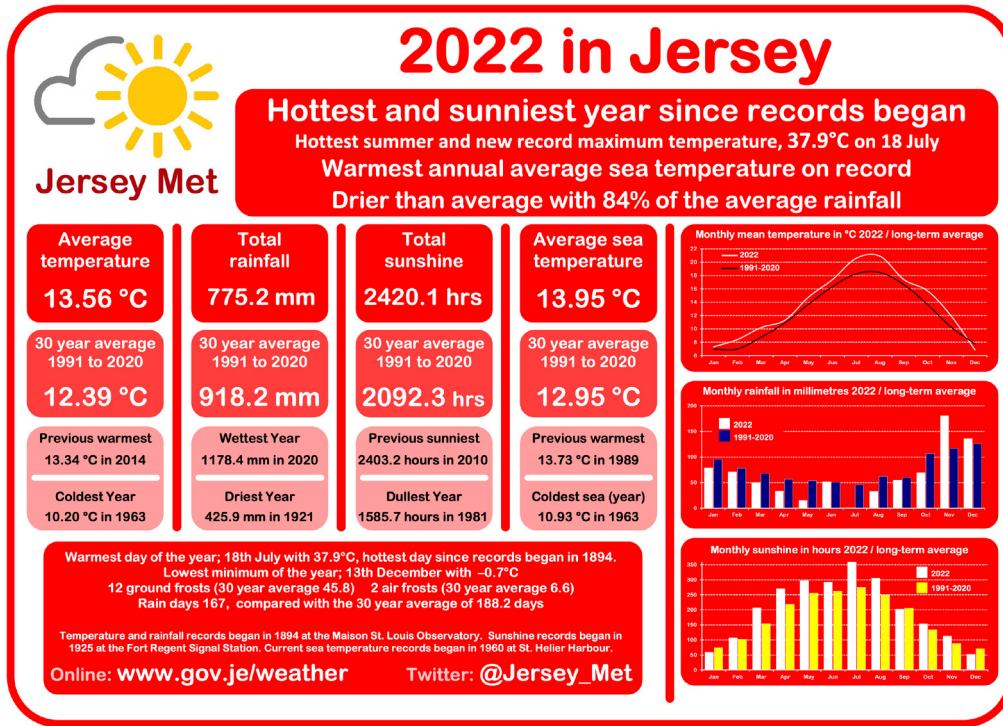
Minister for the Environment	Ministerial Plan 2023 and Delivery Plan for 2023
Minister for Infrastructure	Ministerial Plan 2023 and Delivery Plan for 2023
Minister for Housing	Ministerial Plan 2023 and Delivery Plan for 2023

Key Departments

Infrastructure, Housing and Environment	For performance analysis see: IHE Departmental Annual Report 2022 and IHE Service Performance Measures 2022
Strategic Policy, Planning and Performance	For performance analysis see: SPPP Departmental Annual Report 2022 and SPPP Service Performance Measures 2022

Environmental Wellbeing (continued)

Key data:



Built Environment

79.5% Planning applications have been approved

At 4,199,285 the number of passenger bus journeys in 2022 was 1,218,301 (41%) higher than 2021

263 pollution, fly tipping and burning incidents investigated

Natural Environment

149 coverage in square kilometres of Marine Protected Area

70 kilometres of coast and countryside access routes available to the public

Sustainable Resources

52.3% of inert waste was recycled in 2022

On average 507KWh of electricity is generated per tonne of waste

Environmental Wellbeing (continued)

Key Theme: Climate Emergency

Only a tiny fraction of the planet’s total warming is felt by us in the air, the majority of it being absorbed by the world’s oceans,¹⁴ which are heating rapidly.¹⁵ This destabilization of planetary balances due to greenhouse gases means our 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°C¹⁶. In 2022, the Island saw some of the highest temperatures measured since records began in 1894, along with increased changes to rainfall patterns, and further sea level rise.

Top 3 Hottest Years		1. 2022	2. 2014	3. 2020
8/10 of hottest years on record occur post-2000	8 days of 30°C or more in a year, the highest total since records began	37.9°C Set a new record for hottest air temperature	25.2°C Set a new record for warmest night	
Changes to rainfall patterns		Wetter Winters		Drier Summers
7/10 of recent years have been wetter than average	+16% drier in 2022 than the 30-year average period of 1991-2020	-45% drop in summer rainfall predicted by 2080		+24% increase in winter rainfall predicted by 2080
Changes to sea level				
Doubling In rate of global sea level rise experienced since 1993	10% Of sea level rise has occurred in last 2.5 years, since satellite measurements started nearly 30 years ago.	13.95°C Warmest annual average sea temperature on record, and 1°C above the 30-year average period of 1991-2020.		

Note

¹⁴ Q13 – Excess heat in oceans | Gapminder

¹⁵ Provisional State of the Global Climate in 2022 | World Meteorological Organization (wmo.int)

¹⁶ <https://www.gov.je/Government/JerseyInFigures/Environment/pages/climate.aspx#anchor-1>

Environmental Wellbeing (continued)

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

- 58%

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

174

Asian hornet nests recorded in 2022

Double

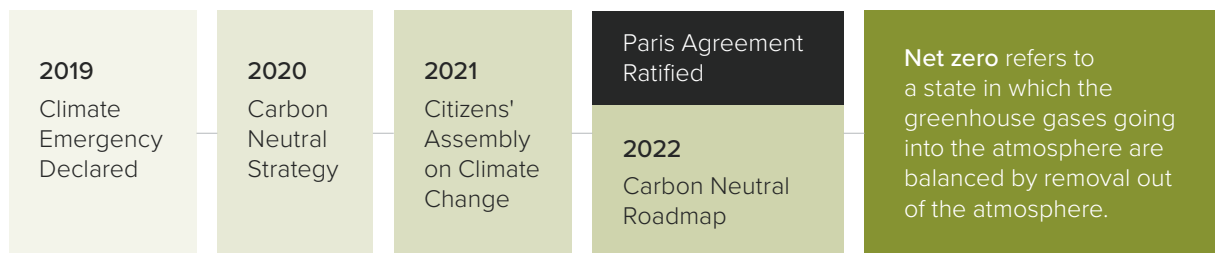
The previous record of 83 Asian hornet nests (2019)

Key Theme: Climate Emergency (continued)

Confronting the challenge of a climate emergency will require global coordination and effort. However, around 65% of the world’s population view climate change as a threat to their country in the next 20 years, and 191 of the world’s 195 countries have ratified the Paris Agreement,¹⁷ committing their governments to tackling this situation.

Jersey is no different. 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”.¹⁸

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



The Carbon Neutral Roadmap sets out a suite of policies that aim to help us achieve our 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.

In November 2022, Deputy Hilary Jeune, Assistant Environment Minister, attended the Conference of Parties (COP27) in Sharm El-Sheikh 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.

For further detail on our Island decarbonisation strategy, see: the [Carbon Neutral Roadmap](#).

For further detail on our organisational decarbonisation strategy, see: the Sustainability Report (Appendix 2).

Note

¹⁷ [UNTC](#)













¹⁸ [Votes \(gov.je\)](#)

¹⁹ [Paris Agreement extended to Jersey \(gov.je\)](#)

²⁰ [Carbon Neutral Roadmap \(gov.je\)](#)















Environmental Wellbeing (continued)

2022 Milestones

JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
<p> Built Environment Draft Bridging Island Plan: Inspectors' report and Minister's response published</p>	<p> Built Environment Public Inquiry into Waterfront plans</p> <p> Natural Environment Dead buzzards test positive for bird flu</p>	<p> Built Environment Bridging Island Plan is approved</p> <p> Natural Environment Keepers encouraged to house birds due to bird flu Chief Vet introduces bird flu restrictions Bird flu: Chief Vet introduces restrictions Conservation areas consultation launched</p> <p> Sustainable Resources Carbon Neutral Roadmap lodged</p>	<p> Built Environment Broad Street to remain closed to traffic</p> <p> Natural Environment Bird flu measures to remain in place Areas of Special Protection on Les Ecréhous Update on bird flu restrictions Portelet 'No Take Zone' agreed</p>	<p> Built Environment Jersey Design Awards Launched</p> <p> Natural Environment Japanese Knotweed seminars Invasive Species Week</p> <p> Sustainable Resources Paris Agreement extended to Jersey Jersey's emission statistics are published House price report for the first quarter 2022</p>	<p> Natural Environment Hot weather advice issued Oak Processionary Moth caterpillars in park</p>

Environmental Wellbeing (continued)

2022 Milestones

JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
<p> Natural Environment Very high temperatures expected Extreme weather warning and school advice Islanders encouraged to report signs of bat roosts Bird flu: positive case in herring gull</p> <p> Sustainable Resources Reminder over single use bag ban Single use bag ban begins</p>	<p> Built Environment Howard Davis Hall public open day Widened cycle path in St Aubin's Bay</p> <p> Natural Environment High temperatures expected on Battle Day and beyond Bird flu: Protection zone declared Invitation to bid for funding to create countryside paths</p> <p> Sustainable Resources Energy Trends report 2021 published</p>	<p> Built Environment Coronation Park extension consultation No Water's Edge Hotel public inquiry</p> <p> Natural Environment Bird flu confirmed in St Lawrence Island-wide bird flu Prevention Zone Conservation Areas framework published</p>	<p> Built Environment Modern Methods of Construction report Sustainable Construction Summit held Safety improvements at La Haule Planning guidance out for consultation Modern Methods of Construction letters sent to developers</p> <p> Natural Environment Bird flu restrictions to be lifted iBats report released after 10-year study</p> <p> Sustainable Resources Blue carbon research published</p>	<p> Built Environment La Frégate awarded listed status</p> <p> Natural Environment Bird flu: Biosecurity reminder for keepers African swine fever: pork importation restrictions Islanders asked to avoid birds at risk of bird flu</p> <p> Sustainable Resources Jersey to be represented at COP27 Toy Swap Shop has emissions message</p>	<p> Natural Environment Bluefin tuna tagged for research Samples being analysed after cattle deaths</p>

Corporate Performance

CSP 2018-22

Modernising Government

We will improve the way in which government and the public service function, so they deliver modern, efficient, effective and value-for-money services and infrastructure, sound long-term strategic and financial planning, and encourage closer working and engagement among politicians and Islanders.

By: A States Assembly and Council of Ministers that work together for the common good; A new, long term strategic framework that extends beyond the term of a Council of Ministers; A modern, innovative public sector that meets the needs of Islanders effectively and efficiently; A sustainable long-term fiscal framework and public finances that make better use of our public assets; An electoral system which encourages voter turnout and meets international best practice.

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

Chief Minister	Ministerial Plan 2023 and Delivery Plan for 2023
Minister for Treasury and Resources	Ministerial Plan 2023 and Delivery Plan for 2023

Key Departments

Office of the Chief Executive	For performance analysis see: OCE Departmental Annual Report 2022 and OCE Service Performance Measures 2022
Treasury and Exchequer	For performance analysis see: T&E Departmental Annual Report 2022 and T&E Service Performance Measures 2022
Chief Operating Office	For performance analysis see: COO Departmental Annual Reports 2022 and COO Service Performance Measures 2022
Strategic Policy, Planning and Performance	For performance analysis see: SPPP Departmental Annual Report 2022 and SPPP Service Performance Measures 2022
Customer and Local Services	For performance analysis see: CLS Departmental Annual Report 2022 and CLS Service Performance Measures 2022

Corporate Performance (continued)

Key Theme: Customer Feedback



8,012

rate our service surveys submitted by customers in 2022 (compared to 5764 in 2021).

Customer experience team continued to expand Voice of customer (VOC) data capture across customer facing services (for example for departments in IHE and sport).



334

colleagues attended customer experience related training

The Customer experience development programme was developed and rolled out across GoJ in 2022.

185 colleagues were trained in complaints handling

96 colleagues in Customer Services Skills

35 managers trained in espresso Customer Experience for managers

18 colleagues trained in facilitating successful customer journey mapping.



2,446

pieces of feedback received in 2022.

1085 complaints, 455 comments and 906 compliments

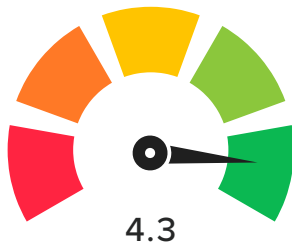
Customer feedback for GoJ was rebranded and relaunched Island wide in 2022

There was an increase in number of comments (**246**) and compliments (**701**) when compared to 2021.

Corporate Performance (continued)

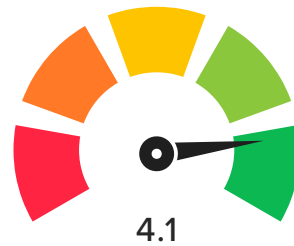
Key Theme: Customer Feedback (continued)

Customer Sentiment Indicator (CSI)



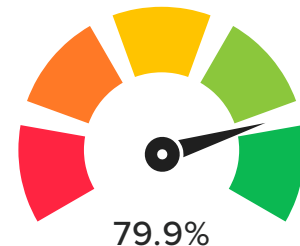
Increased availability and utilisation of customer insight data across all interaction channels

Customer effort score (CES)



2022 has seen customer effort scores **consistently on target or above**.

Customer Satisfaction (CSAT)



Slightly below target of 80%. 3% increase from 2021

The **Customer Effort Score for 2022 was on target at 4 out of 5** with customers who complete the surveys scoring the interaction they had as 'easy' or 'fairly easy'

The **Customer Satisfaction Score was up 3% from 2021 and slightly below target (80%)** with 79.9% of customers saying that they were 'very satisfied' or 'satisfied' with the service they had interacted with.

Further information on [customer feedback](#) is available online.

Corporate Performance (continued)

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).

Red	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.
Red/Amber	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.
Amber	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.
Amber/Green	Successful delivery appears probable; however, constant attention will be needed to ensure risks do not materialise into major issues threatening delivery.
Green	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.
Completed	Initiative has been delivered or in the case of business as usual funding, the funding has been assigned.
Reset	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.

Corporate Performance (continued)

Key Theme: Projects and Programmes (continued)

Major and Strategic projects and programmes: Summary of status at the end of 2022

	Red	Red/Amber	Amber	Amber/Green	Green	Completed	Reset	Totals
Major								
Chief Operating Office	0	0	0	1	4	0	0	5
Children, Young People, Education and Skills	0	1	0	0	0	0	2	3
Department for the Economy	0	0	0	0	1	0	0	1
Health and Community Services	1	0	0	0	1	0	0	2
Infrastructure, Housing and Environment	0	1	0	0	1	0	1	3
Justice and Home Affairs	0	0	0	0	0	0	1	1
Office of the Chief Executive	0	0	0	0	1	0	0	1
Strategic								
Chief Operating Office	0	0	0	2	4	1	0	7
Children, Young People, Education and Skills	0	0	1	0	5	0	3	9
Customer and Local Services	0	0	0	1	1	1	0	3
Department for the Economy	0	0	0	1	1	0	0	2
Health and Community Services	2	0	1	0	0	0	2	5
Infrastructure, Housing and Environment	0	2	2	0	3	0	0	7
Justice and Home Affairs	0	0	1	0	1	0	0	2
Strategic Policy, Planning and Performance	0	0	0	0	3	0	0	3
Treasury and Exchequer	0	1	0	0	2	1	0	4
Grand Total	3	5	5	5	28	3	9	58

The three Completed projects are Digital ID within the Service Digitisation Programme); Customer Strategy – GoJ Service Standards and Fiscal Stimulus Fund.

The three Red projects are Our Hospital; EMIS Primary and Community Services; and Health Demographic Services

More detail on major and strategic projects can be found in Annex – [Government Department Annual Reports](#) as well as the [Status of Strategic and Major projects at 2022 year end](#).

Corporate Performance (continued)

Principal Risks

For information on our areas of focus and mitigations in respect of these risks see the [Accountability Report](#).

Like all governments, Jersey faces the constant threat of a cyber-attack and, as a consequence, is undertaking targeted action to enhance our technology estate, data management and information security against a backdrop of increased global cyber security risk from hostile state and criminal activity. Other measures to mitigate potential loss include the establishment of the Cyber Security Centre (CERT), regular threat monitoring and horizon scanning.

An increasing risk that there could be service disruption and an impact on the ability to provide quality property maintenance services to Islanders. Resources are being diverted from reactive maintenance to allow greater effort to keep Government properties compliant with legislation and statutory inspections. Assets are being managed however there is a risk that this could result in decaying asset values. Other potential consequences are improvement and enforcement notices; health and safety incidents; harm to people/loss of property; litigation and reputational damage. Mitigations include the Estates Strategy; implementation of the Property Target Operating Model and collaboration with tenant departments.

If Government does not plan for its workforce effectively and implement good recruitment and retention practice. This would result in resourcing challenges for key services and possible impact on public safety; higher costs; and Government developing a reputation as a poor employer brand. It may also result in higher levels of absenteeism, lower productivity and wellbeing, higher levels of health and safety incidents, development of toxic cultures or workforce. This could be due to poor resourcing and management information in decision-making and failure to implement effective departmental people strategies and culture plans, and HR governance. Mitigations include Workforce plans and Succession planning; alignment with the Government plan; Exit and Be Heard surveys; People and Culture Plans and employee led networks.

Corporate Performance (continued)

2022 Milestones

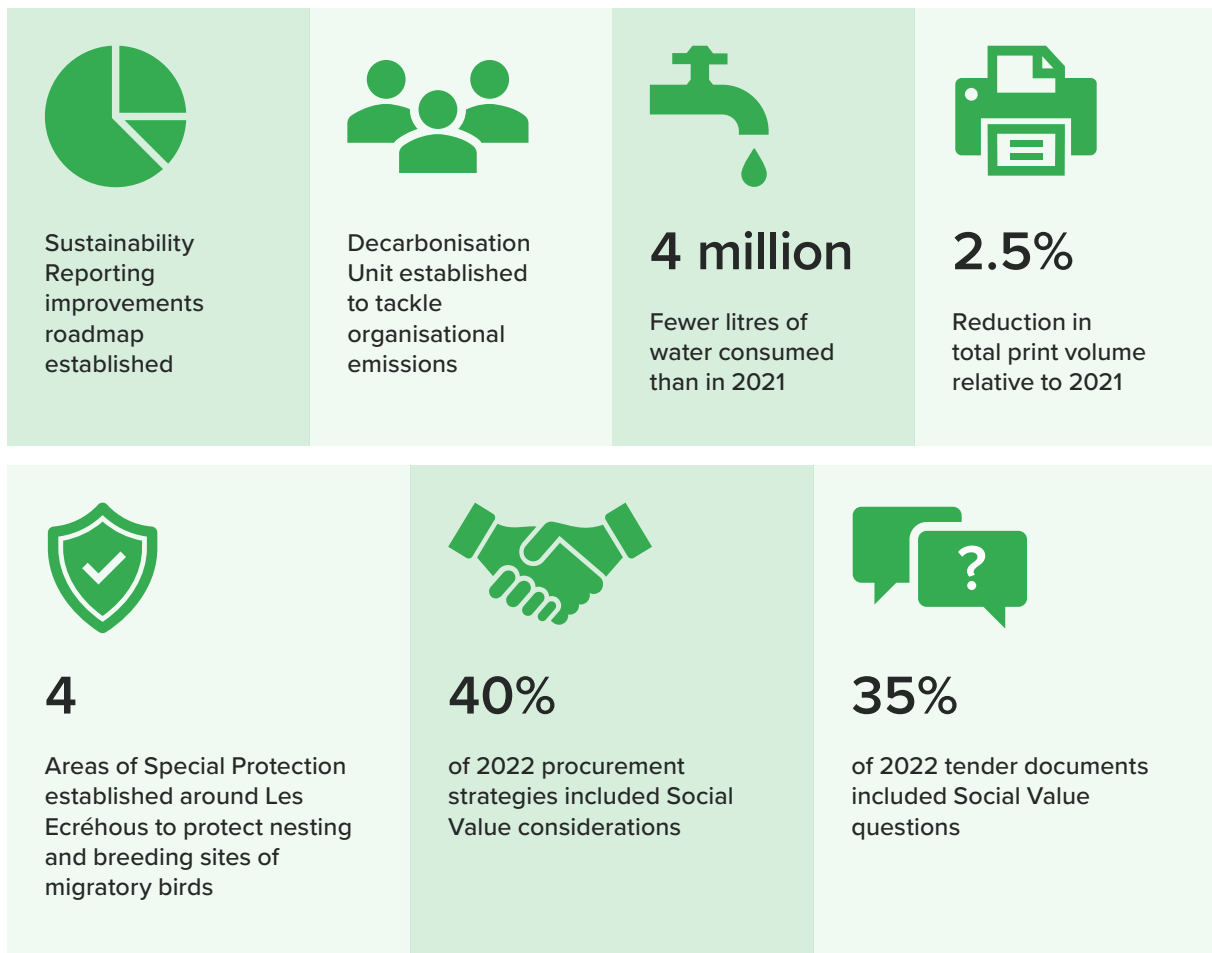
JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
<p>Jersey's Standard and Poor credit rating unchanged</p>	<p>Interim CEO, Paul Martin, departs, new CEO, Suzanne Wylie, commences</p> <p>Government Plan 2022-2025 updated</p>		<p>2021 Annual Report and Accounts published</p> <p>Jersey Better Life Index 2021</p> <p>States Employment Board welcomes JAC annual report</p> <p>First Census Results Published</p> <p>Government improves feedback services</p> <p>States Employment Board annual report 2021</p> <p>Strong interest in new States of Jersey £500m Bond issuance</p>		<p>Island-wide election takes place</p>
JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
<p>New Council of Ministers takes office</p> <p>Assistant Ministers are appointed</p> <p>Further census bulletins published</p>	<p>Additional census tables published</p> <p>Government reaches halfway point of 100-Day Actions³</p>	<p>Statement on the death of Her Majesty The Queen by the Chief Minister, Deputy Kristina Moore</p> <p>Proclamation of the King</p> <p>Policy Professional Apprenticeships Begins</p>	<p>Jersey's proposed Government Plan and Common Strategic Policy launched</p> <p>Ministerial Plans published</p> <p>New Ministerial Code of Conduct and Practice</p> <p>100 Day Plan delivered</p>	<p>Common Strategic Policy approved by the States Assembly</p> <p>Engagement and Information Improvement Report published</p>	<p>Government Plan approved by the States Assembly</p> <p>Jersey Opinions and Lifestyle report published</p> <p>Census final report published</p>

Sustainability

2022 has been a positive year for sustainability, both for Government and the wider States of Jersey Group.

We hope to continue to build on this in the run up to 2030 and beyond, offering greater clarity on our internal operational practice, as well as monitoring the long-term value for money and improved organisational resilience targeted through sustainability measures.




Government of Jersey and Non-Ministerial Departments



As part of our sustainability work, we have been reviewing the way that we collate figures on our energy consumption, emissions and spend and air travel. This information for 2022 will be published once available alongside comparable 2021 data and will be included in future years' Annual Report and Accounts.

Sustainability (continued)

States of Jersey Group

 <p>Increased proportion of GVA spent by JOA on international development contributes to the UN's Sustainable Development Goals.</p>	 <p>100%</p> <p>Of JOA travel use by staff and volunteers offset</p>	 <p>99.9%</p> <p>Of Andium homes electrically heated</p>	 <p>20</p> <p>Andium electric car sharing clubs started</p>
 <p>BREEAM Excellent</p> <p>certification targeted for IFC 6, in construction throughout 2022 by Jersey Development Company</p>	 <p>175</p> <p>Electric charge points installation agreed during 2022 for the Horizon residential development being delivered by Jersey Development Company with their Joint Venture partner</p>	 <p>Collaborative Partnership</p> <p>between Ports of Jersey, Universal Hydrogen and Blue Islands</p>	 <p>Carbonpass App</p> <p>launched by Ports of Jersey for airport passengers to balance their carbon with Durrell Rewild</p>

Appendix 1

Financial Review

This Financial Review section provides a summary analysis of the consolidated group, including all funds and subsidiary companies, as well as component entities.

States Assembly performance refers to the general revenue income and department expenditure as it has been approved by the States Assembly in the Government Plan or decisions of the Treasury and Resources Minister

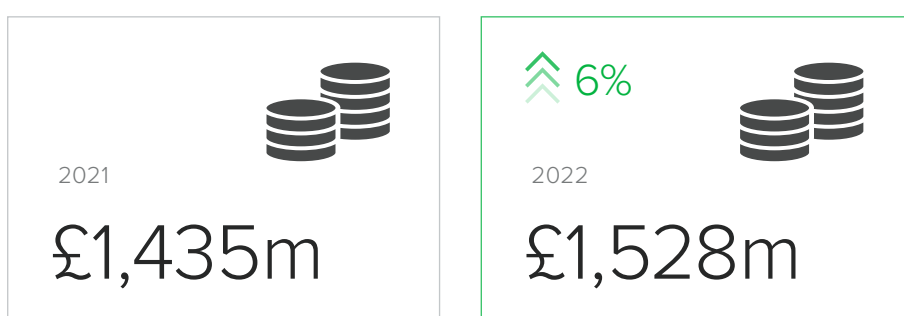
The Statement of Comprehensive Net Expenditure is split by 'Core' and 'Group' where 'Core' is all parts of the States of Jersey group apart from the consolidated subsidiaries and 'Group' includes those subsidiaries per the diagram on page 6 and the information in Note 4.26 on page 325.

Income

Consolidated Group

Income, excluding gains/losses on the revaluation of investments, increased by £92 million (6%) in 2022, compared to 2021. There was a £89 million (12%) increase in taxation revenue with an £78 million (12%) increase in income tax and £11 million (10%) increase in GST offset by reductions elsewhere including a £36 million (75%) reduction in dividends income due to the additional £40 million dividend from JT Group following the sale of their Internet of Things business in 2021.

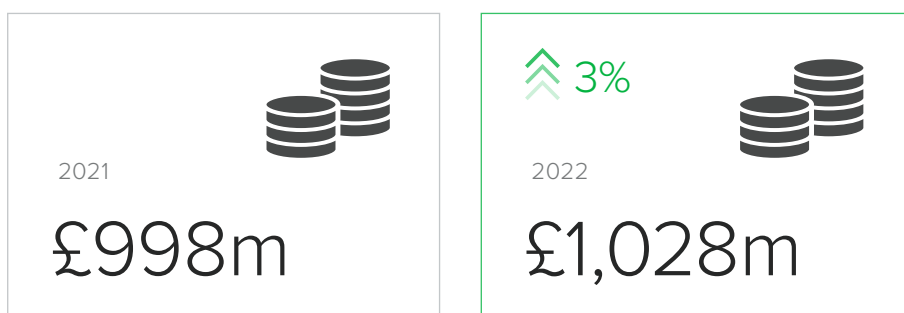
More detail is provided later in this section on page 83.



States Assembly Approved

States Net General Revenues Income increased by £30 million (3%) from 2021. The increase is over the amount for 2021 that included a £40 million exceptional dividend from JT Group.

More detail is provided later in this section on page 85.

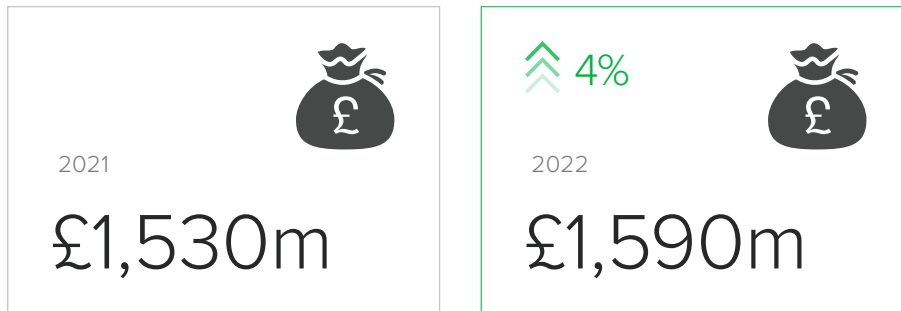


Expenditure

Consolidated Group

Expenditure increased by £60 million (4%) from 2021. There were reductions in spend on specific Covid-19 related costs offset by an increase in staff costs of £38 million (8%).

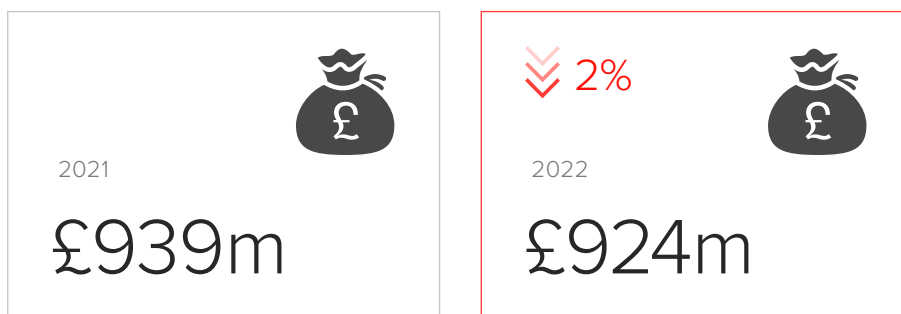
More detail is provided later in this section on page 83.



States Assembly Approved

Departmental net expenditure, including depreciation, decreased by £15 million (2%), which is primarily the impact of reduced Covid-19 expenditure and an increase in operational income offset by increases in staff costs and other operating expenditure.

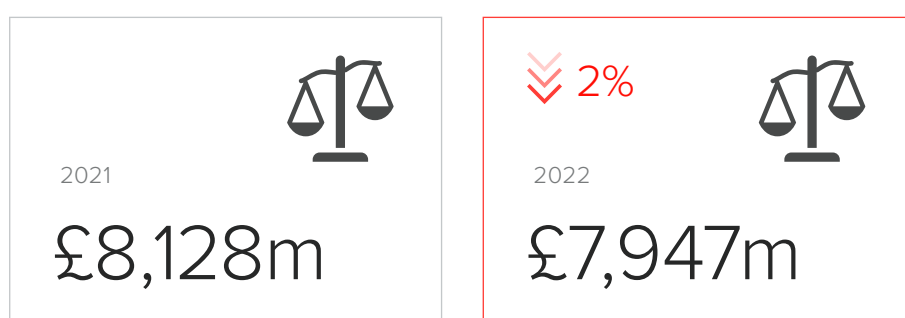
More detail is provided later in this section on page 85.



Balance Sheet Consolidated Group

2022 was a challenging year for investment performance on the back of a period of sustained growth in the investment portfolio with investment revaluation losses of £213 million recognised in 2022. Despite that reduction in the value of investments, a strong balance sheet is maintained with a net asset position of £7.9 billion. The decrease in the net asset position of 2% is mainly attributable to the reduction in value of the investment portfolio offset by increases in the value of infrastructure and property assets following revaluation.

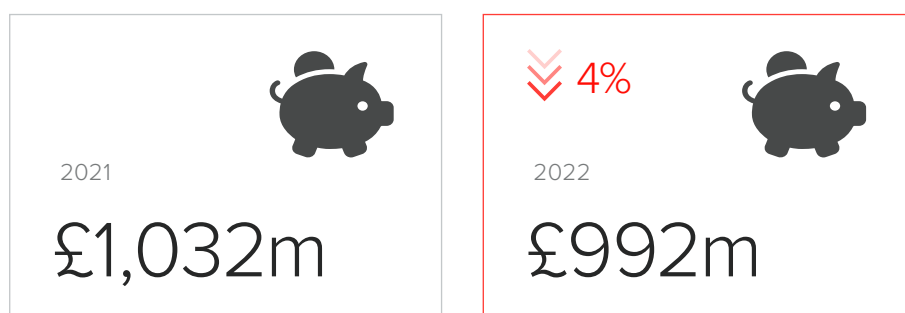
More detail is provided later in this section on page 99.



Strategic Reserve

Despite the challenging investment environment in 2022, the Strategic Reserve remains in a strong position with a balance of £992 million. The decrease reflects investment revaluation losses of £68 million, reflecting the overall investment performance as at the end of 2022. There were also transfers in/out of the fund to help manage the costs of financing as planned in the Government Plan.

This is largely within the 'Other Financial Assets' lines within the Statement of Financial Position.



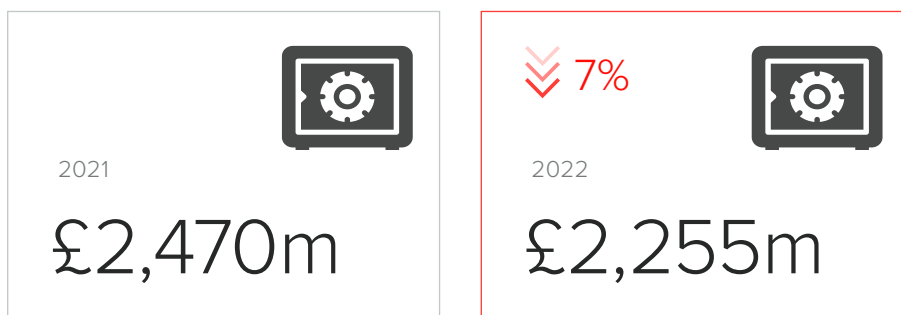
Social Security Funds

The Social Security Funds have decreased in value by £216 million (9%) from 2021. As with the Strategic Reserve, this is predominantly due to investment performance on the Social Security (Reserve) Fund with the other funds all increasing in value as at the end of 2022.

The largest of these funds, the Social Security (Reserve) Fund, recognised investment losses of £158 million in 2022. Despite this, it remains well placed to manage movements in the market thanks to the investment strategy in place and the longer-term investment performance horizon. Three-year investment performance for the fund was 4.0% and the five-year was 4.6%.

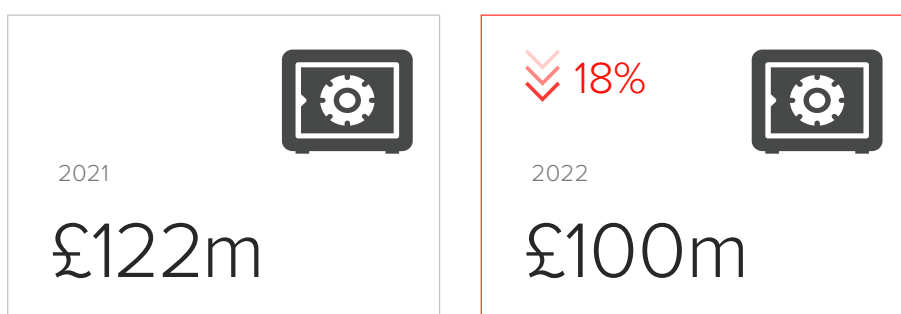
A transfer of £79 million was made from the Social Security (Reserve) Fund to the Social Security Fund in 2022 to offset the removal of the States grant which was re-directed towards funding the Covid-19 response 2022.

This is largely within the 'Other Financial Assets' lines within the Statement of Financial Position.



Consolidated Fund

The Unallocated balance in the Consolidated Fund decreased from £122m in 2021 to £100 million in 2022. However, this is an improvement over the position included in the Government Plan 2023-2026, driven by higher general revenue income than forecast, offset by the cancellation of transfers from the Health Insurance Fund originally planned to fund work on the Jersey Care Model and Digital Care Strategy. Whilst the balance has improved compared expectations in the Government Plan 2023-2026, the Consolidated Fund is still forecast to decrease over the coming years as the States continues to invest in capital projects.



States of Jersey Group

The 2022 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 and Non-Ministerial Activities

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.

The States of Jersey Accounting Boundary

The entities included within the States of Jersey Accounting Boundary are shown below. More information on specific entities is given below.

Core Entities

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.

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.

Trading Operations

Under the Public Finances (Jersey) Law 2019, the States can designate any distinct area of operation as a States Trading Operation. Estimates for Trading Operations are approved in the Government Plan.

States Funds

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, their purpose and the net asset values held is provided later in this section on page 104.

Social Security funds

In 2013 the Accounting Boundary was expanded to include the Social Security Fund, Social Security (Reserve) Fund and Health Insurance Fund. The Jersey Dental Scheme and the Long-Term Care Fund, were also included in this category.

States-controlled subsidiary entities

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.

Jersey Development Company

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

The above subsidiaries are distinguished from the Strategic Investments in the utility companies shown below by way of the level of control exerted by the Government of Jersey. This judgement has been written in to the accounting boundary defined in the Jersey Financial Reporting Manual ('JFRoM') but it is anticipated it will be removed and these entities will also be consolidated within the States of Jersey accounting boundary in future years as part of the continual review of the JFRoM against International Financial Reporting Standards ('IFRS').

The relationship with the entities below is judged to be sufficiently different to consider them outside of the group boundary for accounting purposes.

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). These include:

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

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.

Strategic investments

The Government 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.

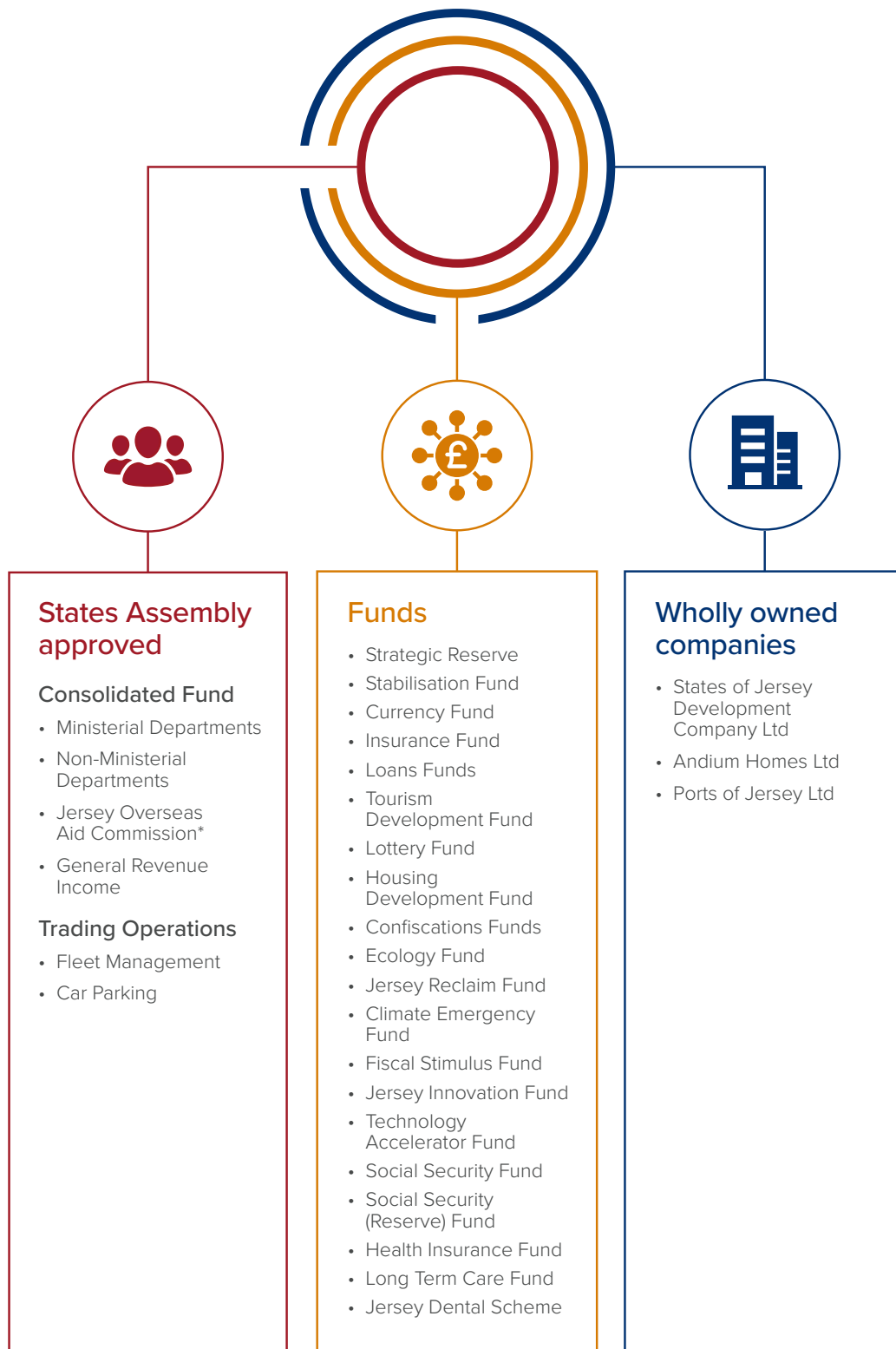
Independent bodies

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.

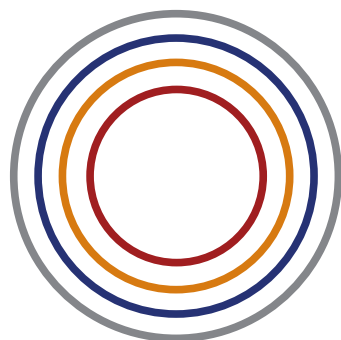
Minor Entities not consolidated but within the accounting boundary

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.

States of Jersey Group (SOJ Group)



SOJ Group – Financial Performance



SOJ Group

- Revenue £1.5 billion (up 6%)
- Expenditure £1.6 billion (up 4%)
- Losses from the revaluation of investments of £213 million compared to gains of £348 million last year

Highlights Include:



States Assembly approved

Net General Revenue Income £1,028 million. £30 million (3%) increase from 2021. Includes:

- Income Tax £720 million (up 12%)
- GST £118 million (up 11%)
- Impôts and Stamp Duties £121 million (up 14%)
- Dividends £12 million (down 75%)

Department Net Expenditure £873 million. £15 million (2%) decrease from 2021. Includes:

- Staff Costs £512 million (up £35 million, 7%)
- Social Benefits Payments of £127 million (down £29 million, 19%)

Operating Surplus £155 million. (£110 million in 2021)

Surplus after depreciation £104 million. (£59 million in 2021)

Revenue spend on projects less net income from trading operations £35 million (£12 million in 2021)



Funds

Income £366 million. £33 million (10%) increase from 2021. Includes:

- £326 million of Social Security contributions excluding those from the States of Jersey (up 10%)

Expenditure £440 million. £35 million (9%) increase from 2021.

- Includes:
- Social Security contributory benefits £376 million (up 7%)

Net Operating Expenditure £74 million (£72 million 2021)

Investment losses of £239 million. (£326 million gains in 2021)

Net Expenditure £313 million. (£254 million net income in 2021)



Subsidiaries

Income £109 million. £11 million (11%) increase from 2021. Includes:

- £58 million of rental income through Andium Homes (up 5%)
- £29 million of sales in Ports of Jersey including landing dues (up 38%)

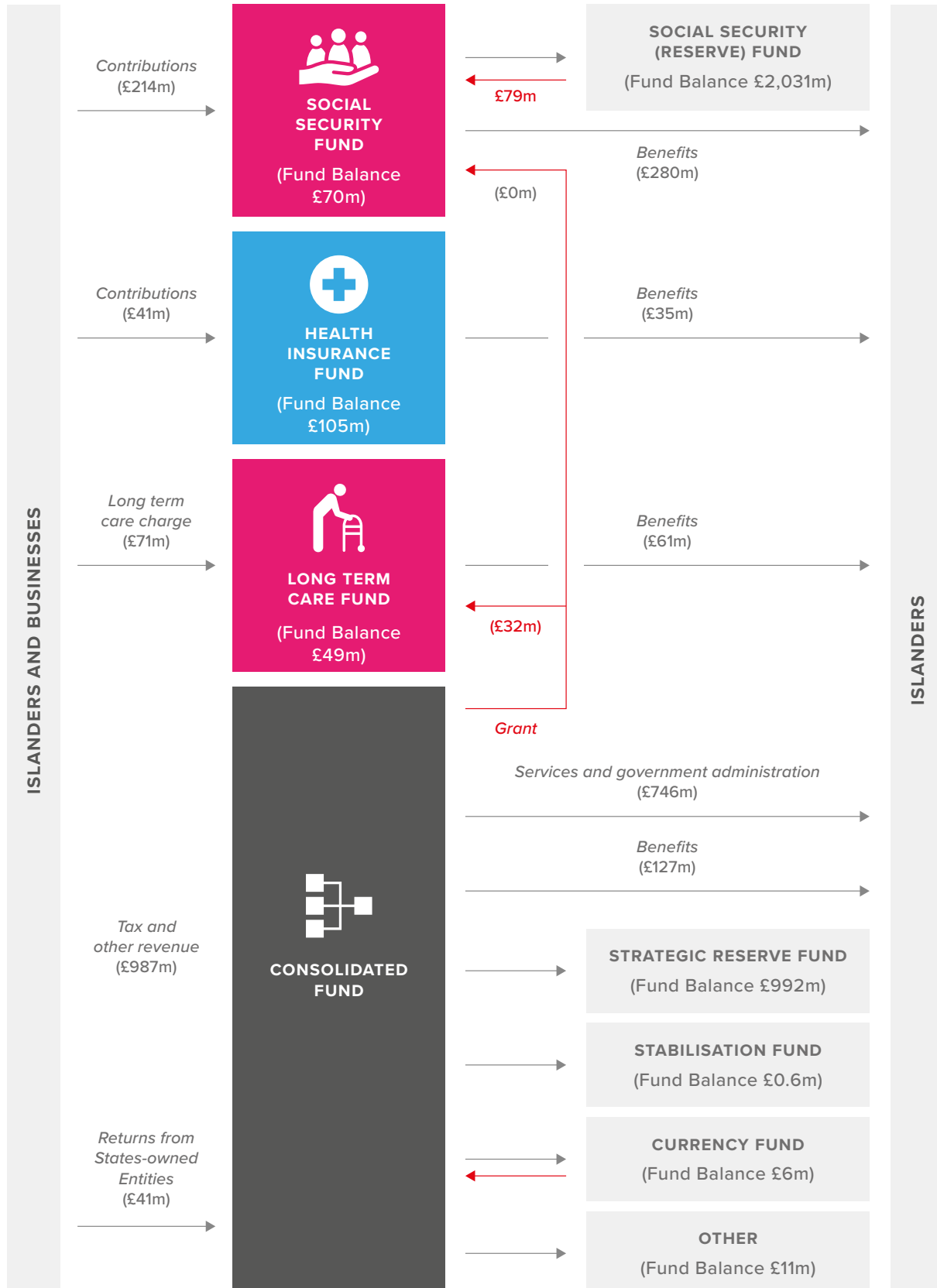
Expenditure £111 million. £9 million (7%) decrease from 2021.

- Includes:
- £30 million of staff costs (up 15%)
 - £29 million of financial returns to the States of Jersey from Andium Homes (down 5% from 2021)
 - £18 million of premises and maintenance costs (up 16%)

Net Operating Expenditure £2 million. (£22 million in 2021)

(Rounding applied)

How Islanders' Money Is Used



Financial Summary 2022

States of Jersey Group

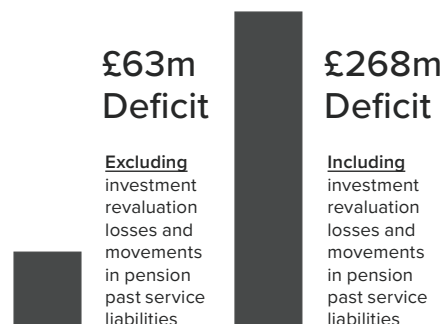
Revenue



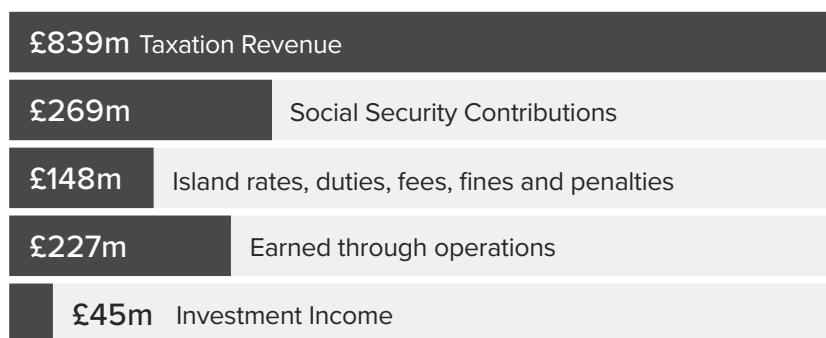
Expenditure



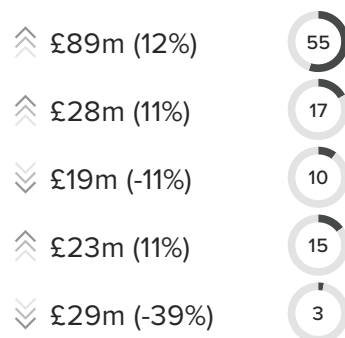
Overall



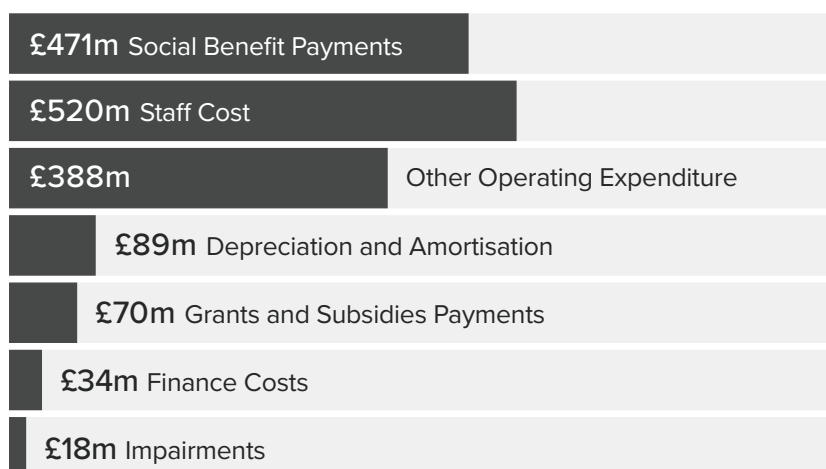
Breakdown of Revenue



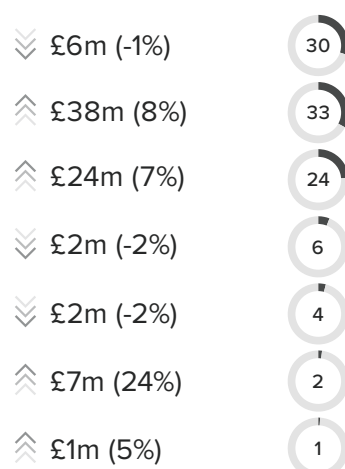
Movement from 2021 % of Total



Breakdown of Expenditure



Movement from 2021 % of Total



(Rounding applied)

Financial Review

Excluding losses on the revaluation of investments and the movement in the pension liabilities, expenditure exceeded income by £63.0 million in 2022, compared with £95.4 million in 2021. (See the 'Operating Net Revenue Expenditure/(Income)' line in the Statement of Comprehensive Net Expenditure on page 231).

Revenues increased overall with taxation revenues increasing by £89.1m (12%) and social security contributions by £27.6m (11%).

Expenditure increased overall by £60.0 million (4%) in 2022. Social benefits expenditure reduced by £5.5m (1%) which is the result of reduced levels of Covid-19 benefits for the second consecutive year. This was offset by increases across other benefits.

Staff costs increased by £37.6m (8%) in 2022 reflecting an increase in the number of staff and pay awards in the year. There is more detail on staff numbers and costs by segment in the Staff Report.

Finance costs have also increased by £6.6 million (24%) to £34.2 million in 2022 which is primarily the cost of servicing the additional bond issued in 2022 to repay the pension past service liabilities and the revolving credit facility.

Non-Operating Gains/Losses

In a challenging market setting, the Common Investment Fund generated a net loss of 6.5% in 2022, outperforming most market indices and not fully eroding the gains of 10.5% seen in 2021. This resulted in losses of £213 million compared to gains of £348 million in 2021.

Investments are subject to volatility and are best viewed over a long term investment horizon. While the 2022 loss has reduced performance over all timescales, performance over 3,5 and 10 years remains positive at 3.7%,4.2% and 7.2% respectively. Since inception in June 2010, the CIF has delivered an annualised average net return of 7.2%.

The pension debt liabilities reduced by £8 million in 2022 compared to a £14 million increase in 2021. This valuation movement was prior to the full repayment of these liabilities using the proceeds of the additional borrowing in 2022.

These items have been separated in the financial statements as they are non-operational and subject to greater volatility. Isolating them makes it easier to understand the underlying financial performance of the organisation.

Including all of the above, there was a deficit of £268 million in 2022 compared to a surplus of £239 million in 2021.

(See the 'Net Revenue Expenditure/(Income)' line in the Statement of Comprehensive Net Expenditure on page 231).

States Assembly Approved

Net General Revenue Income

£998m	2021
£1.03bn	2022

Expenditure (including depreciation)

£939m	2021
£924m	2022

Overall



Including depreciation, there was a surplus of £104 million in 2022 compared to £59 million in 2021. As agreed in the Government Plan 2022, no States Grant to the Social Security Fund was made in 2021 or 2022. This would have been an additional expenditure of £65 million in 2021 and £80 million in 2022.

Breakdown of Net General Revenue Income

	Movement from 2021	% of Total
£720m Net Income Tax	⬆️ £78m (12%)	70
£118m Goods and Services Tax (GST)	⬆️ £11m (11%)	12
£67m Impôts Duties	⬇️ £14m (-17%)	7
£54m Stamp Duty	⬇️ £7m (-11%)	5
£15m Island Rate	⬆️ £0.8m (6%)	1
£12m Other Income (Dividends)	⬇️ £36m (-75%)	1
£14m Other Income (Non Dividends)	⬇️ £1.5m (-9%)	1
£29m Other Income (Return from Housing Associations)	⬇️ £1.5m (-5%)	3

(Rounding applied)

£ Net Income Tax

2022	£720m
2021	£642m
2020	£582m

Net General Revenue Income for 2022 was £1,028.4m compared to £998.1m for 2021.

Net income tax was £77.9m (12%) higher than 2021 and comprised Personal Income Tax of £599.4m and Companies Income Tax of £121.5m.

In the latest Fiscal Policy Panel (FPP) report ([FPP Annual Report March 2023](#)), the Panel suggest strong growth in all of the components used in the forecasting model for income with the growth in overall income suggested to be the highest in over a decade.

In preparing their economic assumptions, the FPP also assume that employment income will rise consistently in the finance sector whilst non-finance sectors will see a period of above trend growth. This reflects the strong post-pandemic recovery in the labour market.

Personal income tax for 2022 is £41.6m (7%) higher than reported in 2021. This is £42.3m higher than the estimate in the Government Plan 2022 and £29.4m higher than the most recent forecast used in Government Plan 2023-26.

The increase in 2022 personal income tax revenues reflect a continued growth in earnings in line with the expectations of the FPP.

Companies Tax increased by £36.1 million (42%) from 2021 and was £26.8m higher than estimated in the Government Plan 2022 and £11.5m higher than the latest forecast used in the Government Plan 2023-26. As Company Tax is recognized one year in arrears, this reflects a recovery in 2021 profits following the impact of the pandemic on business in 2020.



2022	£118m
2021	£106m
2020	£94m

GST increased by £11.0 million (10%) compared to 2021. The outturn was approximately £14 million higher than the estimate in the Government Plan 2022.

The retail sector makes up the largest proportion of GST revenue with 43% in 2022. As GST is a sales-based tax, revenue generally increases in-line with inflation assuming there are no big changes in overall sales volumes. The All items Retail Price Index (RPI) or Jersey increased by 12.7% during the twelve months to December 2022. GST from the retail sector increased by 14% in 2022, up to £43.9 million.

While the impacts of restricted off-island travel due to Covid-19 were less in 2022 compared to prior years, travel numbers haven't returned to pre-pandemic levels. This, combined with the increase in online shopping with the reduction in the de minimis for GST on imported goods introduced in 2021 has also led to an increase in import GST.

The next largest sectors for GST revenue are financial services and hospitality with increases of 20% and 36% respectively which, again, reflects an increase in activity and turnover across both of those sectors in 2022.



Impôts Duties

2022	£67m
2021	£80m
2020	£74m

Impôts decreased by £13.7 million (17%) from 2021. The outturn was £5.6 million lower than the estimate in the Government Plan 2022 and £7.6 million lower than the forecast included in the Government Plan 2023-26.

Income from Impôts was significantly higher than trend over 2020 and 2021. This has been largely attributed to the lack of opportunities for duty free imports with restricted travel. Limited travel restrictions were in place in 2022 which corresponds with a significant reduction in duties from both tobacco and spirits as the two most common duty free commodities.

Tobacco saw the largest reduction in duties received with a reduction of £11.9 million (46%).

The Government Plan 2022 continued the published policy to increase tobacco duty by an additional 65p (RPI (3.5%) + 6.0%) per pack of 20 cigarettes and an additional £3.55 (RPI + 10%) per 50g tobacco pouch in 2022 on health grounds. In addition, new legislation came into force in Jersey on 31st July 2022 introducing plain packaging for domestic sales and banning flavoured cigarettes (e.g. menthol) from being produced or supplied in the Island. The Restriction on Smoking (Standardised Packaging and Labelling) (Jersey) Regulations 2021 are intended to encourage smokers to stop smoking and may in turn contribute to the steady decline in consumption and quantities of duty paid tobacco in Jersey which for the period 2015-2019 averaged about -6% each year.

It is difficult to precisely separate the impact of duty free imports and public health policy on the consumption of duty paid tobacco products but there was a clear spike in duties during the periods of restricted travel. The reduction in 2022 brings tobacco duties more in line with pre-pandemic levels albeit the lowest since 2015.

Duties from spirits reduced by £2.0 million (22%) in 2022 which brings it in line with the pre-pandemic trend, suggesting reduced duty free imports during 2020 and 2021 are the primary factor.

Stamp Duty

2022	£54m
2021	£61m
2020	£37m

Stamp Duty decreased by £6.7 million (11%) from 2021. The outturn was £12.6 million higher than the estimate in the Government Plan 2022 and £0.6 million lower than the forecast included in the Government Plan 2023-26.

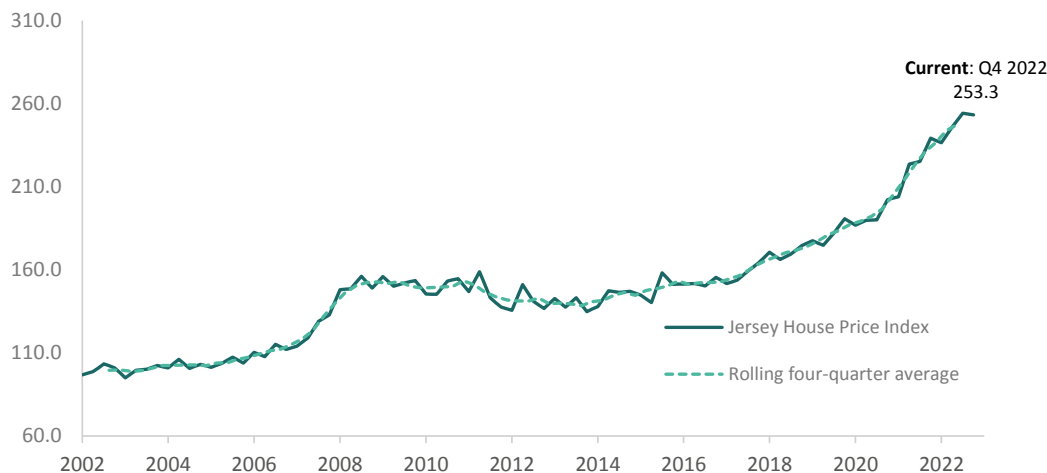
2021 was a particularly strong year for property transactions with a lot of activity in the market and strong growth in property prices. While that did carry on through 2022, conditions had already shifted in the latter half of the year as economic conditions tightened and the Bank of England Bank Rate was increased from the unprecedented low levels seen in recent years. The Bank Rate shifted from 0.25% at the start of 2022 to 3.5% as the year closed with broader impacts seen in the commercial residential lending markets following unexpected UK Government policy announcements leading in to Quarter 4.

The turnover of properties was 12% lower in 2022 compared to 2021. This comprised an increase in the sale of 1-bedroom properties with decreased sales of all other property types.

There were 341 court transactions with a consideration value of £1.0 million or more in 2022 compared to 431 in 2021. The five largest stamp duty transactions yielded combined duty of £5.1 million in 2022 compared to £6.5 million in 2021.

House prices have seen a significant increase in the last few years as illustrated by the below chart from the [Statistics Jersey House Price Index Quarterly Summary for Q4 2022](#). The House Price Index was 11% higher in 2022 than 2021.

Figure 1 – Jersey House Price Index, Q1 2002 to Q4 2022
(2002 = 100; including share transfer properties and non-seasonally adjusted)



Other Income Sources

2022	£70m	
2021	£69m	JT Exceptional Dividend £40m
2020	£65m	

2021 included a special dividend of £40m from JT Group following the sale of its Internet of Things business.

Excluding this exceptional item, other income increased by £1.5 million (2%) from 2021. The outturn was £3.9 million higher than the estimate in Government Plan 2022 and £7.4 million higher than the forecast included in the Government Plan 2023-26.

While dividend and non-dividend income was higher than forecast for 2022, with company registration fees and tax penalties exceeding expectations, the return from Andium Homes was lower than estimated in the Government Plan 2022 due to the rent freeze and reduction in the market rent cap from 90% to 80% agreed by the States Assembly.

Financial Review

Breakdown of Net Revenue Expenditure By Department

	Movement from 2021	% of Total
£247m Health and Community Services	⬆️ £18m (8%)	28
£176m Children, Young People, Education and Skills	⬆️ £19m (12%)	20
£92m Customer and Local Services	⬆️ £0.5m (1%)	11
£75m Treasury and Exchequer	⬇️ £0.8m (-1%)	9
£49m Infrastructure, Housing and Environment	⬆️ £2.7m (6%)	6
£39m Chief Operating Office	⬆️ £5.7m (17%)	4
£37m Department for the Economy	⬆️ £4m (12%)	4
£32m Justice and Home Affairs	⬆️ £1.6m (5%)	4
£26m States of Jersey Police	⬆️ £0.7m (3%)	3
£15m Jersey Oversea Aid	⬆️ £2.5m (21%)	2
£12m Strategic Policy, Planning and Performance	⬆️ £2.4m (26%)	1
£6m Office of the Chief Executive	⬆️ £0.4m (8%)	1
£3m External Relations	⬆️ £0.6m (24%)	0
£33m Non Ministerial States Funded Bodies and the States Assembly	⬆️ £5m (16%)	4
£43m Covid 19 Response	⬇️ £66m (-61%)	5
£0m Debt management	⬇️ £0.1m	0
£0.1m Finance Costs	⬇️ £0.1m	0
(£9m) Past Service Pension Liabilities Refinancing	⬇️ £9m	-1

(Rounding applied)

Breakdown of Net Revenue Expenditure By Type

	Movement from 2021
(£123m) Income	⬆️ £20m (19%)
£127m Social Benefit Payments	⬇️ £29m (-19%)
£512m Staff costs	⬆️ £35m (7%)
£278m Other Expenditure	⬆️ £5m (2%)
£68m Grants and Subsidies Payments	⬇️ £5m (-7%)
£11m Financing*	⬇️ £1m (-8%)

(Rounding applied)

*net of £11.8 million gains on a hedging arrangement in 2022

Financial Review

In 2022, Near Cash Net Revenue Expenditure for departments was £873 million (2021: £888 million). This included departmental income of £123 million (2021: £103 million), giving gross expenditure of £996 million (2021: £991 million).

Before taking account of Covid and financing related expenditure, Net Revenue Expenditure increased by £61 million (8%).

Once Covid and financing spend is taken in to account, 2022 Net Revenue Expenditure fell by £15 million (2%) compared to 2021 being the net impact of the £66 million (61%) reduction in costs associated with the response and management of the Covid-19 pandemic and increased income received directly by departments. The reducing cost of Covid-19 is reflected in the £29 million (19%) reduction in social benefits expenditure in 2022 (breakdown can be found in Note 4.6 on page 256), £5 million (7%) reduction in grants and subsidies (breakdown can be found in Note 4.8 on page 258) and £20 million (19%) increase in income in the above chart.

This was offset by a £35 million (7%) increase in staff costs due to an increase in staff numbers and pay awards and other expenditure which increased less than inflation during the year. Details are provided in the Staff Report on page 184 and Note 4.7 on page 257.

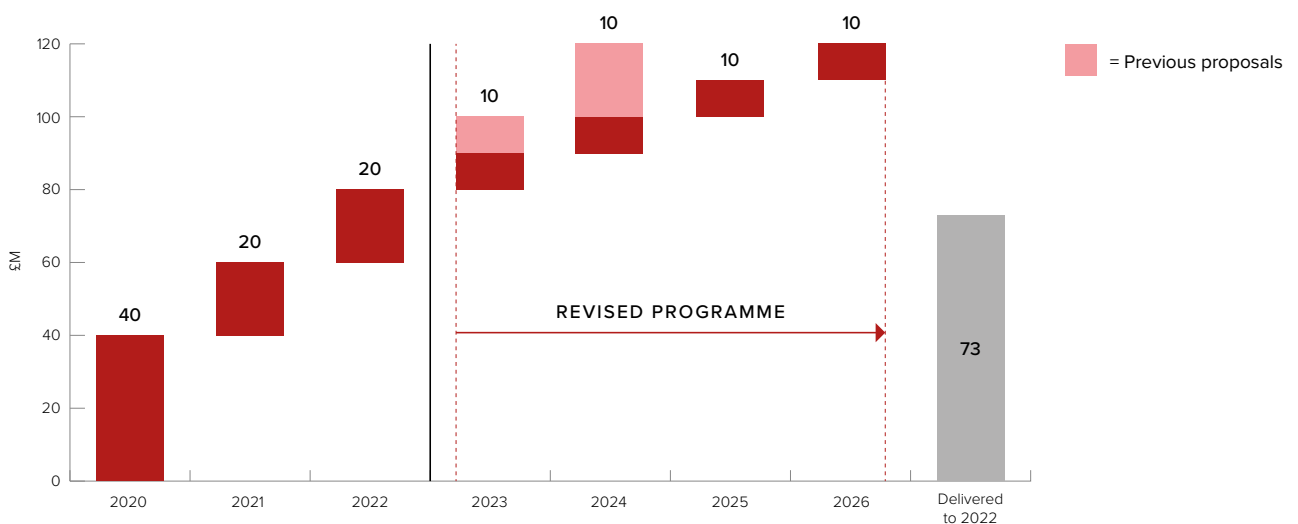
Efficiencies and Rebalancing for 2022

The Government Plan 2020-2023 set out the ambition to achieve £100 million of efficiencies, with the first £40 million to be achieved in 2020. Within the Government Plan 2021-2024, the Council of Ministers added a further £20 million objective in 2024, increasing the total value to £120 million of efficiencies and other rebalancing measures to be delivered across 2020 to 2024.

It became apparent during 2022 that the last year of the original rebalancing (efficiency) programme would not meet targets, particularly in the frontline services such as HCS and CYPES. This led to the new government reconsidering the targets, setting out a four-year programme for realising a total of £40m of savings, with a significant focus on targeted Value for Money Reviews.

More detail can be found in the [Government Plan 2023-2026](#).

Below is an illustration of the cumulative delivery of the efficiencies and value for money programme over 2020 - 2026, including the revised profile across 2023 - 2026.





States Funds

During 2022, the funds saw expenditure exceed income before investment returns by £74 million compared to £72 million in 2021.

After investment losses of £239 million (£326 million gains in 2021), Funds had net expenditure of £313 million compared to net income of £254 million in 2021, reflecting no States Grant to the Social Security Fund in each year.

The biggest impact in 2022 was the performance of investments which suffered revaluation losses in extremely challenging market conditions. However, the losses in 2022 are still only equal to 73% of the gains recorded in 2021.

A more detailed look at investment performance in 2022 can be found on page 101.

The Social Security Fund was again impacted by the approval of the States Assembly to cancel the grant paid by the States Treasury and Exchequer from taxation income to supplement Social Security Contributions. The Fund managed that lost income in 2022 through a transfer of £79 million from the Social Security (Reserve) Fund.

Social Security contributions from employers and employees increased by £30 million (10%) to £326 million and social benefits payments increased by £24 million (7%) to £376 million.

60% of social benefits spend out of the Funds is on old age pensions which increased by £15 million (7%) in 2022 to £227 million.

Strategic Reserve Fund



Social Security (Reserve) Fund





Subsidiary Companies

These accounts consolidate the activities of three wholly-owned subsidiary companies: the States of Jersey Development Company, Andium Homes and Ports of Jersey.

The headline performance of each is shown below including investment gains/ losses and before any adjustments in the group accounts for payments made to or from the States of Jersey and differences in accounting treatment.

The financial performance reported below for the subsidiary companies may vary from those reported directly by the entities due to adjustments made during the final stages of respective audits.

More information can be found in the Annual Report and Accounts for each entity which will be published through their respective websites below.

[Andium Homes Limited](#)

[Ports of Jersey Limited](#)

[States of Jersey Development Company Limited](#)

Jersey Development Company Net Income

£0.5m	2021
£1.6m	2022

Jersey Development Company's operational performance remained stable with property rental and car parking income offsetting staff and operational expenses.

However, there was a loss of £1.5 million in 2022 due to the impairment of inventory which was principally because of increased financing costs. This was offset by an unrealised gain of £3.2 million resulting from a hedge, reflecting measures taken to protect the Company against interest rate increases.

Completion of the first block at the Horizon development narrowly missed year end hand over to purchasers, with 108 apartments ready shortly thereafter. The expected share of profits will now be recognised in 2023.

Construction is well underway on the latest office building at the International Finance Centre, IFC6, with the superstructure complete by year end and the project on target for completion in November 2023.

Developments continue to be funded from retained earnings and financing.

Andium Homes Net (Expenditure)

	(£78.7m)	2021
	(£70.7m)	2022

Andium's performance remained stable in 2022 with a £2.6 million increase in operational income from £56.8 million to £59.4 million which is predominantly property rental from the social housing estate with an additional 206 new homes delivered in 2022.

The net expenditure position improved in 2022 from £31.1 million in 2021 to £8.1 million. This is largely a reflection of the continued strength of the housing market, resulting in a reduction in the impairment of our housing stock.

This position also includes a financial return from Andium to the Government of £28.6 million in 2022 (£30.2 million in 2021), which was reduced following agreement by the States Assembly following the decisions to freeze social housing rents and cap them at 80% of market rate compared to 90% of market rate previously.

Ports of Jersey Net (Income)

(£0.7m)		2021
	£4.7m	2022






While the Jersey Development Company and Andium Homes were not significantly impacted by the pandemic, Ports of Jersey suffered significant financial impacts through the loss of travel through the airport and, to a lesser but still significant extent, the harbour.

2022 saw recovering air and sea passenger numbers which contributed to an overall increase in income of £9.3 million (26%) to £45.5 million. Operating costs also increased with the largest increase at the Airport.

Overall, Ports of Jersey moved from net expenditure of £0.7 million in 2021 to net income of £4.7 million in 2022.

Capital and Project Expenditure

2022 saw significant capital and project expenditure. A total of £273 million (£258 million in 2021) - equivalent to 6% of the total value of property, plant and equipment - was spent on capital projects across the States of Jersey Group, comprising:

£273 million	<p>£102m by Departments including:</p>	<p>£17.6m on Sewage Treatment Works £14.7m on Integrated Technology Solution £12.1m on Our Hospital</p>	
	<p>£3m by Trading Operations including:</p>	<p>£2.2m on vehicle and plant replacement £0.5m on car park refurbishments</p>	
	<p>£105m by Andium Homes including:</p>	<p>£29m on acquisitions £15.8m on Edinburgh House (La Collette Low Rise) £12.1m on Cyril Le Marquand Court (Ann Court) £6.6m on The Mayfair £16.4m on The Limes £16.6m on Major refurbishments</p>	
	<p>£12m by Ports of Jersey including:</p>	<p>£5.3m on Harbour Master Plan works £2.7m on St Helier Marina works</p>	
	<p>£51m by States of Jersey Development Company: (including that of the Joint Venture) on:</p>	<p>£32.2m on the Horizon Development £17.0m on the International Finance Centre</p>	

A full list of projects with a breakdown of the budget approved in the Government Plan compared to actual spend for 2022 can be found in the Statement of Outturn against Approval section within the Accountability Report on page 200.

Our Hospital Project - Impairment

Government ministers announced in 2022 that the project to build a single facility at Overdale will not be progressed. A [review of the proposals](#) found “... *the Our Hospital Project is no longer achievable within the £804.5 million funding approved by the last States Assembly, and that it would cost between £70 million and £115 million more under current market conditions.*”

Revised proposals are for a smaller development at Overdale and a redevelopment of the site of the current hospital and adjacent sites. The revised proposals are subject to approval by the States Assembly.

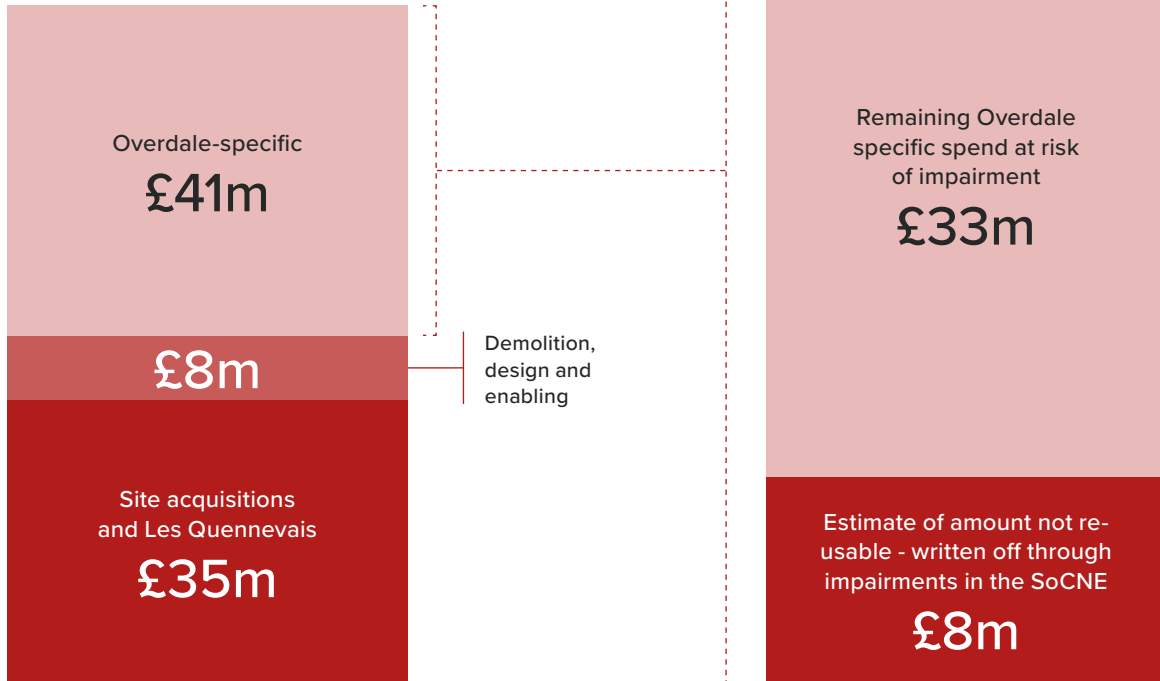
On that basis, a judgement has been made in these accounts that some of the costs incurred on the Our Hospital project will no longer contribute towards the revised solution so they should be recognised through expenditure during the year. This is an estimate based on information available at the time of preparing the accounts. Further information is provided on the uncertainty in Note 4.3.

In summary:

- The total spend on the Our Hospital project to the end of 2022 was £84 million.
- £35 million of that was on site acquisitions and work that will continue to contribute towards subsequent plans such as the Health and Wellbeing Centre at the former Les Quennevais School.
- The remaining £49 million includes £8 million of costs such as demolition and design that are also likely to be reused.
- The balance of £41 million of Overdale-specific costs are at risk of being written off.
- A judgement has been made that 70-90% of the £41 million can be re-used – this does not equate to 70-90% of the floor area or building size.
- A central estimate of 80% of the £41 million being re-usable has been used so an impairment of £8 million (20%) has been recognised in the SoCNE.

Total Project Expenditure

£84m

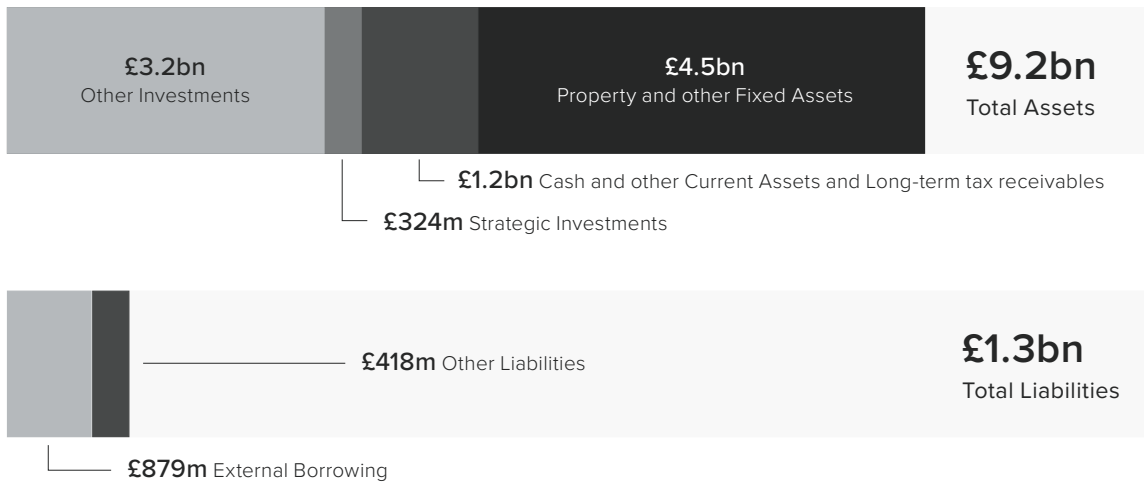


This assumption and estimate will be revisited once a decision has been made with an update provided in the 2023 Annual Report and Accounts. All expenditure across the Future Hospital and Our Hospital projects will be considered in any final judgement.

SOJ Group – Balance Sheet

The States net asset position of £7.9 billion is illustrated by the chart below. The States has total assets of £9.2 billion compared to total liabilities of £1.3 billion. This is a small decrease in the net asset position which was £8.1 billion in 2021.

Breakdown of Assets and Liabilities




(Rounding applied)

The majority of the States assets comprise property, plant and equipment of £4.5 billion (up £241 million, 6% from 2021), which includes the Island’s infrastructure assets, States land and buildings and the social housing stock administered by Andium Homes Limited. External valuations were carried out in 2022 on land and buildings, social housing and infrastructure assets resulting in upwards revaluations of £281 million offset by downwards movements of £102 million.

Breakdown of Property and Other Fixed Asset Values

Asset Category	Value	Movement from 2021
Networked (Infrastructure)	£1.5bn	⬆️ 3%
Social Housing (inc Land)	£1.0bn	⬆️ 10%
Buildings	£757m	⬆️ 0%
Land	£390m	⬆️ 11%
Other Structures	£371m	⬆️ 3%
Assets under Construction	£378m	⬆️ 24%
Other Fixed Assets	£111m	⬆️ 14%

The second biggest group of assets totalling £3.5 billion comprises the cumulative investment holdings and includes the funds of the Strategic Reserve and Social Security Funds.

 **Spotlight on: Pension Refinancing**

Pensions liabilities relating to past service have been paid off in full as set out in Note 4.20. In accordance with the plan agreed by the States Assembly in the Government Plan 2022, an amount of £337.5 million for PECRS pre-87 debt and £135.2 million for the JTSF pre 2006 debt were paid in 2022 to clear the liabilities. This was funded from the additional borrowing taken out in 2022 in the form of a £500 million government bond issuance.

The new debt, issued at a lower rate, replaces the older debt paying higher rates earning a net saving for the Government.

The balance of the debt issued has been used to fund expenditure in respect of healthcare facilities.

More detail on the borrowing is provided in Note 4.16.

Movements in Assets and Liabilities

The value of fixed assets such as land and buildings increased by £241 million (6%) in 2022. This follows external professional valuations of land and buildings, infrastructure and social housing assets.

Receivables have increased by £46 million in 2022. This was predominantly due to an increase in Income Tax receivables and accrued income of £81 million which reflects the increase in revenue recognised for both personal and companies taxpayers driven by increased earnings and profits respectively. That increase was offset by reductions across other receivables including a £26 million reduction in Social Security accrued income as the frequency of payment periods increased, reducing the need for estimated liabilities (contributions revenue) for payees. £10.6 million of Social Security Contributions were deferred as at the end of 2022 (£17.8 million as at the end of 2021).

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. This does not impact the total receivables but it did reduce current receivables due within one year and increase receivables due over one year. The balance was £316 million as at the end of 2022 as £13 million was paid during the year and assessments were reviewed.

The Common Investment Fund

The Government of Jersey operates its investments 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.

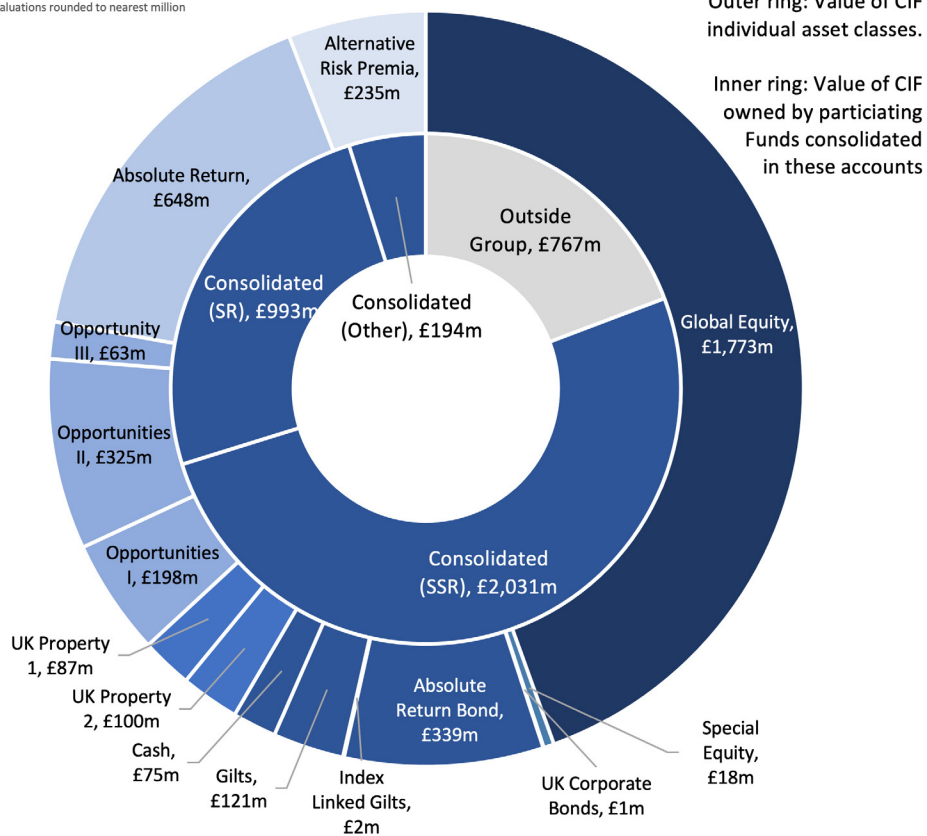
Each Fund operating through the CIF follows an investment strategy, collated into an Investment Strategy document presented to the States Assembly by the Minister at least annually and published online (The most recent strategy published in 2022 can be found here). [r.131-2022.pdf \(gov.je\)](https://www.gov.je/r.131-2022.pdf)

Each Fund strategy is 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 total CIF is a reflection 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

Valuations rounded to nearest million



Financial Review

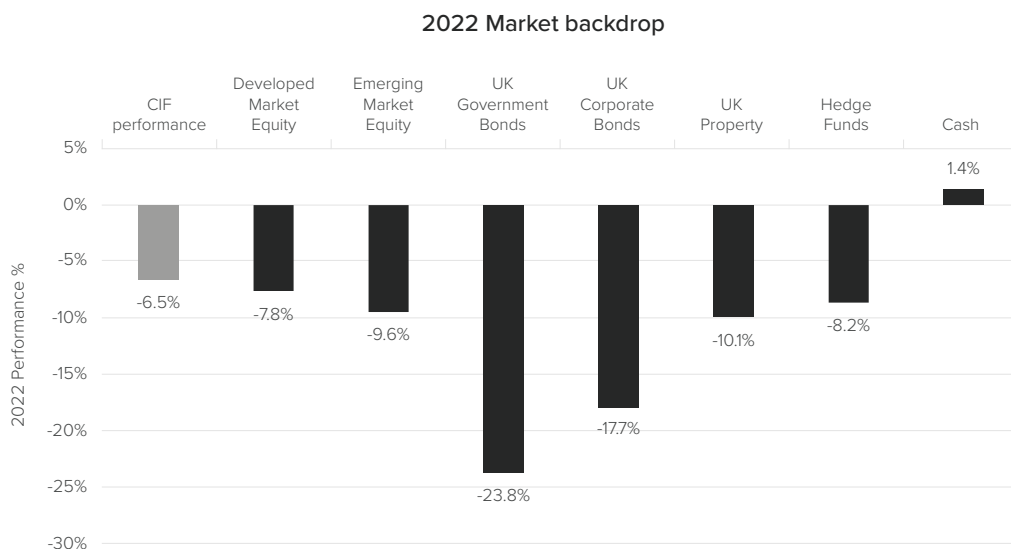
The investment portfolio of the States is exposed to risk through participation in the various markets through which long term returns are generated. In constructing the portfolio, due attention is given to diversification, most notably but not solely, across asset class, sector, and geography. Diversification is designed to spread risk and smooth out unsystematic risk events in a portfolio, so the positive performance of some investments neutralises the negative performance of others. In simple terms, it is the process of ensuring not all eggs are in one basket.

2022 Performance

2022 was a challenging year for the portfolio, driven by a number of shocks impacting an unusually broad range of investment classes. The Russian invasion of Ukraine at the beginning of the year resulted in a sharp selloff of equities, as geopolitical risk took centre stage and unsettled markets. Consequent spikes in energy prices driven by concerns about European gas reserves and ongoing supply chain issues exacerbated by Chinese measures to contain Covid contributed to significant and persistent inflation necessitating aggressive central bank interest rate hikes.

Fixed income and equity markets globally were both negatively affected, suffering significant falls. The losses were unusual in how widely spread they were across different, normally less correlated, markets.

Although losses have been seen across all key markets as illustrated in the graphic below, the diversification of the CIF has provided some protection. Wary of the potential for rising rates to negatively impact the portfolio, care has been taken to ensure diversification by strategy, including allocation to a number of market neutral strategies such as absolute return, and non-correlated assets such as alternative risk premia, designed to generate returns and provide protection even in a rising rate environment such as that seen this year. These strategies have been successful in preserving value.



However, the CIF as a whole saw a drop in value of 6.5% in 2022, which was a smaller drop than most market indices, but larger than the CIF’s composite benchmark (2.9%). This was driven mostly by the relative performance of equity investments against benchmark. The equity pool is a highly active pool, taking concentrated positions away from the benchmark to generate outperformance over the long run. Whilst this is still expected, the performance information is used to assess the quality of the decisions of the CIFs underlying managers.

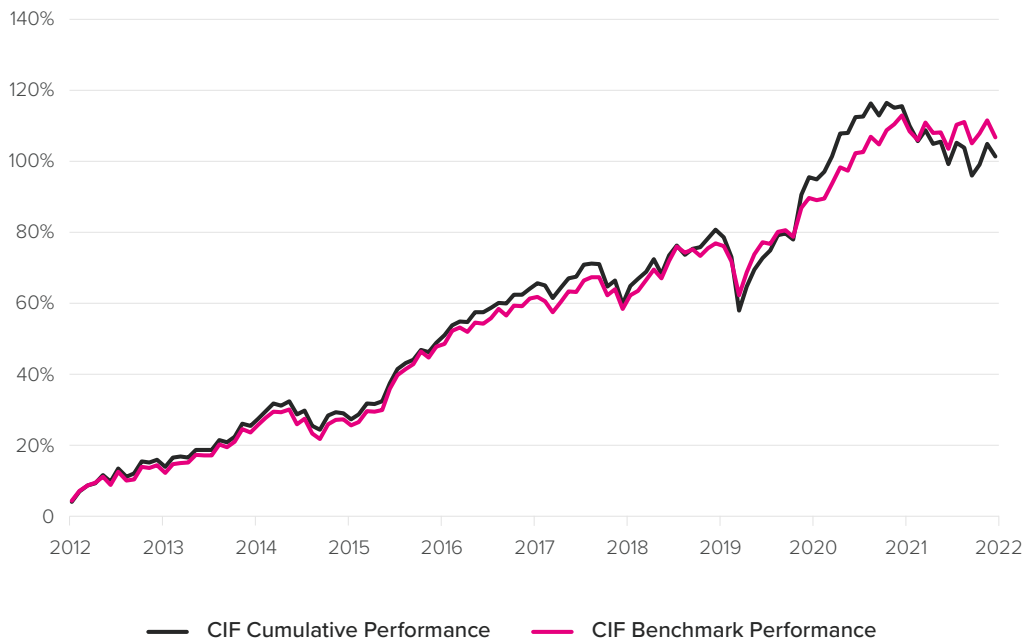
Financial Review

The CIF invests for the long term, and since inception in June 2010, the CIF has delivered an annualised net return of +7.2%. The drop in value in 2022 is lower than the 10.5% gains seen in 2021, meaning the CIF has increased in value over the 2 years. Nevertheless longer term performance benchmarks have been impacted reducing annualised gains over 3,5 and 10 years to +3.7%,+4.2% and +7.2% respectively.

The two largest participants, the Social Security (Reserve) and Strategic Reserve were impacted - recording losses of 6.9% and 6.4% respectively.

One of the greatest strengths of the States investment portfolio is the ability to take a long-term view and hold assets through periods of volatility to secure improved returns. The following diagram illustrates the power of simple compounded returns over an extended period.

10 Year Cumulative Performance



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. Periods of underperformance are expected where active investment is undertaken and strategies may underperform across multiple time periods however through a systematic strategic approach to allocation, we have a high degree of confidence that we are well placed to meet our long-term investment objectives for the public of the Island.

Financial Review

States Funds

States Funds	2022	2021	Function
	£000	£000	
Strategic Reserve Fund	991,919	1,031,704	<p>Established under the Public Finances (Jersey) Law 2005 and continued in the 2019 Law with the same name, this is a permanent reserve. The policy for the Reserve was agreed by the States under P.133/2006, stating that it is to be used only in exceptional circumstances to insulate the Island's economy from severe structural decline (such as the sudden collapse of a major Island industry) or from major natural disaster.</p> <p>The States subsequently approved P.84/2009 which proposed that this policy be varied to enable the Strategic Reserve to be used, if necessary, for the purposes of providing funding up to £100 million for a Bank Depositors Compensation Scheme.</p>
Stabilisation Fund	571	611	<p>Established under the Public Finances (Jersey) Law 2005 and continued in the 2019 Law of the same name, the purpose of this Fund is to provide a reserve which can be used to make Jersey's fiscal policy more countercyclical in order to create a more stable economic environment.</p> <p>The Fund receives cash allocations in more buoyant economic conditions and makes payments at times of anticipated economic downturn.</p>
Insurance Fund	7,335	8,437	Established in R111/2019 as required under the Public Finances (Jersey) Law 2019, the Fund facilitates the provision of mutual insurance arrangements for States funded bodies and other participating bodies.
Dwelling Houses Loans Fund	1,662	5,286	Established under the Building Loans (Jersey) Law 1950, to establish a building loans scheme to enable residentially qualified first-time buyers, who have never owned residential freehold property in Jersey, to purchase their first home. No new loans were made in 2019.
Assisted House Purchase Scheme	300	2,276	Established in 1977, the purpose of this fund was to aid the recruitment of staff from the UK, by facilitating the purchase of suitable properties by the States on behalf of the employee. It is no longer making new loans.
99 Year Leaseholders Fund	837	830	Established by the former Housing Committee under the general powers of the Building Loans (Jersey) Law 1950, this fund allowed the Committee to lend to individuals offering leasehold property as security (at a time when there was no share transfer or flying freehold legislation). It is no longer making new loans.
Agricultural Loans Fund	579	571	<p>Established under the Agriculture (Loans and Guarantees) (Jersey) Regulations 1974, the fund makes loans to individuals engaged in work of an agricultural nature in Jersey for the purpose of furthering their agricultural business.</p> <p>Approval of new loans to farmers has been suspended.</p>
Tourism Development Fund	17	17	Established under P.170/2001 to replace the Tourism Investment Fund, this fund makes grants to the tourism industry in order to improve Jersey's competitiveness and sustain the industry as an important pillar of the economy.
Channel Islands Lottery (Jersey) Fund	1,612	2,601	Established by the Gambling (Channel Islands Lottery) (Jersey) Regulations 1975, the fund promotes and conducts public lotteries, the draws for which may be held in Jersey or Guernsey. The money held is distributed to charities.
Jersey Innovation Fund	848	3,854	Established under P.124/2012, the fund was set up to make investments in private and public sector projects to drive greater innovation in Jersey and improve competitive advantage.

Financial Review

States Funds (continued)

States Funds	2022	2021	Function
	£000	£000	
Housing Development Fund	(14,303)	(14,625)	Established under P.74/99 and P.84/99, the fund assists in meeting the requirements for the development of social rented and first-time buyer homes by providing development and interest subsidies.
Criminal Offences Confiscation Fund	1609	4167	These funds are established under the Proceeds of Crime (Jersey) Law 1999 and Civil Asset Recovery (International Co-operation) (Jersey) Law 2007 respectively. These funds hold amounts confiscated under law.
Civil Asset Recovery Fund	44	11	Funds are then distributed in accordance with the relevant legislation.
Ecology Fund	457	544	Established in 1991, the purpose of this fund was to support local environmental projects.
Dormant Bank Accounts	0	0	<p>Established under the Dormant Bank Accounts (Jersey) Law 2017. The Fund serves to receive the balances of dormant Jersey bank accounts transferred in accordance with the law.</p> <p>Money from Jersey bank accounts meeting dormancy conditions, as outlined in the Law and accepted by the Chief Minister, are to be transferred into the Fund annually. Banks may reclaim from the Fund amounts paid out to customers in relation to those dormant accounts, up to a maximum equal to the amount paid in.</p> <p>The Chief Minister having consulted the Minister for Treasury and Resources, may determine to make distributions from the Fund for the purposes outlined below:</p> <ul style="list-style-type: none"> to defray the cost of the remuneration or other payment for the services of the Commissioner due under the terms of his or her appointment and the cost of providing staff, accommodation or equipment that are required for the proper and effective discharge of the Commissioner's functions; and charitable purposes in accordance with the Law.
Currency Fund	6,056	13,000	<p>Established under the Public Finances (Jersey) Law 2019, the Currency Notes (Jersey) Law 1959, and the Decimal Currency (Jersey) Law 1971, the fund holds assets that match the value of Jersey currency notes and coinage in circulation, such that the holder of Jersey currency could be repaid on request.</p> <p>It also produces and issues currency notes and coins, and administers the currency in issue.</p>
Climate Emergency Fund	10,362	7,698	The Climate Emergency Fund (CEF) was established in the Government Plan 2020-2023. It provides an initial route of income and source of expenditure for projects tackling the climate emergency.
Fiscal Stimulus Fund	0	0	Established to provide funding for fiscal stimulus projects. Funded from the borrowing facility. Only the amount paid out during the year was required to be drawn down from the borrowing facility which leaves a net asset value of nil.
Technology Accelerator Fund	19,770	0	<p>Established in 2022 to be used to accelerate the use of technology which supports economic, environmental and social priorities such as:</p> <ul style="list-style-type: none"> improving productivity and Islanders' skills supporting new economic opportunities improving health and wellbeing responding to the climate emergency.

Social Security Funds

States Funds	2022	2021	Function
	£000	£000	
Social Security Fund	69,858	66,252	Established under the Social Security (Jersey) Law 1974, the fund receives all contributions payable under the Law, and pays out benefits such as the old age pension and incapacity benefit and expenditure related to the administration of these benefits.
Social Security (Reserve) Fund	2,030,724	2,263,660	Established under the Social Security (Jersey) Law 1974, the fund sets aside funds for the future provision of pension benefits for those in employment so as to reduce the impact of pensions in future generations, as well as to smooth contributions for Social Security benefits over time.
Health Insurance Fund	104,696	96,072	Established under the Health Insurance (Jersey) Law 1967, the fund receives allocations from Social Security Contributions for the purpose of paying claims for medical benefits and pharmaceutical benefit as defined in the law.
Long-Term Care Fund	49,375	41,031	Established under the Long Term Care (Jersey) Law 2013, the fund receives allocations under the Social Security Law, for the purpose of paying out benefits and expenditure relating to longterm care.
Jersey Dental Scheme	33	29	The Jersey Dental Benefit Scheme was established under the Jersey Dental Care Subsidy Scheme Act of June 1991 with the objective of providing a professional service of regular dental care to maintain the dental fitness of the members of the Scheme and to maintain a system of peer review of dental services provided to members under the scheme.

Appendix 2

Sustainability Report

This Sustainability Report is the tenth 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 take into account the sustainable wellbeing of the inhabitants of Jersey over successive generations when they prepare the Government Plan, which is defined in three parts:



The Government of Jersey and the States of Jersey Group recognises the impacts of its many and varied operations across these areas. However, whilst the Jersey Performance Framework considers Island-wide outcomes, this report focuses on organisational-level practice, through which we aim to contribute to:

- resilience, service continuity and quality;
- long term value for money.

This report also considers two areas:

- Government of Jersey and Non-Ministerial Departments
- States of Jersey Group, as defined by the JFRoM

States of Jersey Group JFRoM Boundary			
States Assembly Approved		Funds	Wholly-Owned
Consolidated Fund: Ministerial Departments Non-Ministerial Departments Jersey Overseas Aid General Revenue Income	Trading Operations: Fleet Management Car Parking	See page 325	Andium States of Jersey Development Company Ports of Jersey

In the main, this report focuses on the Government of Jersey and Non-Ministerial Departments. However, the Government of Jersey will also continue to enhance its reporting across the wider States of Jersey Group performance over the coming years, as part of its improvement journey.

Sustainability Reporting Improvements

The Government of Jersey aims to embed sustainability in corporate decision-making and reporting, making it a high-level lens through which internal activity is seen, and shared. Whilst this year has seen positive action, we also recognise there is further to go. In 2021, the Comptroller and Auditor General's report laid out [multiple reporting recommendations](#) to aid us on this journey, and we have further consulted with colleagues to:

- implement some recommendations in 2022
- establish our ambition for 2023-24

Over the next two years, we hope to:



Distinguish more clearly between sustainability achievements in an Island-wide context through policy and the services we provide, and that of our internal operations.



Improve alignment with best practice methodologies, whether between relevant departmental service performance measures and Island Indicators on the Jersey Performance Framework or internationally recognised frameworks.



Improve systems, data and real-time reporting to feed organisational decision-making and enhance responsiveness.



Develop minimum sustainability reporting standards across the wider States of Jersey Group, including Jersey Overseas Aid, Andium, Jersey Development Company, and Ports of Jersey.



Ensure reporting is meaningful; review and include insightful and relevant metrics, e.g. carbon intensity measures, to aid benchmarking.



Include future-orientated risk-based disclosures. 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.

A plethora 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 2023-24, the Government of Jersey will explore these initiatives to see which best apply to a Jersey context, and how we can align.

The complexity of landscape, data and data collection involved means that this will be a multi-year reporting improvement journey.

Government of Jersey and Non-Ministerial Departments

Environmental Sustainability

Decarbonisation and Emissions

Jersey has lower carbon emissions per capita than other jurisdictions because the Island has little manufacturing or on-Island power generation. Moreover, our grid is highly decarbonised, the vast majority 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

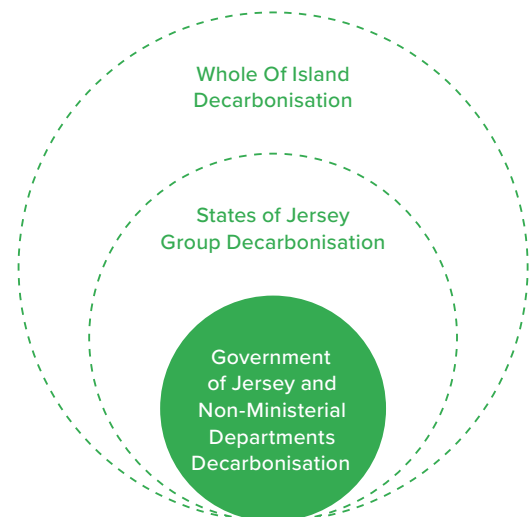
Sets out how **scope 1 and 2** departmental operational emissions will reduce for us as an organisation, through:

- Emissions targets, following the Island's step-down targets of -68% (2030), -78% (2035) and net zero (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 is however being tackled directly by a dedicated Decarbonisation Unit.

Over the next 2 years, the Decarbonisation Unit will continue to evolve the strategy and implement projects to reduce our carbon emissions, setting the Government of Jersey on its path for 2030 and beyond, through:

- 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 8 years
- Securing funding routes for decarbonisation initiatives
- Delivering an initial suite of actions to begin to decarbonise government operations by the end of 2025



We also recognise that without Government reductions, it is unlikely that Jersey will achieve its overall decarbonisation targets as an Island.

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 naturally 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 work to develop additional emissions measures around carbon intensity, such as CO₂e/m² to better benchmark and manage our organisational performance.

Progress in 2022

For a number of years, the Government of Jersey has reported on carbon emissions from Government and Non-Ministerial Departments via its annual Sustainability Report, thereby disclosing their contribution to global climate change. This includes energy consumption and its carbon dioxide equivalent (CO₂e) for scope 1 and 2 emissions, along with some scope 3 emissions in the form of commercial 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

During 2022, the Government of Jersey made significant strides in its organisational decarbonisation journey, supported by the Decarbonisation Unit:



However, our data journey is still ongoing. As part of our sustainability work, we have been reviewing the way that we collate figures on our energy consumption, emissions and spend and air travel. This information for 2022 will be published once available alongside comparable 2021 data and will be included in future years' Annual Report and Accounts.

Property Sites in 2022

The age and condition of the estate portfolio presents a significant challenge around transitioning to a low-carbon model. However, although the initial capital outlay of transition is high, there is opportunity to realise reduced operational running costs for the long term via improved energy efficiency and reduced consumption.

Significant behind-the-scenes enabling work has also been undertaken, which we believe will begin to facilitate greater emissions reductions from building heating systems over the next couple of years:

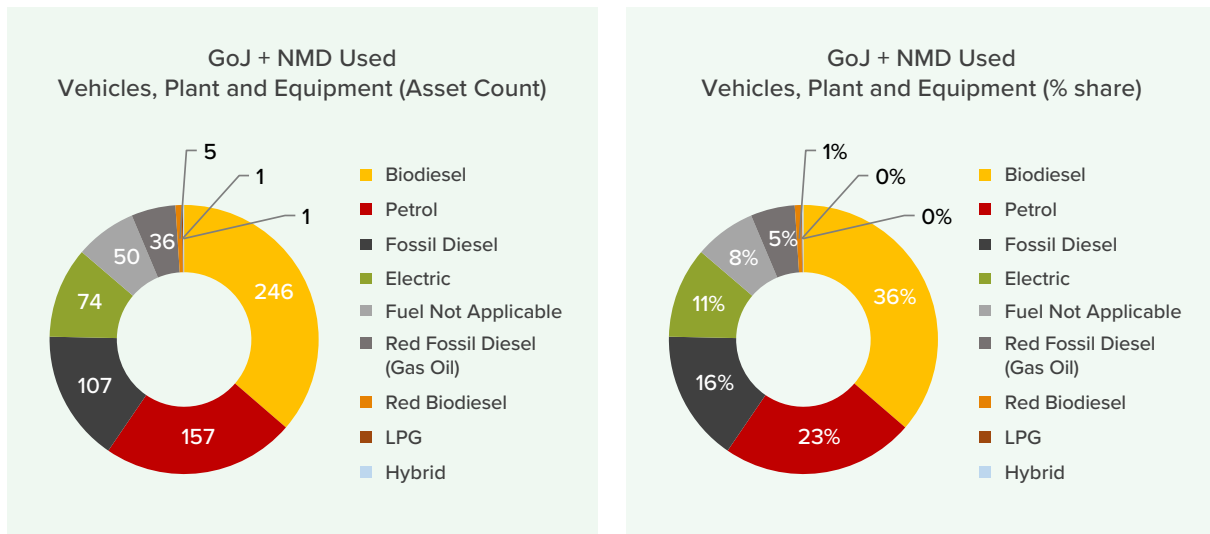
- Initial modelling around heatpump and hydrotreated vegetable oil (HVO) roll-out scenarios for existing building stock
- Planning for a trial programme to modify existing fossil boilers to support biofuels until end of life
- Planning for a trial programme of electrification via heatpump
- Discussion with capital projects teams, where construction is involved, to strengthen decision-making made around decarbonisation needs
- Exploration of Jersey Property Holdings and procurement frameworks to help further influence future lease agreements and renewals
- Planning for condition surveys across the estate (last undertaken in 2008), which will support fabric improvements leading to lower consumption
- Preparation for Energy Performance Certificates on all Government of Jersey estate by 2025

Vehicles, Plant and Equipment in 2022

At the end of 2022, across the Government of Jersey and Non-Ministerial Departments, we had in operation:

- 74 zero emissions electric vehicles (EVs), 26 of which were electrified during 2022
- 1 ultra-low emission vehicle (hybrid)
- 251 biofuel assets (biodiesel and red biodiesel), all added in 2022 following a trial in 2021
- 27 electric charge points, 9 of which were added in 2022
- 9 vehicles were also retired and not replaced.

As of the end of 2022, the fuel split for these vehicles, plant and equipment looked as follows:



Digital and IT in 2022

The Government of Jersey employs a large workforce, the majority of whom have computers and monitors to facilitate their on-site work, which consume energy. Our 2022 focus in this area has been on behavioural changes, such as switching monitors off from idle status, and considering air conditioning usage hours.

Commercial Air Travel in 2022

Whilst commercial (i.e. non-Government of Jersey or Non-Ministerial vehicle) travel is classed as a scope 3 emission, and therefore does not count towards our EN1 carbon neutral targets, we still consider this area as part of our wider organisational practice.

Before employees can book off-Island travel, a ‘request to travel’ form, encouraging more sustainable alternatives, must be completed, with guidance provided on how employees can reduce their carbon footprint.

People in 2022

In 2022, the Decarbonisation Unit worked on ways to provide all Government of Jersey and Non-Ministerial employees with the knowledge and understanding of the causes and impacts of our carbon emissions, including setting up a Decarbonising Government Employee Forum. The initial focus has been on cycling and related facilities, using feedback loop surveys that aim to highlight, simplify, educate, and engage employees.

In 2023, a carbon literacy training programme will be launched to improve employee awareness of the carbon costs and impacts of the Government’s everyday activities, and to increase motivation to reduce emissions on an individual, community and organisational basis.

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 2022, £378,000 was spent on improving Island sea defences, including sites within the Government portfolio, as a result of rising sea levels and increased instances of extreme weather. New cooling considerations, the need for shading and increased storm water management will also impact Jersey Property Holdings’ assessment of the Estate.

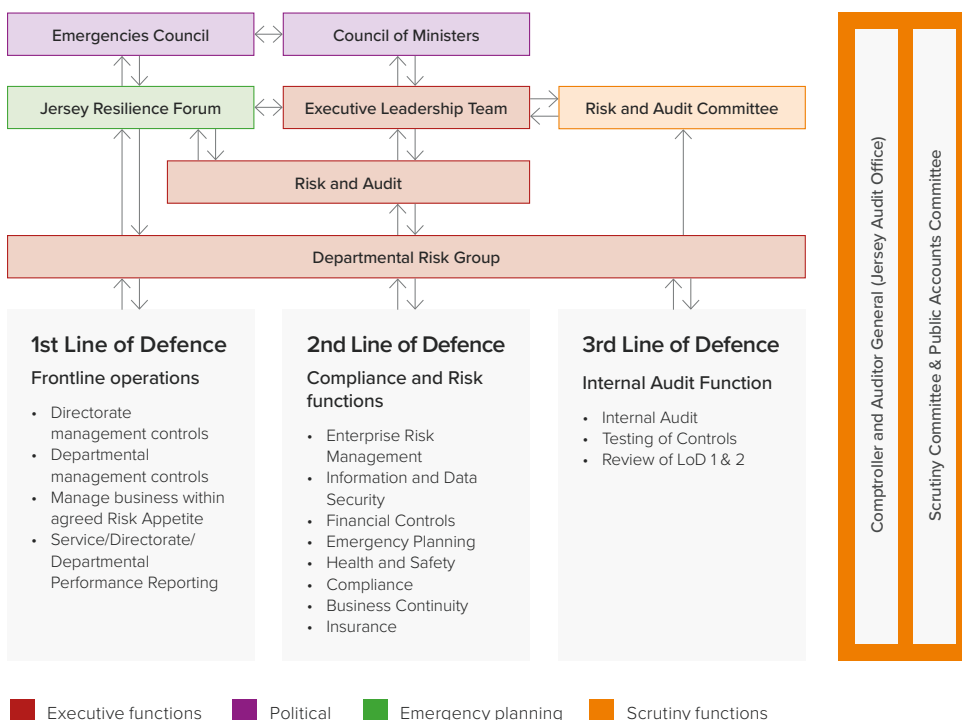
The new office being built on the site of Cyril le Marquand house will have a BREEAM excellent rating and an EPC A energy rating, as well as utilising high quality insulation, low emissivity glass and heat recovery air conditioning to minimise internal temperature variations arising from external changes.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

A [Strategic Flood Risk Assessment](#) (SFRA) 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 in Jersey, to ensure that new development, including any future Government sites, is appropriately located and suitably 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.

Other recommendations from the SFRA, for the strategic management of inland flooding and emergency planning, are under consideration.

In 2023, we will explore further ways to become more climate resilient, including via new climate risk management and assessment tools.

Organisational Climate Risk



Our 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 and the JRF Risk Working Group.

Climate Risk Strategy

Our organisational exposure to climate risk stems predominantly from our 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 our 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 us to better forward-plan, allocate capital, and build our resilience for different climate change scenarios.

Climate Risk Management

To manage and mitigate our risk, we are acting to:

- Commence examining risk to Government in terms through further functionality to the ERM system in 2023 by introducing the following risk categories for departments to consider:
 - **Physical risks:** which include direct damage to assets and indirect impacts of supply chain disruption. They can be event-driven, for example, storms. Or longer-term shifts, for example, a rise in water levels.
 - **Transition risks:** which relate to financial risks that arise as a consequence of transitioning to a lower-carbon or “green” economy, and can develop as the government supports or subsidises low-carbon initiatives. They can also apply to changes in public attitudes and preferences.
 - **Liability risks:** which arise from the potential for litigation if organisations do not adequately respond to the impacts of climate change.
- Develop climate risk guidance and training
- Develop mitigation and resilience planning, manage our risk appetite considerations
- Utilise climate-related risk frameworks, including a new climate risk taxonomy developed initially by the Financial Stability Board and adopted by many regulators, to provide a clear delineation of the financial risks associated with climate change.

Through inclusion of a climate lens, risk managers will be able to better articulate and inform senior management about how climate change risks may be linked to the various risk categories within the organisation.

Climate Risk Metrics and Targets

We will look to develop metrics and targets against 'Physical' 'Transition' and 'Liability' risks in due course.

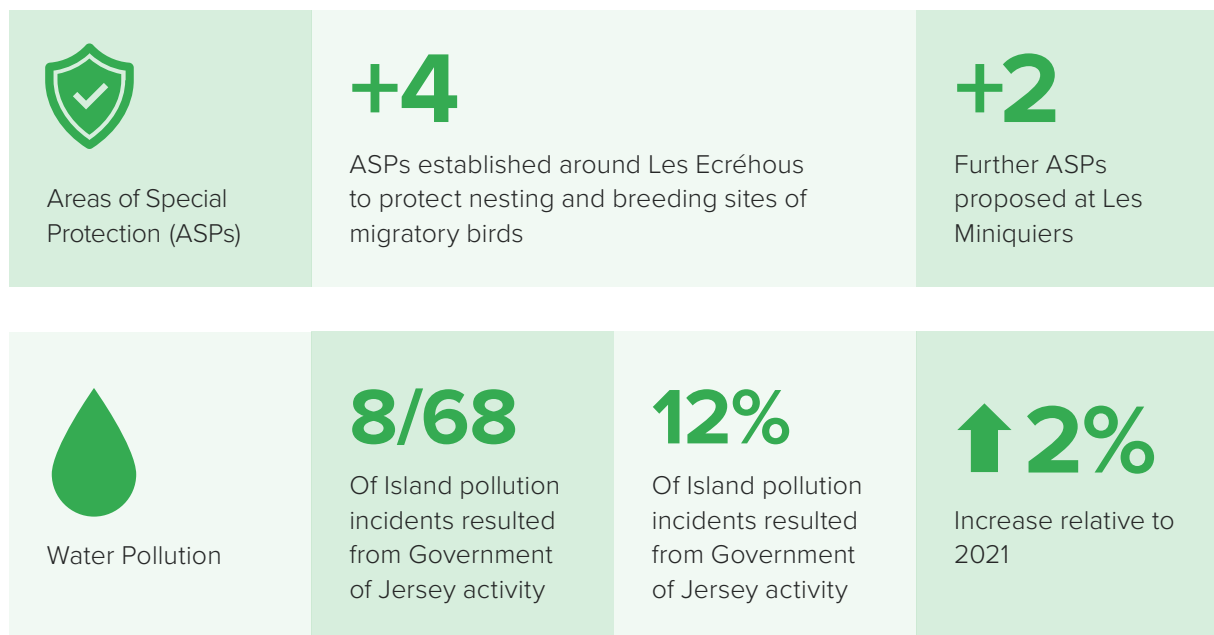
The Government of Jersey recognises that reducing its greenhouse gas emissions is not the same as managing the risk to Jersey from a changing global climate, e.g. extreme weather events, and both aspects will need to be part of our overall approach.

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 SSI (sand dunes), Noirmont SSI, and Les Landes SSI, to gardens and parks, headlands, wooded verge, fields, ponds and reefs.

These are home to a thriving ecosystem of wildlife, all aspects of which we aim to support and enhance as nature-rich spaces whilst combatting biodiversity loss.

Progress in 2022



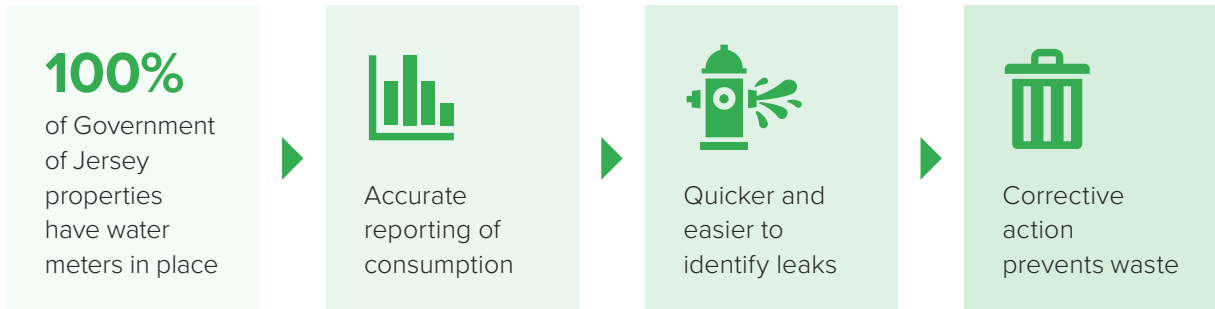
Although 2022 has seen a slight increase on 2021 in Government of Jersey water pollution incidents as a percentage of the Island total, this is due to a drop in the overall number of incidents. 2022 still saw two less Government of Jersey incidents than in 2021.

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 the Government of Jersey and Non-Ministerial Departments includes all public toilets, showers and schools, plus the airport, hospital 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 2022, the Government of Jersey and Non-Ministerial Departments together consumed:

 <p>284 million litres of metered water (based on information supplied by Jersey Water)</p>	<p>↓ -4M litres fewer than 2021</p> <p>↓ -1.39% relative to 2021</p>	 <p>Water use from boreholes operated by Government of Jersey (for watering activities at our parks, gardens and sports facilities) was reduced wherever possible in response to the drought conditions of the summer.</p>
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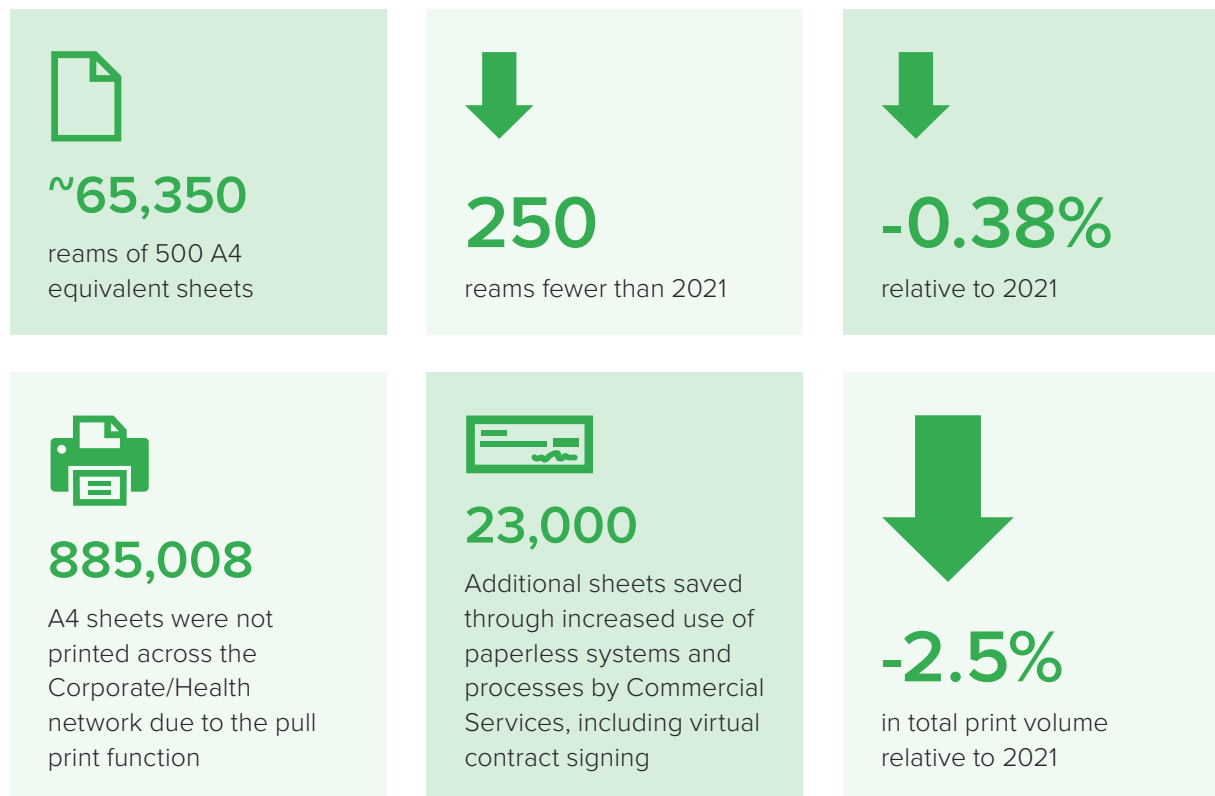
For the full table, please see [Data and Data Sources](#).

Paper Use

In 2022, 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 inks and toner cartridges.

Government continues to use a managed print service 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 2022, Government of Jersey and Non-Ministerial Departments purchased:



Overall, compared to the same period in 2019, there has been a 14.7% reduction in printing.

Waste

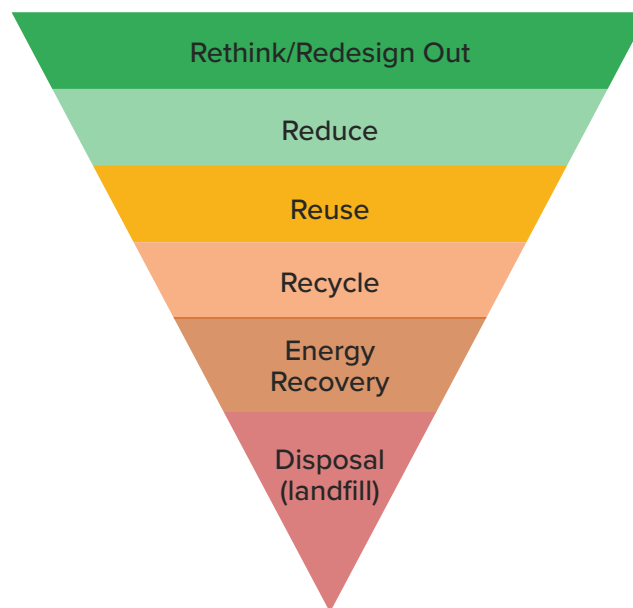
As an organisation, the Government of Jersey both produces waste and is responsible for the processing of Islanders' waste for the community, in partnership with the Parishes.

Strategy

We are currently in the process of drawing up a new Facilities Management Strategy, which will consider:

- 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 2022

Currently, there are multiple different cleaning contracts in place across Government of Jersey 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.

Equally, the new office accommodation project will offer improved recycling facilities to migrated teams on completion.

Social Sustainability

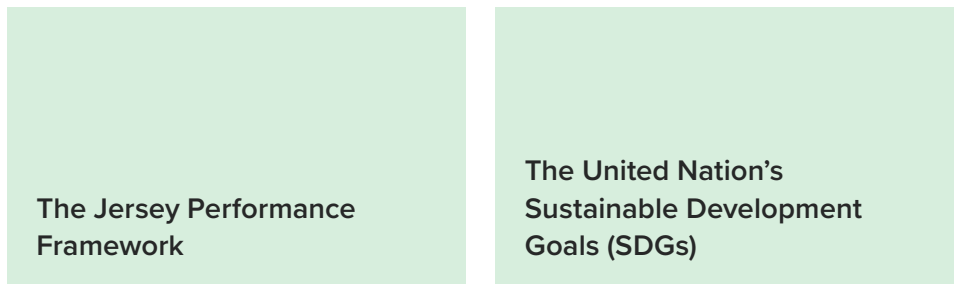
Social Value Through Procurement

As part of the procurement process, Government is looking at the sustainability of materials and goods it purchases, as well as its buying power to secure social value commitments from its contract and service providers.

Strategy

Embedding Social Value into Government procurement processes enables a shift in focus from the bottom-line price or cost of services/goods, towards a more holistic assessment of the value and sustainability of supply chain commitments over time. It ensures that Government spend achieves value for money, by maximising economic, social and environmental benefits for Jersey and our Island community.

As a result, our Social Value approach makes a strong commitment to sustainable wellbeing, and aligns with both:



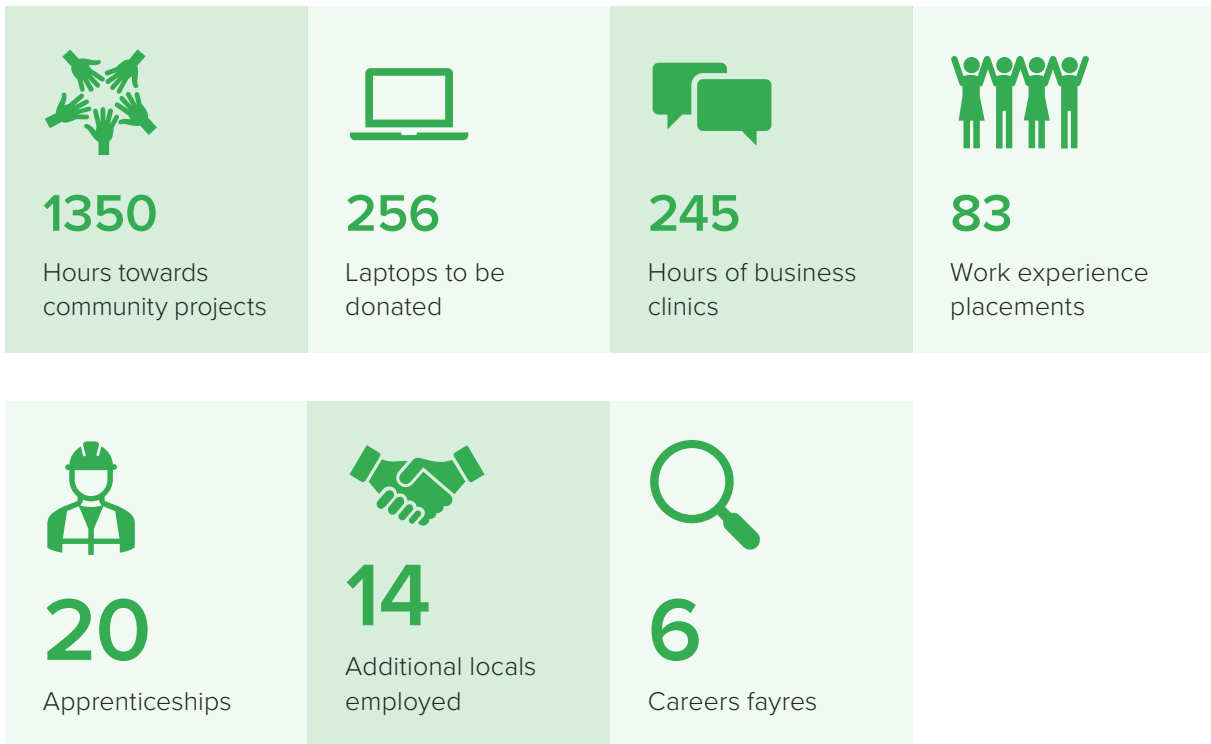
Progress in 2022

Throughout 2022, Commercial Services have built upon and enhanced the Government of Jersey's existing capabilities to enable the delivery of Social Value:

- 40% of 2022 procurement strategies included Social Value considerations
- 35% of 2022 tender documents included Social Value questions

A Social Value Community of Practice has also been established, with members from across Government, to enable the delivery of Social Value. Within our sessions we share best practice, market trends and insights related to Social Value and sustainability, from both Government and local organisations.

Since introducing Social Value into Government procurement processes at the end of 2021, our supply chain has made the following commitments:



In addition, we have also undertaken mileage monitoring and reduced delivery schedule for janitorial supplies to limit our carbon emissions.

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.

For individual entities' 2022 progress, please see below.

Funds

The Government of Jersey, through the Minister for Treasury and Resources, invests revenue received into individual funds with the aim of long-term capital growth. The investment returns for some funds may be used to provide budgets and support initiatives. The Minister for Treasury and Resources has a duty as the steward of these funds to invest responsibly, and the consideration and integration of environmental, social and corporate governance ('ESG') issues are paramount to this objective.

As part of the published Investment Strategies for States Funds, the Minister sets out the approach to Responsible Investment.

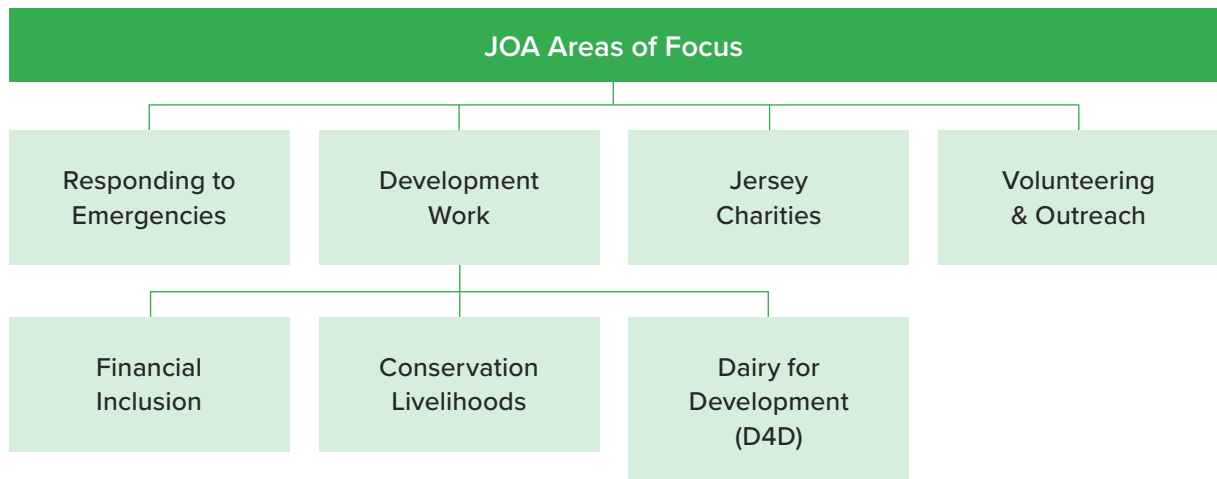
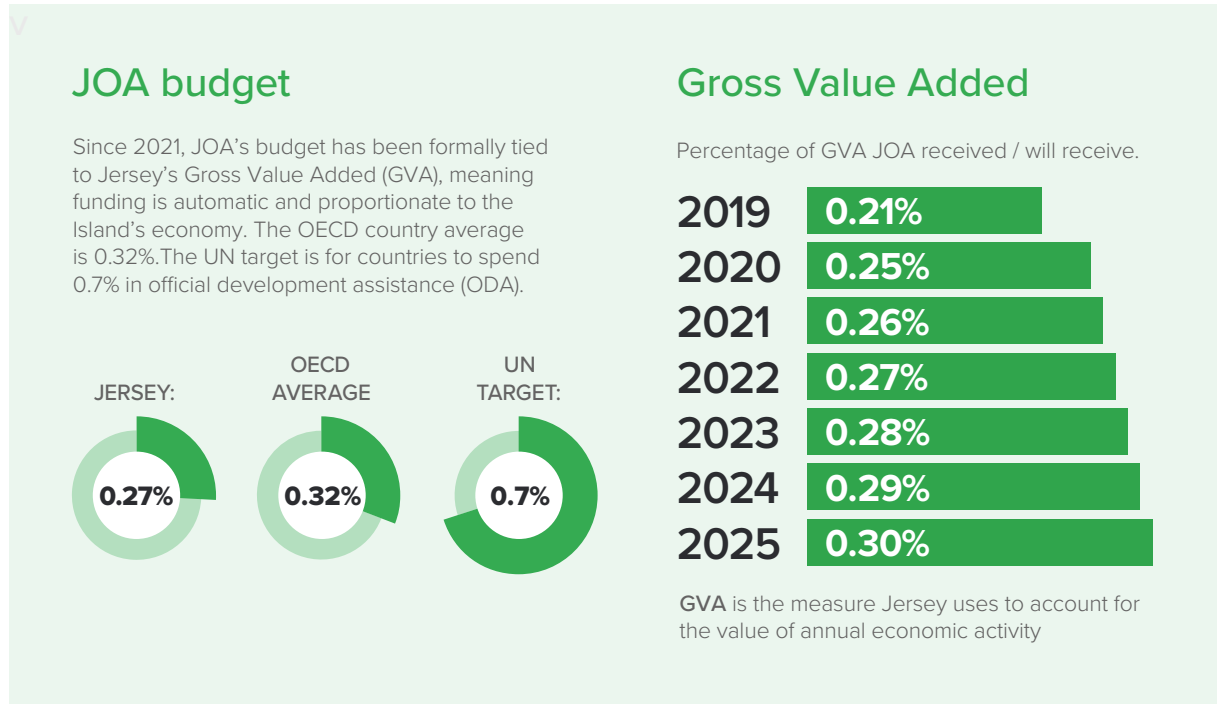
Responsible Investment Approach

The Treasury Advisory Panel (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.
- 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. Such strategies may include those using broad market derivative instruments, or where the intention is to hold underlying companies for a short period of time.
- 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 companies 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 2022, much of this was in response to climate emergencies, including the devastating floods in Pakistan, the protracted drought in the Horn of Africa, and ongoing disaster recovery in Haiti and Mozambique.






Development Work

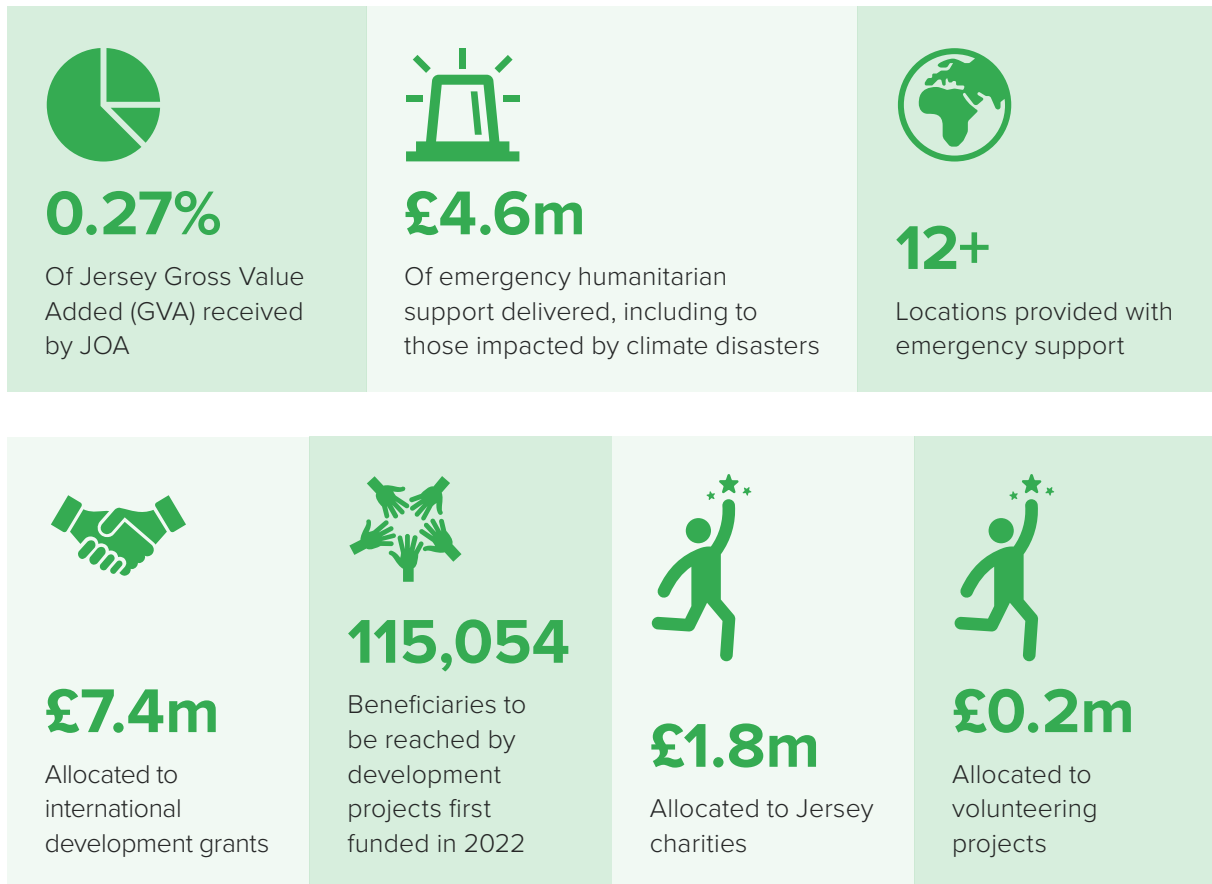
JOA focuses its development work on three themes, all of which add value through Jersey expertise as well as funding.

Between them, these areas contribute towards nine of the 17 UN Sustainable Development Goals:



 <p>Dairy for Development (D4D)</p> <ul style="list-style-type: none"> Improves efficiency of dairying practices, reducing the Greenhouse Gas Emissions per litre of milk produced. Promotes the Jersey breed, whose small size and feed intake, relative to productive milk output, is both a significant advantage for farmers with limited resources and reduces the carbon footprint relative to many other breeds. 	 <p>Conservation Livelihoods</p> <ul style="list-style-type: none"> Focuses on 27 ecosystems under threat from population growth, habitat destruction or changing weather patterns, from Ethiopia to Nepal. Supports governments and communities to alleviate poverty without detriment to surrounding environments through participatory and inclusive natural resource management. 	 <p>Financial Inclusion</p> <ul style="list-style-type: none"> Works to address the 1.4 bn unbanked adults worldwide, through developing access to useful and affordable financial products and services. Allows people to save more, spend more on healthcare and education, start and invest in enterprises leading to job creation, and weather unexpected shocks.
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Progress in 2022



Also in 2022, JOA:

- Launched its 5-year Strategic Plan which outlines the overarching objectives, priorities and principles and how JOA will work towards achieving the UN's SDGs
- Signed an agreement with the Government of Zambia to roll out its dairy programme to Zambia, in addition to existing projects in Rwanda, Ethiopia, Malawi and Nepal.
- Facilitated workshops, conferences and learning events for international experts in the field of Conservation Livelihoods, and rolled out its Conservation Livelihoods strategy.
- Undertook monitoring and assessment visits to partners in Rwanda, Nepal, Malawi, Ethiopia and Sierra Leone.
- Deployed Jersey volunteers abroad for the first time since 2019, who constructed an environmentally-friendly sand dam in Kenya.
- 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 Government of Jersey's wholly-owned entities within the JFReM boundary, comprise three different organisations, all of which are also on their own sustainability journey:

- Andium Homes
- Jersey Development Company
- Ports of Jersey

Andium

With over 10% of the Island's population living in its homes, Andium recognises it has a crucial role in contributing towards a sustainable future, in line with its vision of "Great homes and services for all who need them" by:

- Delivering high quality, low-carbon homes within vibrant, safe and sustainable communities
- Focussing services on what matters most for clients; their health, wellbeing and satisfaction, and by delivering services that support more clients living independently
- Delivering services which support clients living independently and meeting cost-of-living challenges, whilst also refurbishing existing homes, and building 3,000 new homes by 2030, to address the Island's housing needs

Strategy

As it develops its Environmental, Social and Governance Framework, Carbon-Free Strategy and Sustainable Financing Strategy, Andium is focussing services to deliver across the Jersey Performance Framework and the Government's Carbon Neutral Roadmap.



Environmental Excellence

As the largest developer in Jersey, Andium has a responsibility to ensure its' regeneration is truly sustainable. By concentrating on building great homes and places, Andium aims to transform lives, regenerate communities and achieve new environmental benefits.



Social Responsibility

As a responsible social housing provider, Andium recognises its duty of care to all of its Clients, Partners and Guarantor in sustainable regeneration that benefits the Island as a whole.



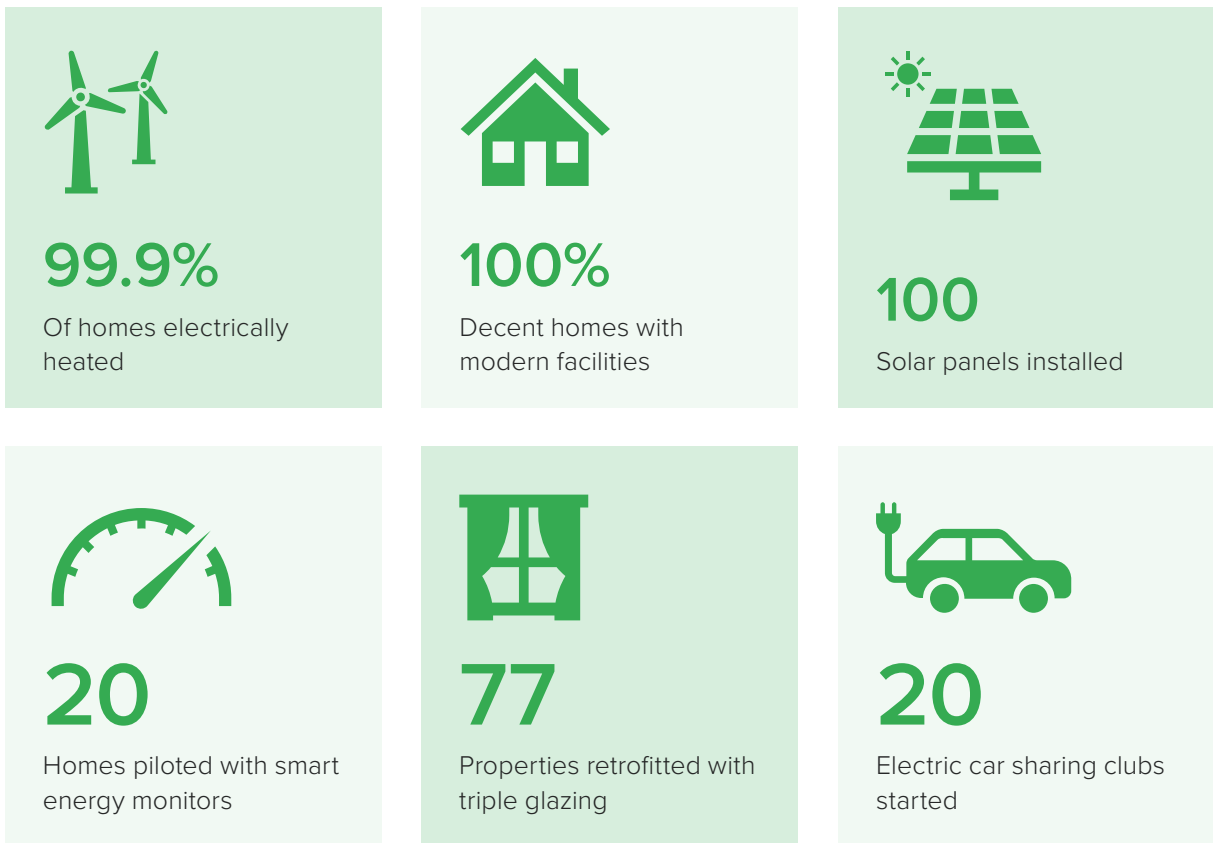
Good Governance

As a public authority, Andium aims to achieve the highest standards of governance for the people of Jersey. By focussing on client and business excellence, Andium can help tackle affordability and give enduring social benefit.

This also aligns to a number of UN SDGs:



Progress in 2022



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

Jersey Development Company (JDC)

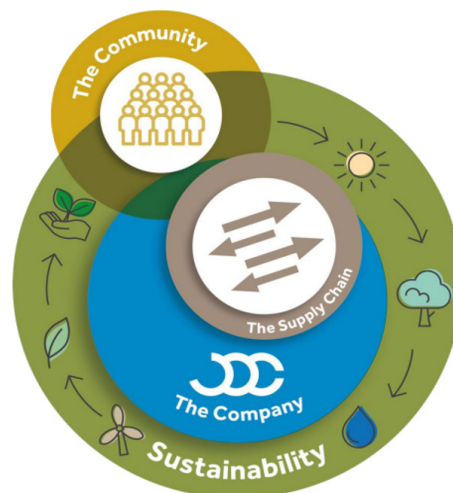
The Jersey Development Company is strongly committed to sustainability and has invested much time during 2022 improving its knowledge around carbon, the environment and wider social considerations.

Strategy

In October 2022, the JDC Board approved the Company's first ESG Strategy, which considers impacts and responsibilities around the Company's key stakeholders, grouped according to three spheres of influence:

- Company
- Supply Chain
- Community

Its 9-pillar approach reflects both the Jersey Performance Framework and the UN Sustainable Development Goals, with a particular commitment to working towards Goal 11: Sustainable Cities and Communities.



It also aligns with the Government of Jersey's roadmap to achieve Net Zero by 2050 and aims to bolster the company's vision and mission to ensure that the impact on planet and people is considered in everything it does.

Progress in 2022

A double materiality assessment of which of the UN SDGs Goals are most relevant to JDC was conducted and its strategy mapped across those. Targets and goals within each of the three spheres were identified to align with the ESG strategy, including consideration of:

- reducing embodied carbon on all future developments
- reducing carbon in use of the occupied building when completed
- focusing on urban greening and biodiversity
- considering modern methods of construction
- ensuring safe working environments



BREEAM Excellent

certification targeted for IFC 6, in construction throughout 2022



Level 3

in the Code for Sustainable Homes achieved by the Horizon residential development



A thoughtful landscaping scheme, including trees and plants suitable for the local environment, established for the Horizon residential development



A green/brown roof system planned for the Horizon residential development



175

Electric charge points installed in the Horizon residential development during the 2022 construction period to encourage sustainable transport

For further detail, please see: [Financial \(jerseydevelopment.je\)](https://www.jerseydevelopment.je/Financial)

Ports of Jersey

Ports of Jersey aims to take a leading role in developing a sustainable future for the Island and tackling the challenges this brings head on.

For anyone in the travel industry, the conversation about climate change is never going to be an easy one. The aircraft and boats that provide us with critical connectivity are also currently greenhouse gas polluters. Therefore, to decarbonise travel, all parts of the supply chain will need to coordinate to enable meaningful actions and take responsibility for the actions they take that contribute to emissions.

For Ports, that means ensuring the facilities provided operate sustainably, offering opportunities for its customers and enabling its business partners to contribute to the Island's net zero ambition.

Strategy

Ports' sustainability strategy (Planet and People Plan), is an employee-led initiative that considers all elements of sustainability, creating a holistic and joined up approach, from decarbonisation to staff wellbeing:



Progress in 2022



Toulouse Declaration

Joined by Jersey Airports, a ground-breaking treaty on aviation decarbonisation



Collaborative partnership

Between Ports of Jersey, Universal Hydrogen and Blue Islands



Carbonpass App

Between Ports of Jersey, Universal Hydrogen and Blue Islands



Level 1

EcoPort designation achieved



Level 1

ACI Airport Carbon Accreditation achieved



ALIAS Drone Partnership

A £3.7million project that could lead the way for autonomous flights

Other progress includes:

- 2019 Jersey Airport and Jersey Harbours carbon footprints verified, creating baseline year
- Launch of pilot sea grass regeneration programme at St Catherines
- Recycling airline waste (plastic, tins and cardboard) with Easyjet, Blue Islands and British Airways
- New recycling relationship with St Helier to pick up waste from Jersey Airport, as St Peter doesn't currently provide commercial recycling
- Doppler VHF Omni Directional Range (DVOR) site turned into a pollinator patch
- Deployment of Hippo bags to reduce water wastage from water flushing

For further detail, please see: [Annual reports | Ports of Jersey](#)

Data and Data Sources

Data Tables

Pollution

Water Protection Data	2022	2021	2020	Avg
Total water pollution incidents	68	96	129	98
Total Government incidents	8	10	7	8
Government % of all incidents	12%	10%	5%	9%
Total Andium, SOJDC and POJ incidents	1	2	0	1
Total Group incidents	9	12	7	9
States Group % of all incidents	13%	13%	5%	10%

Finite Resources

Water Consumption	2022	2021	2020
Government + Non-Ministerial metered water consumption (millions of litres)	284	288	319
Government + Non-Ministerial metered water costs as % of total water supply costs	100%	100%	100%
Water supply cost (£m)	0.9	0.8	0.9

Paper Consumption	2022	2021	2020
Government + Non-Ministerial approximate paper consumption (Reams of 500 A4 Equivalent Sheets)	65,350	65,600	59,800
Government + Non-Ministerial paper supply cost (£)	124,043	102,101	101,685

Data Sources

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 Stationary. 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 2022 Sustainability Report.

Accountability Report

Corporate Governance Report

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 2022.

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 [P.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 4.24 – 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

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, with the consent of the Chief Minister, may appoint their own Assistant Ministers, 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.

2022 saw an election, in June, with new Ministers being appointed by the States Assembly at its sitting on 11th and 12th July 2022. The new 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. Whilst the adoption of a new Common Strategic Policy may have some impact on the Performance Report, there has been continuity of governance arrangements. 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 2nd March 2022 the States Assembly approved changes to the latter Code, 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.

The following tables show the Ministers in post during 2022.

Ministers to 12th July 2022:

Name	Area of Responsibility
Senator John Le Fondré	Chief Minister
Senator Lyndon Farnham	Deputy Chief Minister, Minister for Economic Development, Tourism, Sport and Culture
Deputy Scott Wickenden	Minister for Children and Education
Senator Ian Gorst	Minister for External Relations and Financial Services
Deputy Carolyn Labey	Minister for International Development
Deputy Kevin Lewis	Minister for Infrastructure
Deputy Judy Martin	Minister for Social Security
Deputy Russell Labey	Minister for Housing and Communities
Deputy Gregory Guida	Minister for Home Affairs
Deputy Susie Pinel	Minister for Treasury and Resources
Deputy Richard Renouf	Minister for Health and Social Services
Deputy John Young	Minister for the Environment

Ministers from 12th July 2022:

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 Economic Development, Tourism, Sport and Culture
Deputy Philip Ozouf	Minister for External Relations and Financial Services
Deputy Karen Wilson	Minister for Health and Social Services
Deputy Helen Miles	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
Deputy Ian Gorst	Minister for Treasury and Resources

The Council of Ministers



**Deputy
Kristina Moore**

Chief Minister



**Deputy
Inna Gardiner**

Minister for Children
and Education



**Deputy
Kirsten Morel**

Deputy Chief Minister,
Minister for Economic
Development, Tourism,
Sport and Culture



**Deputy
Philip Ozouf**

Minister for External
Relations and Financial
Services



**Deputy
Karen Wilson**

Minister for Health and
Social Services



**Deputy
Helen Miles**

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



**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 cross cutting 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 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 2022 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.

Minister (or Assistant Minister)	CoM meetings prior to election (20 meetings)
Senator John Le Fondré	20/20
Deputy John Young	18/20
Deputy Kevin Lewis	17/20
Deputy Richard Renouf	18/20
Deputy Judy Martin	19/20
Deputy Russell Labey	19/20
Deputy Susie Pinel	20/20
Senator Ian Gorst	16/20
Deputy Carolyn Labey	13/20
Deputy Gregory Guida	19/20
Deputy Scott Wickenden	16/20
Senator Lyndon Farnham	17/20

Minister (or Assistant Minister)	CoM meetings after election (20 meetings)
Deputy Kristina Moore	19/20
Deputy Kirsten Morel	17/20
Deputy Philip Ozouf	19/20
Deputy Karen Wilson	14/20
Deputy Helen Miles	16/20
Deputy David Warr	20/20
Deputy Tom Binet	17/20
Deputy Carolyn Labey	16/20
Deputy Elaine Millar	17/20
Deputy Jonathan Renouf	19/20
Deputy Inna Gardiner	20/20
Deputy Ian Gorst	17/20

Accountable Officers

The following table identifies the Accountable Officers serving during 2022. The year saw a change in Chief Executive Officer (and hence Principal Accountable Officer) with the arrival of Suzanne Wylie, who took office on 1st February 2022.

Chief Executive Officer	Position	Accountable Officer
Principal Accountable Officer	Chief Executive	Paul Martin (interim CEO and PAO to 31 January 2022) Suzanne Wylie (from 1 February 2022)
Ministerial Departments	Position	Accountable Officer
Office of the Chief Executive:		
Chief of Staff	Chief of Staff	Catherine Madden
Communications	Director of Communications	Dirk Danino-Forsyth
Treasury and Exchequer	Treasurer of the States and Chief Officer	Richard Bell
Ministry of External Relations	Chief Officer	Kate Nutt from 17 May 2022 (Interim Chief Officer to 16 May 2022)
Chief Operating Office	Chief Operating Officer and Chief Officer	John Quinn
Strategic Policy, Planning and Performance	Chief Officer	Tom Walker
Department for the Economy	Chief Officer	Richard Corrigan
Justice and Home Affairs	Chief Officer	Kate Briden from 17 May 2022 (Interim Chief Officer to 16 May 2022)
Health and Community Services	Chief Officer	Carolyn Landon
Children Young People Education and Skills	Chief Officer	Rob Sainsbury from 15 December 2022 (Interim Chief Officer to 14 December 2022)
Infrastructure Housing and Environment	Chief Officer	Andrew Scate
Customer and Local Services	Chief Officer	Ian Burns
Non-Ministerial Departments	Position	Accountable Officer
States of Jersey Police	Chief of Police	Robin Smith
States Assembly (States Greffe)	Greffier of the States	Mark Egan (to 30 April 2022) Lisa Hart (from 1 May 2022)
Law Officers' Department	Practice Director	Alec Le Sueur
Viscount's Department	Viscount	Elaine Millar (to 31 March 2022) Mark Harris (Acting Viscount from 1 April to 16 June 2022) Matthew Swan (from 17 June 2022)
Judicial Greffe	Judicial Greffier	Adam Clarke
Office of the Lieutenant Governor	Chief of Staff and Private Secretary	Justin Oldridge
Official Analyst	Official Analyst	Nick Hubbard

Bailiff's Chambers	Chief Officer	Steven Cartwright
Probation and After Care Service	Chief Probation Officer	Mike Cutland
Office of the Comptroller and Auditor General	Comptroller and Auditor General	Lynn Pamment
Other	Position	Accountable Officer
Jersey Overseas Aid	Executive Director	Simon Boas
Trading Operations	Position	Accountable Officer
Jersey Car Parking	Chief Officer	Andrew Scate
Jersey Fleet Management	Chief Officer	Andrew Scate
States Body / Fund	Position	Accountable Officer
Strategic Reserve Fund	Treasurer of the States and Chief Officer - Treasury and Exchequer	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		
Jersey Innovation Fund		
Jersey Reclaim Fund		
Technology Accelerator Fund		
Climate Emergency Fund	Chief Officer - Strategic Policy, Planning and Performance	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 2022 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 2022	ELT workshops in 2022
CEO	CEO - Suzanne Wylie (Chair)/ Paul Martin/ substitute chair	26/26	10/10
Economy	Richard Corrigan	25/26	10/10
T&E	Richard Bell	26/26	10/10
IHE	Andy Scate	26/26	7/10
HCS	Caroline Landon	24/26	10/10
OCE - Chief of Staff	Catherine Madden	24/26	8/10
COO	John Quinn	26/26	10/10
OCE - Comms	Dirk Danino-Forsyth	19/26	8/10
JHA	Kate Briden	26/26	10/10
External Relations	Kate Nutt	24/26	9/10
CLS	Ian Burns	26/26	10/10
CYPES	Robert Sainsbury	26/26	10/10
SPPP	Tom Walker	26/26	10/10

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

- The action requested from ELT
- 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.ie/government/planningperformance/publicfinances/pages/lettersofinstruction.aspx>. One such letter was issued and published in 2022, relating to a change in scope of the Co-Funded Payroll Scheme.

Assurance of service performance data in the Annual Report and Accounts

For both the 2020 and 2021 Annual Report and Accounts there was 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 in each of the 2020-2022 ARAs:

- Analyst and business partner teams from each department provided data from departmental databases in writing or via email.
- Service Performance Data provided by departments, including that published separately online for 2022, 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 (or, in 2022, the Annex document).
- Chief Officers for all departments signed off their Service Performance Measures data for inclusion in the ARA (or, in 2022, the Annex document).
- The Director of Statistics and Analytics checked all departmental commentary on the Service Performance Measures 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 was fed back to departments for clarification or rectification before inclusion in the ARA (or, in 2022, the Annex document). 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 SPPP each signed off that the Service Performance Data and commentary was 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 a number of 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 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;
- 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 2022 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 2022 the C&AG issued 10 reports, one Good Practice Guide and one Thinkpiece. 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 a number of 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 2022 there were 295 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. At the start of 2022, the States and Government set a stretch target of implementing

80% of those recommendations by the end of the year. Whilst that target wasn't fully achieved (just over 60% of those recommendations were implemented), 180 of those recommendations were closed during 2022.

An additional 209 recommendations were made during 2022, of which 98 were closed during the year. At the end of 2022 there was a grand total of 226 recommendations outstanding.

Amongst those recommendations implemented during 2022 were some arising from C&AG reports on subjects like:

- Anti-corruption arrangements
- Covid (various aspects)
- Cyber security
- Governance of the States of Jersey Police
- Financial management and internal control
- Insurance
- Operational land and buildings
- 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). During 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

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.

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

During 2023, the Government of Jersey will design and deliver Anti-Corruption training to employees of the States of Jersey.

In 2022, the States Assembly adopted changes, proposed by the Privileges and Procedures Committee, to arrangements for States Members, in particular in relation to declarations of interests.

Governance during the COVID-19 Pandemic

The Covid-19 Pandemic required the Government to put in place emergency procedures and governance mechanisms never previously required. The governance structure shown below became operational during March 2020 in order to provide a co-ordinated response to the risks, issues and actions required for the Island to respond to the threat from Covid-19. Whilst the worst effects of the first wave of the pandemic had significantly reduced by July 2022, the structures were retained due to the threat of a second and subsequent waves. During November 2022 the governance arrangements were once again operationalised to respond to increasing cases and expert advice from the Scientific and Technical Advisory Cell.

Overview of the Roles in the Decision-Making Process during COVID-19

Emergencies Council

The Emergencies Council sat to co-ordinate and support any work to prepare for, or respond to, the emergency, including needing to agree the exercise of Competent Authority powers. If, as a last and necessary resort, a state of emergency is called by the Lieutenant Governor, the Council can act as a collective decision-body in any area of response and has wide ranging powers to amend enactments by Order, without the requirement for the prior approval of the Assembly for the period of the emergency. The Emergency Powers and Planning (Jersey) Law 1990 sets out the provisions for responding to an emergency.

Individual Ministers

In advance of a state of emergency being declared, individual Ministers continue to exercise their statutory and non-statutory powers. These include powers under enactments within their authority, to make Orders or Propose Regulations, and pursuant to the Covid-19 (Enabling Provisions) (Jersey) Law 2020, Ministers could propose wide ranging reforms to the Assembly, to consider and approve necessary changes.

Competent Authority Ministers

(Chief Minister, Minister for External Relations, Minister for Economic Development Tourism Sport and Culture, Minister for Infrastructure, Minister for Home Affairs, Minister for Health and Social Services)

Competent Authority Ministers only act in their areas of competency, for example, the Minister for Home Affairs has powers as a Competent Authority Minister over Gas and Postal Services, with

the agreement of the Emergencies Council. Outside of their areas of competency, the Competent Authority Minister is simply acting in their ministerial capacity, i.e. not as a Competent Authority Minister (CA).

Competent Authority Ministers did not make collective decisions, as their powers are individual and narrow and executed by making orders, but they did confer and advise each other, and they do largely hold the core powers, whether as Ministers, or as CAs, that are needed in the event of an emergency. The Minister for Treasury and Resources and Minister for Children and Education were invited to CA meetings and circulations given the importance of their portfolios.

Officer Groups

Strategic Co-ordination Group

The Strategic Co-ordination (Gold) Group (SCG) had the main strategic co-ordinating responsibility for the command and control of emergency services, and other agencies, responsible for dealing with the immediate response to the pandemic.

The SCG was also concerned with considering and assessing updated intelligence and information from various sources to help determine strategy, and give clear direction to its Operational (Bronze) Commanders through the Gold, Silver and Bronze Command structure.

Tactical Co-ordination Group

The Tactical Co-ordination (Silver) Group (TCG) is a multi-agency group of tactical (silver) commanders that met to determine, co-ordinate and deliver the tactical response to the emergency within the parameters set by the SCG. The TCG ensured that the actions taken at the Operational level were co-ordinated, coherent and integrated to achieve maximum effectiveness and efficiency.

All meetings had formal terms of reference, escalation points, record of discussion, rationale for decisions and action points.

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 2022 were:

- External risks - macroeconomic risk, geopolitical and environmental risks
- Health and wellbeing
- Cyber Security and Information Technology
- Estate management
- Workforce planning, recruitment and retention

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).

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
- Cyber Security and Information Technology
- Estate management
- Workforce planning, recruitment and retention

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 2022.

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.

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

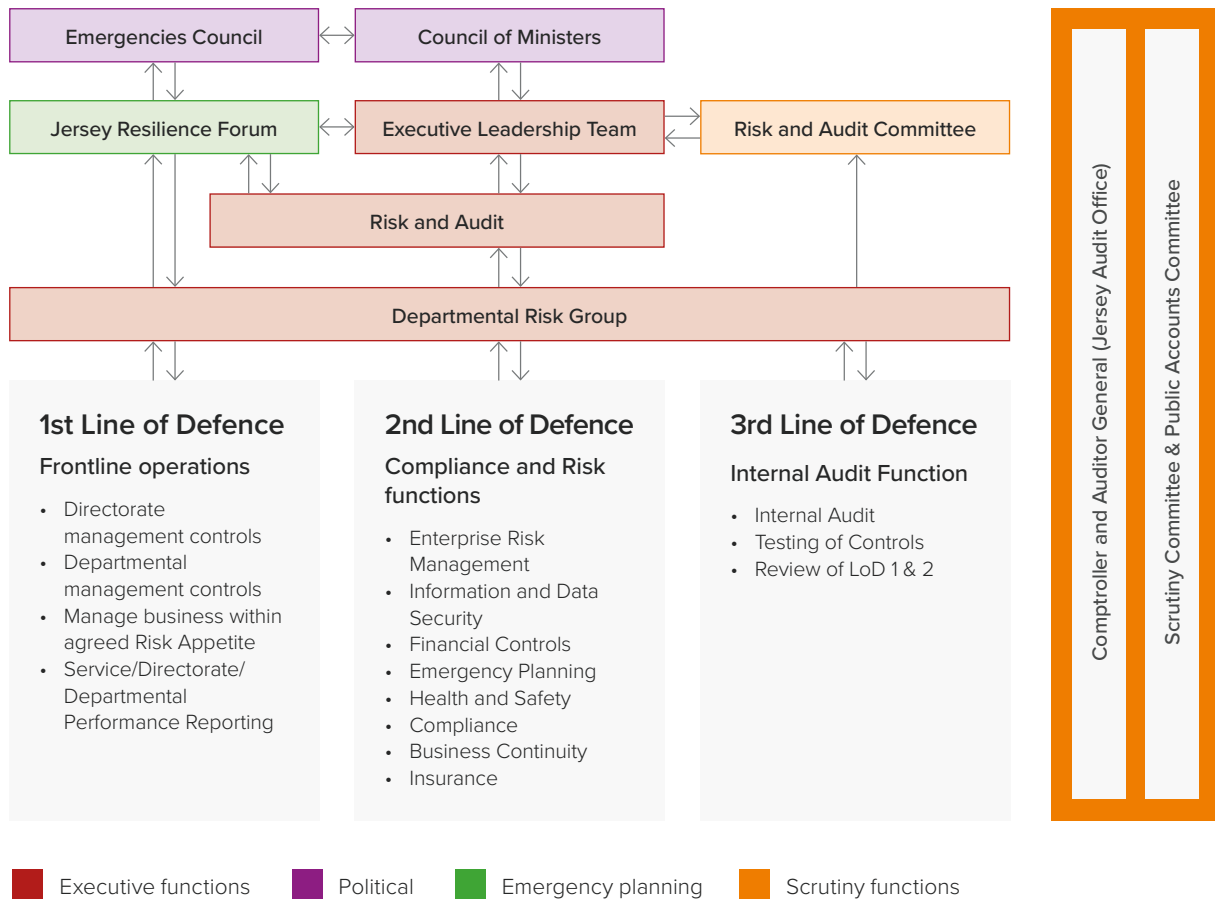
- Financial – risks that relate to a weakness in financial controls, for example, financial fraud;
- Service delivery;
- Reputational;
- Legal and regulatory;
- People health and safety;
- Economic;
- Environmental and social.

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.

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 2022, the membership of the Risk and Audit Committee comprised an Independent Chair and two 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 2022 comprised:

Name	Position	Appointment date
Vineeta Manchanda	Chair (Risk and Audit) / Independent Member	01/10/2018 – to date
John Kent	Independent Member	28/11/2019 – to date
David Smith	Independent Member	28/11/2019 – to date

Risk Management – Developments in 2022

Global Risks

The global risk landscape and how that translated into a local context in Jersey continued to be challenging in 2022. Continued 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 lists 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 WEF Global Risks Report expected consistent ongoing crises that are compounding each other on an increasingly volatile trajectory.

The situation is “eerily familiar” with a lot of old risks which have come back to the fore that, at the beginning of the decade, countries were looking to solve through sustainable development goals.

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 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 in terms of protests and industrial action in various countries.

Countries and organisations are now turning from a just-in-time to a just-in-case strategy, near-shoring 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.

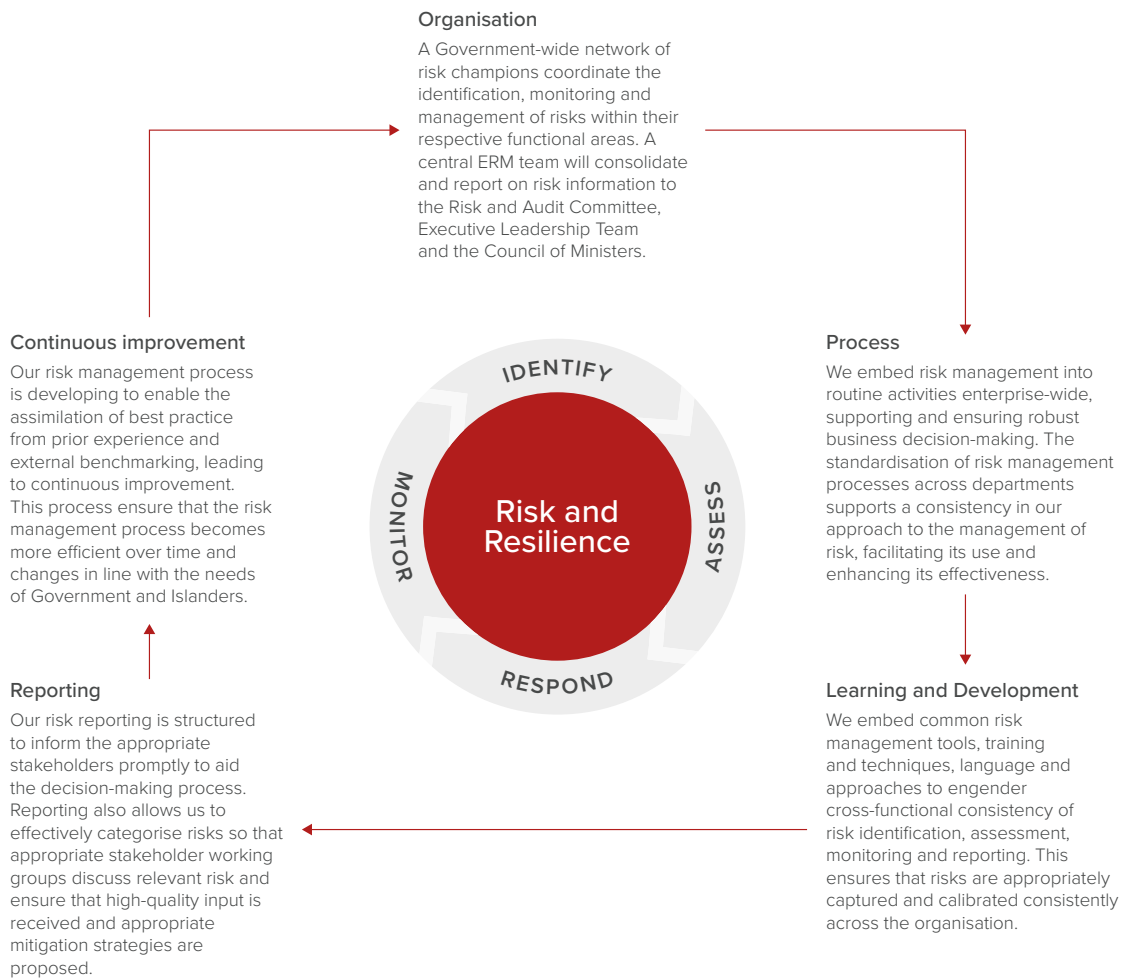
Local Impacts

There are several potential direct or indirect local impacts. For example, as the Cost of Living and Inflationary Pressures impacted in 2022, 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.

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 2022 and a roadmap setting out key developments and goals is in place to deliver further improvement in 2023.



Notable developments in 2022 included the further development of joint working with the Emergency Planning group to develop a National Security Risk Assessment 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 2022 to further embed the ERM system changes across Government of Jersey Ministerial and Non-Ministerial Departments through workshops, training and regular reviews.

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 monthly with department leads to discuss their risk registers.

Other enhancements in the year included the formation of Risk Committees in some of the larger Departments. These committees were given responsibility for reviewing their risk registers and escalating risks to Senior Leadership Teams. The Head of Risk and Chief Internal Auditor now hold quarterly meetings with Accountable Officers to review their significant risks.

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 2022.

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 2022 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 2022, 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.

Risks Reported in Year

The top five key risk themes and risks and issues in 2022 were as follows:

1. External Risks

External risks include macroeconomic risk, geopolitical and environmental risks which are captured on the Corporate Risk Register in terms of their material impact on the Government of Jersey and its strategic objectives. They also include economic and reputational risks deriving from the implementation of new fisheries management arrangements as part of the Trade and Cooperation Agreement, developments in international tax at EU and global level and Jersey's ability to secure appropriate access to, and participation in, the UK's new trade agreement (FTA) programme.

Mitigations in these areas include:

- relationship building and regular liaison with other jurisdictions, including stakeholders, the UK government, France, Brussels, and key multilateral fora including the OECD;
- an extensive programme of bilateral engagement with priority global markets to build broad, enduring friendships and to increase economic cooperation; and
- effective political oversight and horizon scanning for future external trends, risks and opportunities.

This area remained a significant risk in 2022 and the international position is under constant review by Government and arm's length organisations such as Jersey Finance.

The following provides a summary of principal risks and issues for this theme and is not exhaustive. Climate change and decarbonisation risks for both the Island and Government are currently being developed and will feature more prominently in future annual reporting. In the meantime, see the Sustainability Report for further detail on the initial corporate approach and operational strategy in this area.

Issue: Inflationary Pressures and impact on economy/population

Owner: Chief Economic Advisor

Department: Economy

Trend: Increasing in 2022

Risk Appetite: Low

Description:

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 people large parts of their disposable income. Particularly affecting the most disadvantaged in society.

Areas of Focus/Mitigations:

- 100 Day Plan
- Cost of Living Strategy Group
- Mini-budget and Government Plan 2023-26
 - £53 million for impact of inflation on public services
 - 12% increase in Income tax personal allowances
 - Enhanced Cost of Living Temporary Scheme (COLTS)
 - Increase to Community Cost Bonus
 - Enhancement to Cold weather Bonus and Payment Schemes
 - Further support for families with less than five years' residence
 - Additional revenue measures that continue to support Islanders, restraining overall increases in duties where appropriate to do so.
 - Targeted measures to raise additional income.

Issue: Island workforce sustainability

Owner: Chief Officer
Department: Economy
Trend: Increasing
Risk Appetite: Low

Description:

If we are not be able to deliver a workforce strategy that develops local talent or brings the right skills to the Island then we may not be able to sustain our economic strategy and improve productivity leading to direct impact on quality of service, patient safety and financial sustainability.

Areas of Focus/Mitigations:

- Develop Digital Skills Academy
- Jersey Employers Group and Government of Jersey Engagement
- Economy Workforce Plan and Government of Jersey People and Culture Plan

Issue: Loss of Economic Prosperity

Owner: Chief Officer
Department: Economy
Trend: Stable (but under pressure from global recession)
Risk Appetite: Low

Description:

If there is a failure to sustain, diversify and grow then our Island economy will negatively impact economic prosperity with consequential damage to the public finances and ability of the Government to deliver high quality public services and support.

Areas of Focus/Mitigations:

- Diversify Local Economy
- Protect and grow financial services through delivery of Financial Services policy framework
- Delivery of Future Economy Programme (Economic Framework)
- Annual Ministerial Plan

2. Health and Wellbeing

The Covid pandemic inflicted considerable pressures on all government services, especially our provision of health and social care, and required significant financial support for local businesses. The vaccination and other programmes meant good progress was made in 2021 and 2022 to counter the impact on health, though there remains significant risk that further costs will arise because the impact of the pandemic remains uncertain. To help manage this uncertainty in 2022, the Government Plan provided an additional £52 million held in reserves.

Assuming good progress continues to be made to emerge from Covid health challenges, there remains a high risk of legacy health problems - many unreported, which will need to be addressed post pandemic.

Due to its age, the current hospital site continues to provide challenges if we are to maintain service delivery. Proposed mitigations include updating and renovating wards. Even with proposed mitigating actions, delays to the delivery of new healthcare facilities mean increased risk of service disruption and poor clinical outcomes for patients.

Recruitment and retention of skilled clinical and non-clinical staff for HCS services, including but not limited to Pharmacy, Pathology, Radiology, Dentistry, Mental Health and Social Care and some non-clinical support services; continues to be challenging due to high costs of living, labour market shortages and restricted availability / quality of housing.

Issue: Covid recovery (backlog of patient waiting post COVID elective suspension)

Owner: Chief Officer HCS

Department: HCS

Trend: PTLs increased during 2021 and first half 2022 (impacted by COVID) but have generally reduced since

Risk Appetite: Low

Description:

If there are inadequate resources to reduce patient waiting times then patients could experience delays receiving treatment resulting in avoidable harm (including death), financial loss and reputational damage.

HCS monitors waiting times through the Patient Tracking Lists (PTLs), examples include,

1. First (appointment) Outpatient PTL – acute and community (e.g. Dentistry)
2. Follow up pending list (Outpatients)
3. Elective inpatient PTL
4. Diagnostics (e.g. Endoscopy)
5. Surveillance Diabetic screening
6. Radiology (in test)

HCS closely monitors the PTLs and associated risks are managed through the care groups. However, staff sickness, winter pressures and workload / resources can disrupt progress.

Areas of Focus/Mitigations:

1. PTL weekly meetings with each Care Group
2. Outsource children's dental provision - resulting in significant improvements in access to routine dentistry
3. Teleradiology (remote diagnoses)
4. Business Case for growth of Radiology team to increase hardware utilisation and provide additional capacity
5. Use of agency staff / locums to support HCS (back fill, cover sickness and increase capacity)
6. Patients are seen according to clinical priority
7. Integrated Modelling and Analysis System (IMAS) to improve job planning
8. Recruitment campaigns for difficult to fill posts
9. Wellbeing programme to improve retention and protect staff

Risk: If HCS fails to respond to the recommendations made in Hugo Mascie-Taylor (HMT) report, then HCS and Islanders cannot be assured of the quality and safety of HCS's services

Owner: Chief Officer HCS

Department: HCS

Trend: Reducing

Risk Appetite: Low

Description:

The report revealed that despite the hard work of staff, there is no effective assurance of patient safety and the quality and standard of care is variable, data quality is poor and serious longstanding cultural issues remain unresolved. In such circumstances, Islanders cannot be assured of the quality and safety of HCS's services. The report identified 61 recommendations to be addressed.

The initial plans include:

- Establish a new Health Board
- Engage additional expertise and support by establishing a dedicated Turnaround Team
- Provide additional resources and expertise to support and drive the turnaround
- Produce a detailed implementation plan
- Bring forward a sustainable workforce plan
- Establish an effective accountability framework and assurance reporting mechanism
- Independent feedback on the patient experience
- Develop a safety culture underpinned by service excellence standards
- Ensure clarity of roles and responsibilities
- Appoint a Freedom to Speak up Guardian

Areas of Focus/Mitigations:

1. Turnaround team expertise to be brought in to address all areas including financial recovery and recruitment, retention, organisational development
2. A Programme of implementation has been set up in response to the recommendations which has the following workstreams:
 - Assurance
 - Culture, engagement and behaviours
 - Governance
 - Patient and user involvement
 - Private patients
 - Roles and responsibilities
 - Standards and benchmarking
 - Workforce planning and development
3. Each workstream has worked with staff to review the relevant recommendations and created a list of approximately 147 actions which are being implemented and monitored
4. Wellbeing programme progressing (HCS staff awards, management engagement / recognition activity, wellbeing week, events, lectures and activities)
5. 'Be our Best' Wednesday morning updates – executive and group presentations with question and answers
6. Expansion of the Quality and Safety team (Successfully recruited to 5 positions in 2022) to improve Governance (Patient Safety, Risk Management, Safety Alerts, Feedback, etc)
7. Improvements to governance system (Datix) to improve reporting and insight
8. Additional Patient Experience Team resources and improvements in complaints handling and gathering feedback from patients and users

Risk: Children's Health

Owner: Directors General of CYPES and HCS

Department: CYPES / HCS

Trend: Increasing referrals in 2022

Risk Appetite: Low

Description:

There is a risk that if the GoJ fails to provide adequate protection for children that it cares for, or comes into contact with, best outcomes may not be achieved and harm could occur resulting in financial, reputational and regulatory damage. Of particular concern is the growing number of referrals in to CAMHS and number of children / families requiring support.

Areas of Focus/Mitigations:

Significant area of focus:

- Additional government plan funding secured for inclusion in schools. A full review of Mental Health and Well Being in Primary and Secondary schools was carried out by Anna Freud from the UK in 2022. This has led to the training of designated Mental Health Leads in all Primary and Secondary schools in Autumn 2022 and subsequent train the trainer sessions in Spring 2023. All schools are developing their policy for mental health and wellbeing in schools. The new inclusion funding for schools also includes protected roles for Emotional Literacy Support Assistants (ELSAs) and school counsellors.
- Additional government plan funding secured for Children's Social Care Reform. A key aspect of the reform work will be to ensure there are sufficient and appropriate places for children looked after and in the care of the Minister. This will include improvements in current residential settings and identifying new provisions, including a Therapeutic Children's Home. In addition, there will be an increase in the number of permanent social workers recruited and a focus on practice improvement (CYPES).
- Development of Mental Health Strategy and enhanced CAMHS provision. There were additional Government plan funds for CAMHS in 2022 which allowed expansion of the staff team from 21 up to 65, with a successful impact on waiting times and inpatient care. The service began implementation of the Children's Emotional Wellbeing and Mental Health Strategy (2022-2025) which included significant redesign to services with a clear focus on reducing waiting times and improving performance. Additional funds in 2023 will see expansion to Duty and Assessment Team hours and launch of a neurodevelopmental service. (CYPES)

Areas of mitigation:

- Use of Kooth (external independent support service for those 12 and above) (CYPES)
- Use of MyConcern system to track safeguarding concerns within States Funded Schools (CYPES)
- Monitoring attendance and attainment data to ensure children achieve full potential and measures are put in place to address those falling behind (CYPES)
- Use of Jersey Premium to provide support to those falling behind or in need of help (CYPES)
- Youth Services outreach programmes and youth projects, including the development of an Integrated Support Service (CYPES)
- Training of the 100 support workers in Schools (CYPES)
- Covid recovery monies and additional Business Cases to help provide resources to reduce waiting times (e.g. Dental wait times, Radiology scans, Neuro diverse conditions, etc) (HCS)
- Prioritisation of children waiting for treatment (HCS)
- Health Safeguarding Committee, Health Safeguarding Group and Safeguarding Champions embedded to provide oversight and assurance of safeguarding across HCS (HCS)
- Governance Oversight Group (CYPES / HCS) frequent meetings in place including risk sharing / dialogue
- Health Safeguarding team have a programme of work to provide safeguarding supervision, training, timely advice/guidance and support (HCS)
- Refurbished and modernised Neo Natal unit (formally SCBU) (HCS)
- Health have introduced a mechanism to capture and report on risks that relate to safeguarding in HCS risk system (HCS)
- Suicide awareness training available to staff (eLearning) (GoJ)
- Wellbeing programmes are in place to support staff and help ensure continuity of service (HCS staff wellbeing Team, CYPES)
- Provision of free access to GPs (CLS)
- Monthly Care Group performance reviews monitor quality / operational metrics for all HCS Care Groups (HCS)
- During working hours Safeguarding concerns are picked up by the Children's and Families Hub. If a child is at immediate risk out of hours, service users are directed to the Police on 999 who work alongside the Crisis team (Mental Health team / CAMHS)
- Delivery of Digital Strategy to improve information systems to improve care and information sharing (CYPES / HCS / M&D)

The Government continues to monitor health impacts across all areas of society. The Government Plan 2022-2025 included considerable funding for health-related measures.

3. Cyber Security and Information Technology

Like all governments, Jersey faces the constant threat of a cyber-attack and, as a consequence, is undertaking targeted action to enhance our technology estate, data management and information security against a backdrop of increased global cyber security risk from hostile state and criminal activity. Other measures to mitigate potential loss include the establishment of the Cyber Security Centre, regular threat monitoring and horizon scanning.

The Government Plan has significant resources dedicated to this area. Jersey also works closely with the UK's National Cyber Security Centre.

Issue: Cyber Defence - Information Security

Owner: Chief Information Security Officer
Department: Chief Operating Office
Trend: Stable (but inherent risk has increased globally)
Risk Appetite: Low

Description:

As with all Governments, there is a risk that IT systems could be successfully breached by a threat actor leading to a loss of government data and/or failure of public services. This could be caused by weaknesses in the control landscape which may not detect or prevent specific threats. This could result in reputational and/or regulatory consequence as well as financial consequence including cost of recovery.

Areas of Focus/Mitigations:

Continued implementation of the Cyber Security programme to improve the security risk position and maturity of the organisation in relation to a number of industry standard people, process and technology controls, including:

- Raising awareness amongst staff and service users of potential threats
- Enhancing and improving process to strengthen resilience
- Investment in new technology and continued review of current capabilities

These workstreams and associated projects allow the Government to manage secure access to critical systems, proactively detect security incidents and manage the security of assets used within the network. Additional investment has been deployed to enable the Island to respond to the heightened cyber threat related to the new geopolitical risk landscape. The existing Cyber Security Programme is being brought to its planned conclusion and cases are being developed for ongoing improvements.

4. Estate Management

A number of risks arise from a lack of financial, system and human resources. To address these risks, a new Estates Strategy was introduced which adopts a multi-layered approach from political oversight and strategic response to tactical and operational levels.

Steps taken include better asset management, greater preventative maintenance and the recruitment of additional staff. Wide consultation took place on the proposals and the Government Plan 2022-2025 included specific funding to address relevant risks.

Issue: GoJ Property Maintenance (Resourcing)

Owner: Director/Chief Officer

Department: Jersey Property Holdings/Infrastructure, Housing and Environment

Trend: Increasing

Risk Appetite: Medium

Description:

Resources are being diverted from reactive maintenance to allow greater effort to keep Government properties compliant with legislation and statutory inspections. Assets are being managed but there is an increasing risk that there could be service disruption and an impact on the ability to provide quality services to Islanders. This could also result in decaying asset values. Other potential consequences are improvement and enforcement notices; health and safety incidents; harm to people/ loss of property; litigation and reputational damage.

Areas of Focus/Mitigations:

- Estates Strategy – adoption and focus on completion of condition survey in 2023 to inform;
 - Planned Preventative Maintenance
 - Corporate Policies (Health and Safety)
 - Asset Management
- Implementation of Property Target Operating Model
- Collaboration with tenant departments to identify resource requirements

5. Workforce Planning, Recruitment and Retention

It is a priority for the Government to continue to support the delivery of efficient, effective public services by prioritising the delivery of strategic workforce planning across departments with a particular focus on recruitment and retention of staff in critical front line services, for example Children's Social Care, Education and Healthcare.

The Government will ensure that each department has a Strategic workforce plan in place in 2023 and departments will work towards objectives set. In the first quarter of 2023 there will be a launch of an education microsite which will be at the centre of a multi-channel multi-audience campaign to attract qualified teachers and support people to train to teach. We will also deliver an Evergreen Campaign to address the need in recruiting Children's Social Workers.

Issue: Workforce Planning, Recruitment and Retention

Owner: Group Director for People and Corporate Services

Department: Chief Operating Office

Trend: Increasing

Risk Appetite: Low

Description:

The risk that the Government does not plan for its workforce effectively and implement good recruitment and retention practice. This could be due to poor resourcing and management information in decision-making and failure to implement effective departmental people strategies and culture plans, and HR governance. This would result in resourcing challenges for key services and possible impact on public safety; higher costs; and Government developing a reputation as a poor employer brand. It may also result in higher levels of absenteeism, lower productivity and wellbeing, higher levels of health and safety incidents, development of toxic cultures or workforce.

Areas of Focus:

- Critical vacancies in JHA (Fire and Rescue Service and Ambulance);
- Teaching Vacancies (CYPES),
- HCS dependence on Bank and Agency/Locums

Mitigations:

- Workforce plans and Succession planning
- Government Plan – alignment
- Management information
- Exit Surveys
- Employee Value proposition
- Development of Government careers portal and employer brand
- Early-in-career scheme – organisational development
- Development of in-house academy
- People and Culture Plans
- Resourcing panel
- Be Heard Surveys
- Employee Led Networks
- Outsourced vetting/compliance

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 following issues, reported in the 2021 Annual Report and Accounts, are now considered to be well managed as part of “business as usual” and have been removed from the table:

- Anti-Money Laundering and Counter Fraud and Corruption (a Policy and Strategy were approved in 2022); and
- The States as Shareholder (Memoranda of Understanding have now been agreed and published).

The unprecedented events of late 2022 and early 2023 – the Haut du Mont explosion, the loss of a fishing vessel and crew, and severe flooding displacing Islanders - tested governance arrangements and risk management. Credit is due to all staff and Islanders who worked tirelessly at this sad time. Following the Haut du Mont tragedy the Government immediately put arrangements in place to manage consequences. Essentially these arrangements comprised:

- A Political Oversight Group, chaired by the Deputy Chief Minister; and
- A Recovery Co-ordination Group of officers, chaired by the Treasurer and Assistant Chief Executive, and Deputy Chaired by the Chief Officer of Justice and Home Affairs.

The Treasurer met immediately with the Minister for Treasury and Resources and then provided assurance to Accountable Officers of affected departments that additional resources would be made available from the General Reserve, if required, for all expenditure reasonably incurred. A Ministerial Decision was signed early in 2023 to allocate such additional resources to the Justice and Home Affairs Department in 2022. Other costs were able to be absorbed by the Departments concerned. There will be further additional costs in 2023, for which allocations will be made by the Minister for Treasury and Resources from the General Reserve if required.

Ongoing governance theme Identified in 2022 or a Prior Year	Actions Undertaken in 2022
<p>People Policies and Resourcing (previously, States Employment Board)</p> <p>Policies and procedures need to be brought up to date and made consistent to avoid potential confusion and misinterpretation.</p> <p>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 SEB and the Jersey Appointments Commission:</p> <ul style="list-style-type: none"> • scope; • functions; • membership; and • operation. 	<p>Work began in early 2021 to refresh and simplify people management policies.</p> <p>Recommendations from the Comptroller and Auditor General report regarding the Role and Operation of States Employment Board were accepted and a People Policy framework was adopted.</p> <p>People and Corporate Services have prepared a work schedule to refresh all policies, setting out the prioritisation for the Codes of Practice and policy delivery.</p> <p>A number of important changes were made in 2022 including the completion of the Codes of Practice and the 'big 5' policies of bullying and harassment, grievance, disciplinary, code of conduct (standards in public service) and whistleblowing.</p> <p>The policy framework has been launched, this is supported by all new and updated people policies being published on Gov.je. The Government now has a policy site that provides a governance structure which auto informs policy holders when policies are due for review. Auto workflows and reporting has been made easier.</p> <p>Flexible working policy has also been a significant achievement, for the policy team as well as Non-Executive Director policy and Establishment policy.</p> <p>Work being done on the role and function of the States Employment Board and the Jersey Appointments Commission is being carried out in two phases:</p> <ul style="list-style-type: none"> • Phase 1 establishes the Jersey Appointments Commission as an independent body, as well as setting out its duties, functions and powers. • Phase 2 will address the role and function of the States Employment Board.

Ongoing governance theme Identified in 2022 or a Prior Year

Actions Undertaken in 2022

People Strategy

The need to update employment law and to develop an overarching People Strategy has been identified as key improvement required to overall governance arrangements.

Delivery against the commitments made in the People Strategy have been made at pace throughout 2022 including:

Your Experience: a suite of Employee Led Network (ELN) groups has been established as part of our approach to Diversity, Equity and Inclusion (DEI) so that the voices of all employees are heard These are:

- REACH – membership 57
- LGBTQ+ – membership 161
- Menopause Café – membership 121
- Neurodiversity membership 120
- Disability – membership 32

These are supported by a Diversity and Inclusion Consultant who is responsible for taking forwards our DEI strategy.

Your Development: a solid platform of manager and colleague development programmes have been established including World Class Manager; Espresso Shots; CMI Level 5 qualifications; Business Partner Training; and integrated core curriculum with Team Jersey collateral.

Our Organisation: departments have been supported in undertaking their own employee engagement surveys during the year, either a full or pulse surveys. This included the Non-Ministerial Law Officers' Department (LOD) who completed a full survey and secured accreditation as a '1 Star' organisation by Best Companies Ltd, the supplier who manages the Sunday Times Best Companies to work for index.

Pulse surveys were undertaken by the following with all reporting improvements and progress in employee engagement since 2020:

- CLS
- IHE (2x directorates)
- JHA - Prison Service
- JHA - Customs and Immigration
- JHA core team
- SPPP

Our Future: Strategic Workforce Planning has been conducted in every department to establish detailed future focused plans, to be finalised in 2023.

A talent pipeline has been established through the creation and implementation of an 'Apprenticeships First' strategy that resulted in 19 new apprentices being taken on in 8 different areas; 41 paid internships; and 585 hours of volunteering time recorded on the new Uniti Volunteering platform.

Ongoing governance theme Identified in 2022 or a Prior Year	Actions Undertaken in 2022
<p>Organisational Change</p> <p>The previous One Gov agenda identified the need to fundamentally review the organisational structure and culture in order to facilitate the ambition change programme.</p>	<p>The Team Jersey programme concluded in March 2022 and transitioned into business as usual with integration of the Government's Team Jersey team members and training and development collateral into the Organisational Development (OD) team. All learning materials have since been reviewed, refined and updated and an integrated core learning curriculum created This includes a focus on relationships, psychological safety in teams and encourage a balance of supportive and challenging behaviours in teams.</p> <p>The OD team supports departments in developing and maintaining their People and Culture plans, prioritising identified areas of need and focus on rebuilding teams and improving employee engagement and wellbeing.</p> <p>In line with the new Council of Minister's '100 Day Actions', the Cabinet Office was formed in Autumn 2022, bringing together three departments into one in order to streamline the centre of government. (The three departments were: Strategic Policy, Performance and Planning; Office of the Chief Executive; and the Chief Operating Office.) Work continues into 2023 to integrate Cabinet Office functions.</p>
<p>Information Security and Information Governance</p> <p>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.</p>	<p>In 2021, an information security staff training programme was delivered to all staff. Additional staff have been recruited and work performed across information security, but further work is required to address this area of risk as the threat landscape evolves.</p> <p>Information Governance continued to be developed in 2022 with a privacy framework being agreed by ELT in February 2022. At present controls are in place across information governance which has meant there are no material issues which impact the annual accounts.</p>

Ongoing governance theme Identified in 2022 or a Prior Year	Actions Undertaken in 2022
<p>Cyber Security and IT Systems</p> <p>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 GDPR legislation.</p> <p>Improvements remain to be made in the quality and effectiveness of our Information Technology and digital infrastructure.</p>	<p>We have continued to monitor and update our cyber security 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.</p> <p>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.</p> <p>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.</p> <p>Outward facing improvements to the Islands' Cyber Resilience are being made with the continued work of 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.</p>
<p>Estate Management</p> <p>The effectiveness of planned maintenance procedures and compliance with Health and Safety requirements needs improvement.</p>	<p>The Estates Management Strategy developed in 2021 has been embedded in our work practices.</p> <p>H&S reviews across the estate have been undertaken in 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, by both Landlord and tenant. Water safety is being addressed through appointment of a responsible person and development of a detailed programme of work on flushing and safety measures. 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.</p> <p>Whilst this work is largely reactive to date, the 2023 programme of work is using improved management information to provide a detailed picture of estate assets and facilitate the planning of works in consultation with the prioritisation of operating departments. Government plan funds for a full condition survey will allow a more strategic approach to estate planning for scale and scope. This will also allow a more proactive response to health and safety and planned maintenance requirements.</p>

Ongoing governance theme Identified in 2022 or a Prior Year	Actions Undertaken in 2022
<p>Programme and Project Management</p> <p>Project management and governance arrangements for a range of projects have been identified as requiring improvement.</p>	<p>During 2022, the CPMO (Corporate Programme Management Office) continued to refine and enhance the existing Project and Programme Delivery Frameworks and introduced 4 additional Frameworks to support specific project types (Construction and Infrastructure, IT, Public Policy and Corporate Policy). The Frameworks provide stage gate controls, templates and tools to support effective project review and regular assessment of progress against the approved business case.</p> <p>Further training was provided during the year to both Senior Responsible Officers, Project Managers and colleagues involved in change. Over 2022, the CPMO worked with departments to align existing projects to a relevant framework.</p> <p>Throughout 2022, the CPMO continued to capture monthly performance reporting on all programmes and projects in the portfolio. These reports were reviewed monthly with Chief Officers in Departmental Portfolio Reviews with a focus on escalations, issues and risks. Portfolio level reporting and recommendations was also presented each month to the Executive Leadership Team for review, consideration and the resolution of any escalations made.</p> <p>Major and Strategic initiative progress reporting is quality checked, with comments returned to the Project Manager. The CPMO control progression of projects through the stage gates of the respective Framework, providing a regular point of progress review.</p>
<p>Decision Making - Major Projects</p> <p>Decision making for a number of major projects, including the previous Future Hospital project, has been identified as in need of improvement.</p>	<p>Through 2022, the CPMO have launched further tailored Project Delivery Frameworks to support decision making relevant to the type of project. The Major Projects section of the Public Finances Manual was amended during the year to expand on the requirements and principles of effective and best practice project management. The amendments included the definition of a minimum Project Governance Framework with defined roles and responsibilities for decision making. Clear project governance allows for the clarity of escalation and stage by stage decision making to ensure projects are undertaken in a controlled manner.</p>

Ongoing governance theme Identified in 2022 or a Prior Year	Actions Undertaken in 2022
<p>Governance Arrangements – Health and Social Care</p> <p>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.</p>	<p>A follow-up C&AG review published in September 2021 reported partial progress being made to implement the recommendations of an earlier report. Recommendations for creating better board level oversight were taken forward in 2022 with the recruitment of an independent Chair who will support the development and creation of a statutory board and related governance structures.</p> <p>Many of the recommendations made in the C&AG report are reflected in the recommendations of the Review of Governance Arrangements within Secondary Care (September 2022), and are being addressed jointly through the Delivery Plan of the Minister for Health & Social Services (MHSS) and a dedicated action plan. Additional expertise and capacity have been established (Turnaround Team) by the MHSS to address the C&AG and Governance Review report recommendations.</p>
<p>Arm's Length Organisations (previously Commercial Approach)</p> <p>The development of the One Gov approach identified the need for a more commercial approach to assist with improvements to value for money.</p>	<p>In 2022, a governance framework was updated, tested and shared with ALO (Arm's Length Organisation) partners. The framework is focussed on assuring the robust health of ALO partners and promotes early intervention to support partners under pressure. The framework has been well received and will be further embedded in 2023.</p> <p>The ALO Working Group has continued to share experiences and best practice within Government and, following an ALO mini-conference in November 2022 with many of our external ALO partners, the working group format is being expanded to include ALOs.</p>

Closing statement

The organisation has responded positively to the significant challenges faced and delivered a range of positive outcomes during 2022. 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 2022 have been effective, with the exception of the governance issues identified above and in individual departmental 2022 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.

Suzanne Wylie
Chief Executive
Date: 28 April 2023

Richard Bell
Treasurer of the States of Jersey
Date: 28 April 2023

Remuneration and Staff Report

Remuneration Report

Remuneration policy

Remuneration policy for all employees of the States of Jersey is determined by the States Employment Board (SEB). On behalf of 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 States Employment Board is the employer of all public employees in Jersey and is responsible for fixing these employees' terms and conditions. It is chaired by the Chief Minister, or their nominee, and brings together 2 members who are Ministers or Assistant Ministers and 2 members who are not. Members at the date of publication of this document are:

Members from 1st Jan – 27th June	Members from 19th July – 31st December
Senator John Le Fondré (Chair)*	Deputy Kristina Moore (Chair)
Connétable Richard Buchanan (Vice Chair)	Connétable Andy Jehan (Vice Chair)
Connétable Deidre Mezbourian	Deputy Elaine Millar
Deputy Susie Pinel	Deputy Barbara Ward
Deputy Graham Truscott	Deputy Sir Philip Bailhache

* The Chair of the Board remained in his role until the new Board could be constituted

The States Employment Board (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 employees:

- Civil Servants
- Nurses and Midwives
- Manual Workers
- Workforce Modernisation Group
- Teachers
- Headteachers and deputies
- Prison Officers
- Fire and Rescue
- Non-Ministerial Departments
- Individual contract holders (normally senior civil servants)

In addition, The SEB are responsible for the remuneration and terms of engagement of those who are 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
- Information Commissioner
- Children's Commissioner

SEB has policies on pay and reward to ensure fairness and consistency, which includes:

- Establish pay scales
- Job Evaluation
- Benchmarking
- Organisation design

Reward principles

Equal pay for equal work

Pay should be fair and equitable, recognising the requirements of differing roles and the value they bring to the organisation. We have and will continue to use objective job evaluation methods to validate decisions on job level.

Market sensitivity

We recognise that we compete in the market for our people and that some skills have a market value that differ from others. We will ensure that we remain competitive and pay the right rate for the job.

Total reward approach

We take into account all elements that make up the employment deal when considering our approach to pay and reward.

Flexibility

We need to ensure that our pay structures provide us with flexibility for employees and for our future needs.

Performance and recognition

We will recognise both contribution and behaviours to build a performance culture linked to outcome-driven delivery.

Affordability and sustainability

We have a responsibility to our employees and to Islanders to maintain pay policies that are affordable and sustainable.

Socially responsible

The States Employment Board is an accredited Jersey Living Wage Employer.

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 are negotiated with the trade unions; with protocol to September inflation

Annual uplift by pay group compared to inflation 2013 - 2022

Year	RPI (September of Previous Year)	Civil Servants	Nurses & Midwives	Manual Workers	Teachers	Prison	Fire	Po-lice	Headteachers
2013	2.8%	1.0%	4.0%	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%
2015	1.9%	0.0%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2016	0.1%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
2017	2.0%	2.0%	2.5%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
2018	3.1%	1.0%	3.1%	4.5%	2.0%	2.0%	2.0%	2.0%	2.0%
2019	4.3%	1.0%	3.0%	2.2%	2.0%	2.0%	2.0%	2.0%	2.0%
2020	2.7%	4.0%	6.0%	4.0%	4.8%	4.2%	4.2%	4.0%	4.0%
2021	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
2022	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%
Compounded % increase 2013 - 2022	24.1%	19.2%	31.4%	24.8%	22.5%	21.8%	21.8%	21.6%	21.6%

Notes:

1. The Teachers' pay award in 2020 is broken down as RPI (2.7%) + 1.3% + 0.8% gainshare. This gainshare amount of 0.8% is dependent on conclusion on the joint gainshare work.
2. Headteacher's also received a new payscale in 2020 which meant employees on average received a total increase of 7.0% for that year.

Council of Ministers Remuneration

As elected members of the States of Jersey, Members of the Council of Ministers are entitled to remuneration. For 2022, States Members were each entitled to remuneration of £50,000.

As members of the States Assembly, the Council of Ministers are remunerated in line with other Members at rates set by the States Assembly. (Set by Privileges and Procedures Committee)

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.

Remuneration of the current Council of Ministers in 2022

		July 2022 – 31 December 2022 Chief Minister from 5th July 2022 Other Ministers from 11th July 2022			
		£000's unless stated otherwise	Salary and Allowances	Other Remuneration	Pension-related benefits
Chief Minister	Deputy Kristina Moore	25 - 30	0 - 5	0 - 5	25 - 40
Minister for Economic Development, Tourism, Sport and Culture	Deputy Kirsten Morel	25 - 30	0 - 5	0 - 5	25 - 40
Minister for External Relations and Financial Services	Deputy Philip Ozouf	25 - 30	0 - 5	-	25 - 35
Minister for Health and Social Services	Deputy Karen Wilson	25 - 30	0 - 5	-	25 - 35
Minister for Home Affairs	Deputy Helen Miles	25 - 30	0 - 5	-	25 - 35
Minister for Housing and Communities	Deputy David Warr	25 - 30	0 - 5	-	25 - 35
Minister for Infrastructure	Deputy Tom Binet	25 - 30	0 - 5	-	25 - 35
Minister for International Development	Deputy Carolyn Labey	25 - 30	0 - 5	0 - 5	25 - 40
Minister for Social Security	Deputy Elaine Millar	25 - 30	0 - 5	0 - 5	25 - 40
Minister for the Environment	Deputy Jonathan Renouf	25 - 30	0 - 5	0 - 5	25 - 40
Minister for Treasury and Resources	Deputy Ian Gorst	25 - 30	0 - 5	-	25 - 35
Minister for Children and Education	Deputy Inna Gardiner	25 - 30	0 - 5	0 - 5	25 - 40

Remuneration of the previous Council of Ministers

£000 Unless Otherwise Stated	1 January 2022 - July 2022 Chief Minister up until 4th July 2022 Other Ministers up until 10th July 2022					1 January 2021 – 31 December 2021			
	Salary and Allowances	Other Remuneration	Pension Related Benefits*	****Loss of office and compensatory payments	Total	Salary and Allowances	Other Remuneration	Pension Related Benefits*	Total
Chief Minister Senator John Le Fondré	20-25	0-5	0-5	15 - 20	35 - 55	45 – 50	0 – 5	0 – 5	50 - 55
Minister for Economic Development, Tourism, Sport and Culture Senator Lyndon Farnham	20-25	0-5	0-5	-	20 - 35	45 – 50	0 – 5	0 – 5	50 - 55
Minister for External Relations and Financial Services Senator Ian Gorst (start date 03/02/2021)	20-25	0-5	-	-	20 - 30	45 – 50	0 – 5	-	45 - 50
Minister for Treasury and Resources Deputy Susie Pinel	20-25	0-5	-	-	20 - 30	45 – 50	0 – 5	-	45 - 50
Minister for Children and Housing (End Date 09/02/2021) Deputy Jeremy Maçon	20-25	0-5	0-5	10 - 15	30-45	0 – 5	0 – 5	0 - 5	0 - 5
Minister for Housing and Communities (Start Date 09/02/2021) Deputy Russell Labey (Until 02/03/21)						40 – 45	0 – 5	0 - 5	45 - 50
Minister for Health and Social Services Deputy Richard Renouf	20-25	0-5	0-5	-	20 - 35	45 – 50	0 – 5	0 – 5	50 - 55
Minister for Social Security Deputy Judy Martin	20-25	0-5	-	20 - 25	40 - 55	45 – 50	0 – 5	-	45 - 50
Minister for the Environment Deputy John Young	20-25	0-5	-	-	20 - 30	45 – 50	0 – 5	0 – 5	50 - 55
Minister for Infrastructure Deputy Kevin Lewis	20-25	0-5	0-5	-	20 - 35	45 – 50	0 – 5	0 – 5	50 - 55
Minister for Home Affairs Connétable Len Norman (Deceased on 01/06/2021)						20 – 25	0 – 5	0 – 5	20 - 25
Minister for Home Affairs Deputy Gregory Guida (Start Date 29/06/2021)	20-25	0-5	-	0-5	20 - 35	20 – 25	0 – 5	-	20 - 25
Minister for Education (Resigned on 19/01/2021) Senator Tracey Vallois	20-25	0-5	-	-	20 - 30	0 – 5	0 – 5	-	0 - 5
Minister for Children and Education Deputy Jeremy Maçon (Start Date 09/02/2021, Resigned 08/06/2021)						15 – 20	0 – 5	0 - 5	15 - 20
Minister for Children and Education Deputy Scott Wickenden (Start Date 29/06/2021)	20-25	0-5	-	-	20 - 30	20 – 25	0 – 5	-	20 - 25
Minister for International Development Deputy Carolyn Labey	20-25	0-5	0-5	-	20 - 35	45 – 50	0 – 5	0 - 5	50 - 55

**** COM loss of office - compensation is paid in accordance with a recommendation of the former States Members' Remuneration Review Body and is limited to Members who stand for, but who fail to secure, re-election. Such Members are entitled to one month's basic remuneration per four years' continuous service (subject to a minimum of two years' service and pro-rated as necessary)

Senior officer remuneration (Accountable Officers)

Executive Leadership Team

The States of Jersey Executive Leadership Team are those responsible for the leadership across the Government and Non-Ministerial Departments. Table 4 below provides the actual payments to the Executive Leadership Team (including informal attendees with standing invitation) who were employed in 2022.

Remuneration of the Executive Leadership Team

£000 Unless Otherwise Stated	1 January 2022 – 31 December 2022					1 January 2021 – 31 December 2021				
Role	Salary and Allowances	Other Remuneration and benefits	Pension Related Benefits**	****Loss of office and compensatory payments	Total	Salary and Allowances*	Other Remuneration and benefits	Pension Related Benefits**	****Loss of office and compensatory payments	Total
Chief Executive Officer and Head of Public Service										
Charlie Parker (End date 31/03/21)						65-70	-	5-10.	500-505	570-585
Paul Martin (start date 01/03/21 - end date 31/01/22)	40-45	0-5	-	-	40-50	205-210	5-10.	-	-	210-220
Suzanne Wylie (Start Date 01/02/22)	220-230	-	35-40	-	255-270					
Chief Operating Officer										
John Quinn	175-180	5-10.	25-30	-	205-220	175-180	5-10.	25-30	-	205-220
Chief Officer for Strategic Policy, Planning and Performance										
Tom Walker	150-155	-	20-25	-	170-180	150-155	-	20-25	-	170-180
Chief Officer for Treasury and Exchequer (Treasurer of the States)										
Richard Bell	175-180	-	25-30	-	200-210	175-180	-	25-30	-	200-210
Chief Officer for Health and Community Services										
Caroline Landon	185 – 190	-	25-30	-	210-220	185 – 190	-	25-30	-	210-220
Chief Officer for Justice and Home Affairs										
Julian Blazeby (end date 31/10/21)						140 – 145	-	20-25	-	160-170
Kate Briden (Acting CO from 15/10/21) (Permanent CO from 01/06/22)	145-150	-	15-20	-	160-170	30 – 35	-	-	-	30 – 35
Chief Officer for Customer and Local Services										
Ian Burns	150-155	-	20-25	-	170-180	150-155	-	20-25	-	170-180
Chief Officer for Infrastructure, Housing and Environment										
Andy Scate	165-170	-	25-30	-	190-200	160-165	-	20-25	-	180-190

Role	1 January 2022 – 31 December 2022					1 January 2021 – 31 December 2021				
	Salary and Allowances	Other Remuneration and benefits	Pension Related Benefits**	****Loss of office and compensatory payments	Total	Salary and Allowances*	Other Remuneration and benefits	Pension Related Benefits**	****Loss of office and compensatory payments	Total
Chief Officer for Children, Young People, Education and Skills										
Mark Rogers (End date 31/12/2021)						185-190	-	-	-	185-190
Rob Sainsbury (Act-up since 01/01/2022) Permanent CO from 16/11/22	150-155	5-10.	15-20	-	170-185					
Chief Officer for the Economy										
Richard Corrigan	150-155	55-60	30-35	-	235-250	160-165	40-45	30-35	-	230-245
Chief Officer for External Relations										
Kate Nutt 1/09/22 employed via Channel Islands Governmental Services Company (London) Limited	145-150	0-5	20-25	-	165-180	135-140	5-10	20-25	-	160-175
Director of Communications										
Dirk Danino-Forsyth	125-130	-	15-20	-	140-150	120-125		15-20	-	135-145
Chief of Staff										
Catherine Madden	150-155	-	20-25	-	170-180	145-150	-	20-25	-	165-175
Greffier of the States										
Mark Egan (End Date 31/05/22)	100-105	-	-	-	100-105	145-150	-	20-25	-	165-175
Lisa Hart (Start Date 01/05/22)	90-95	-	15-20	-	105-115					
Practice Director (Law Officers' Department)										
Alec Le Sueur	115-120	-	15-20	-	130-140	110-115	-	15-20	-	125-135

*The figure includes annual increases for 2020 and 2021 which were back paid in 2021

**The figure represents the employer pension contributions

***Loss of office previously reported under the category of other remuneration

Other Remuneration includes back pay, sickness benefit and other pensionable and non-pensionable pay adjustments and compensatory amounts

Fair pay disclosure

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.

	2022	2021
Pay ratio between the highest paid employee and the lowest paid employee	18:1	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	5:1	6:1
Pay ratio between the highest paid employee and the 75th percentile pay of all employees	4:1	4:1
Upper quartile Remuneration	£62,142	£60,588
Median remuneration	£48,271	£45,139
Lower quartile remuneration	£35,608	£33,726
Gender Pay Gap Median Hourly Pay	15.01%	12.25%
Gender Pay Gap Mean Hourly Pay	14.07%	14.33%

*Gender Pay June 2021/2022 figures

Results differ from the previous year due to improved methodology. 2021 and 2022 figures in the table are on a consistent basis, however the 2021 figure is different from what was published in the ARA 2021 because of the improvement in methodology.

Previously the methodology was to use annual salary from contract. The new 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. The minimum salary included for Pay Ratios is inclusive of apprentices. New Apprentice pay scales have since been created to ensure apprentices are paid the living wage. Further information on the government gender pay gap will be provided in the upcoming gender pay gap report.

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 IWILL network, alongside a mentoring programme. Additionally, we have many employee-led networks which includes Diversity and Inclusion and the Menopause Café.

The Government has adopted a new diversity, equality and inclusion strategy to improve our offer to our community. This includes employee-led networks for neurodiversity, ethnicity and cultural heritage, disability, menopause, LGBTQ+ and other groups. This is with the ambition of becoming a more inclusive employer through every stage of the employment relationship. This includes the accessibility of adverts and job opportunities, the selection processes, support and adjustment in work and development opportunities.

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 Pension (PEPS or the Career Average Scheme), (these two schemes come under the umbrella of the Public Employees Pensions Fund (PEPF)) and the Jersey Teachers' Superannuation Fund (JTSF). Employees of the Government 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 teachers, and have around 18,400 scheme members, of whom over 7,700 are employed and accumulating benefits.

Around 7,400 employees were accumulating pensions in the Career Average Scheme at the end of 2022. 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. Non-uniformed 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 around 270 employees who continue to accumulate pensions in the Final Salary Scheme of the PEPF. These employees will reach their normal retirement age within three years. No new entrants can be admitted into the Final Salary Scheme.

The JTSF has around 3,000 scheme members, of whom over 1,200 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.

Pension Benefits Disclosure Table

Directors (ELT Member)	Annual Pension at retirement at 31/12/22	Annual Pension at retirement at 31/12/21	CETV at 31/12/22	CETV at 31/12/21	*Difference between 2021 and 2022 total CETVs
	£000	£000	£000	£000	£000
Mr R Bell	50-55	45-50	882	974	(92)
Mrs K Briden	5-10	5-10	89	57	32
Mr I Burns	25-30	20-25	352	359	(6)
Mr R Corrigan	15-20	10-15	223	176	47
Mr D Danino-Forsyth	5-10	0-5	48	29	18
Mrs L Hart	45-50	35-40	764	703	61
Mrs K Nutt	10-15	10-15	147	125	22
Mrs C Landon	10-15	5-10	139	97	42
Mr A Le Sueur	35-40	30-35	702	721	(19)
Ms C Madden	90-95	85-90	1,603	1,587	16
Mrs S Wylie	0-5	n/a	49	n/a	n/a
Mr J Quinn	10-15	5-10	184	134	50
Mr R Sainsbury	10-15	5-10	140	99	45
Mr A Scate	70-75	60-65	967	1,038	(71)
Mr T Walker	45-50	35-40	681	648	33

* 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 2022 the changes to the market adjustment factors have also reduced the CETV value in some cases.

Compensation on early retirement or loss of Office (Accountable Officers only)

Reason	2022		2021	
	Number	Amount	Number	Amount
Compensation for loss of office (compromise agreement) At the time of agreement.	0	0	0	0

Note: This table represents when payments were accounted for within the financial statements. The senior officer remuneration table is based on when payments were made.

Exit Packages (All States of Jersey Employees)

There was a total of 27 individuals who received £737,487 in severance and ex-gratia payments between them in 2022. In 2021, 22 individuals received £851,871 in severance and ex-gratia payments between them. This includes employees in the compensation figures. These payments were for compulsory and voluntary redundancy and loss of office. The other reasons include conciliation payments, notice and contractual annual leave payments.

This includes all other exit packages that have not been disclosed elsewhere in this report.

Reason	2022		2021	
	Number	Amount	Number	Amount
Compulsory or voluntary redundancy	12	£453,321	3	£352,100
Loss of office	2	£63,140	5	£304,856
Other reasons	13	£221,025	14	£194,915
Total	27	£737,487	22	£851,871

There was a total of 11 States Members in receipt of Loss of Office Compensation in 2022 at a total value of £97,569. Compensation is paid in accordance with a recommendation of the former States Members' Remuneration Review Body and is limited to Members who stand for, but who fail to secure, re-election. Such Members are entitled to one month's basic remuneration per four years' continuous service (subject to a minimum of two years' service and pro-rated as necessary)

Voluntary Release Scheme

There was no Voluntary Release Scheme available during 2022. Three of the redundancy payments above were voluntary and approved in 2021 with a leave date and payment in 2022.

Employee Report

The table below shows the number of directors and senior civil service staff, defined as civil service grade 15 and above, split out from the total year-end headcount.

The figures presented are for December headcount for departments and trading operations.

	2022				2021			
	Government of Jersey Core		Subsidiaries		Government of Jersey Core		Subsidiaries	
	Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE
Directors (ELT)	15	15	12	12	15	15	13	13
Senior staff	100	100	16	15.5	109	109	16	15.5
Other staff	7,789	7,032	422	420.5	7,446	6,750	338	336.5
Total Employees	7,904	7,147	450	448	7,570	6,874	367	365

Gender Pay Gap

States of Jersey Gender Pay Gap Report (2022) provides further data relating to:

- Difference in mean and median hourly rate of men and women in tier 1 and tier 2 senior leadership roles and for the remaining organisation by department
- Number and percentage of workforce who are male or female
- Number and percentage of workforce who are male or female at each salary band
- Gender comparison by Departments and Pay Groups
- Gender comparison for the whole workforce split into four quartiles, where quartile 1 is the percentage workforce on the lowest 25% hourly rate – quartile 4 is the percentage workforce on the highest 25% hourly rate

Headcount by Department as at end of year

The number of employees as at 31st December in each of the years by employee and full-time equivalent roles.

Department	2022		2021	
	Number of Employees	Full-time Equivalent	Number of Employees	Full-time Equivalent
Chief Operating Office	329	323	267	261
Children, Young People, Education and Skills	2,503	2,048	2,340	1,946
Customer and Local Services	349	325	323	303
Department for the Economy*	46	45	-	-
Department of External Relations*	15	15	-	-
Health and Community Services	2,439	2,266	2,475	2,294
Infrastructure, Housing and Environment	629	607	592	573
Justice and Home Affairs	728	689	756	731
Non-executives and legislature	213	199	217	201
Office of the Chief Executive	71	68	114	110
States Assembly (States Greffe)	46	44	49	47
Strategic Policy, Planning and Performance**	190	180	113	97
Treasury & Exchequer	346	338	324	311
Subsidiaries	450	448	367	365
Total	8,354	7,595	7,937	7,239

*Department of External Relations and Department for the Economy were formally established in 2022. They were previously included within the Office of the Chief Executive. ** Department for Strategic Policy, Planning and Performance now includes Covid staff in 2022 comprising circa 70 employees (previously included in figures for HCS and JHA) and 8 employees of the Official Analyst.

Employee numbers

The average number of full-time equivalent persons employed is set out in the following table.

	2022				2021			
	Government of Jersey Core		Subsidiaries		Government of Jersey Core		Subsidiaries	
	Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE
Fixed Term Employees	657	579	42	41	774	629	15	15
Permanent Employees	7,247	6,568	408	407	6,758	6,170	352	350
Total Employees	7,904	7,147	450	448	7,473	6,799	367	365

The average Headcount and FTE by Department

Department	Average Headcount and FTE			
	2022		2021	
	Number of Employees	Full-time Equivalent	Number of Employees	Full-time Equivalent
Chief Operating Office	307	301	258	252
Children, Young People, Education and Skills	2,426	1,970	2,355	1,903
Customer and Local Services	334	313	314	295
Department for the Economy*	39	37	33	-
Department of External Relations*	13	13	-	-
Health and Community Services	2,416	2,238	2,471	2,288
Infrastructure, Housing and Environment	608	588	583	563
Justice and Home Affairs	728	688	797	772
Non-executives and legislature	214	199	216	199
Office of the Chief Executive	70	67	108	137
States Assembly (States Greffe)	46	44	48	45
Strategic Policy, Planning and Performance**	181	166	96	90
Treasury & Exchequer	341	332	297	286
Total	7,723	6,955	7,473	6,830
Subsidiaries	450	448	367	365
Total	8,173	7,403	7,838	7,195

*Department of External Relations and Department for the Economy were formally established in 2022. They were previously included within the Office of the Chief Executive. ** Department for Strategic Policy, Planning and Performance now includes Covid staff in 2022 comprising circa 70 employees (previously included in figures for HCS and JHA) and 8 employees of the Official Analyst.

The average headcount is calculated by the number of employees on the last working day of each month throughout 2022.

Segmental analysis of employees

The tables below give details of the numbers of employees whose total remuneration exceeds £100,000, split by department and then by pay group. Remuneration includes salaries and wages, benefits and pension contributions paid by the States.

Segmental analysis of total remuneration of £100,000 and above by department

Number of Employees with total remuneration over £100,000 per year (excluding social security contributions)

Department	£100,000 - £149,999		£150,000 and over	
	2022	2021	2022	2021
Chief Operating Office	24	13	3	4
Children, Young People, Education and Skills	61	44	4	3
Customer and Local Services	6	3	1	1
Department for the Economy	13	N/A	3	N/A
Department of External Relations	3	N/A	N/A	N/A
Health and Community Services	62	65	98	80
Infrastructure, Housing and Environment	29	18	2	2
Justice and Home Affairs	31	20	2	2
Non-Ministerial (including States Assembly)	32	32	20	14
Office of the Chief Executive	6	16	2	5
Strategic Policy, Planning and Performance	14	11	5	4
Treasury and Exchequer	30	18	7	4
Total	311	240	147	119

Note: Increase in number of employees with total remuneration of £100,000 and £150,000 and over, due to annual salary increase and inflation increase.

Subsidiaries remuneration	2022	2021
£100,000 - £119,999	23	24
£120,000 - £139,999	26	24
£140,000 - £159,999	8	3
£160,000 - £179,999	1	0
£180,000 - £199,999	4	3
£200,000 - £219,999	2	2
£220,000 - £239,999	4	1
£240,000 - £259,999	0	1
£260,000 - £279,999	0	0
£280,000 - £299,999	1	0
£300,000 - £319,999	0	0
£320,000 - £339,999	0	1
£340,000 - £359,999	1	0
Total	70	59

By Pay group

Remuneration and Pay

Number of Employees with total remuneration over £100,000 per year (excluding employer social security contributions)

	£100,000 - £149,999		£150,000 and over	
	2022	2021	2022	2021
Civil Servants	166	94	3	5
Doctors	27	44	95	74
Fire and Rescue Services	2	1	0	0
Headteachers and Deputies	37	33	0	0
Individual Contract Holders	23	25	27	26
Manual Workers	0	1	0	0
Law Officers	25	23	12	5
Nurses and Midwives	11	3	0	0
Office Holders	1	0	9	8
Prison Officers	2	1	0	0
States of Jersey Police	15	10	1	1
Workforce Modernisation Group	2	1	0	0
Total	311	236	147	119

Pay by Band (excluding social security)

	£0 – £19,999	£20,000 – £39,999	£40,000 – £59,000	£60,000 – £79,000	£80,000 – £99,999	£100,000+	Total
Civil Servants	1,334	1,406	1,242	750	332	169	5,233
Doctors	52	39	34	20	14	122	281
Fire and Rescue Services	31	6	14	38	6	2	97
Headteachers and deputies	1	3	1	4	37	37	83
Individual Contract Holders ²	0	0	2	0	2	50	54
Law Officers	0	0	0	0	0	37	37
Manual workers	231	340	328	59	5	0	963
Non-Ministerial Departments	2	2	2	1	0	0	7
Nurses and Midwives	427	243	342	371	117	11	1,511
Office Holders ¹	0	0	1		2	10	13
Prison Officers	11	5	45	42	19	2	124
States of Jersey Police	9	16	39	96	48	16	224
Teachers	194	161	238	483	115	0	1,191
Workforce Modernisation Group	102	29	73	67	10	2	283
Total	2,394	2,250	2,361	1,931	707	458	10,101

Note: The figures include zero hours employees.

Notes:

- These are roles as defined by the Employment of States of Jersey Employees (Jersey) Law 2005 Schedule 1
- These are senior civil servants and directors within the Government of Jersey, Non-Ministerial Departments

Employees 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.

2022 Year End FTE	Department	Salaries and Wages	Pension	Social Security	Total
		£000	£000	£000	£000
323	Chief Operating Office	17,209	2,651	1,055	20,914
2,048	Children, Young People, Education	108,894	13,939	6,641	129,474
325	Customer and Local Services	13,282	2,112	883	16,277
45	Department For the Economy	3,481	526	170	4,177
15	Department of External Relations	1,074	134	41	1,248
2,266	Health and Community Services	144,008	17,694	7,727	169,429
567	Infrastructure, Housing and Environment*	26,329	4,317	1,757	32,403
689	Justice and Home Affairs	40,041	5,897	2,412	48,349
199	Non-Ministerial	14,261	2,504	783	17,547
68	Office of the Chief Executive	3,969	615	229	4,812
44	States Assembly	5,719	460	163	6,342
180	Strategic Policy, Planning and Performance	14,196	1,451	838	16,485
338	Treasury & Exchequer	18,225	2,819	1,103	22,148
7,107	Department Total	410,688	55,119	23,802	489,605
19	Jersey Car Parks*	700	118	48	866
21	Jersey Fleet Management*	895	142	61	1,098
40	Trading Operations Total	1,595	260	109	1,964
448	Subsidiaries	24,299	3,038	1,410	28,747
7,595	Grand Total	436,580	58,417	25,319	520,316

Note: Jersey Car Parks and Jersey Fleet Management sit under the Department for Infrastructure, Housing and Environment in previous headcount tables in this report. In this section they are split out to show costs separately.

2021 Year End FTE	Department	Salaries and Wages	Pension	Social Security	Total
		£000	£000	£000	£000
261.3	Chief Operating Office	14,201	1,978	774	16,953
1,945.6	Children, Young People, Education and Skills	99,571	14,953	6,130	120,654
303.2	Customer and Local Services	13,117	1,973	813	15,903
532.9	Infrastructure, Housing and Environment	23,290	3,950	1,604	28,844
2,294.0	Health and Community Services	133,280	17,164	7,421	157,865
731.3	Justice and Home Affairs	38,255	5,789	2,340	46,384
200.8	Non-Ministerial	13,158	2,366	740	16,264
77.7	Office of the Chief Executive	7,619	1,113	388	9,120
46.7	States Assembly (States Greffe) (Excl. States Members)	5,469	440	161	6,070
96.6	Strategic Policy, Planning and Performance	16,295	1,281	858	18,434
311.2	Treasury and Exchequer	15,958	2,460	950	19,368
6,833.0	Department Total	380,213	53,467	22,179	455,859
19	Jersey Car Parks	651	111	44	806
21.5	Jersey Fleet Management	853	132	58	1,043
40.5	Trading Operations Total	1,504	243	102	1,849
311.8	Subsidiaries	21,047	2,745	1,245	25,037
7,185.3	Total	402,764	56,455	23,526	482,745

By Pay Group

Pay Group	2022	2021
	£000	£000
Director's General, Judicial Greffe, Crown Appointments, Legislative Drafters and Other Personal Contract Holders	9,364	10,211
Civil Servants	185,306	168,313
Doctors and Consultants	24,188	23,271
Energy Recovery Facility	1,748	1,608
Heads and Deputy Heads, Highlands Managers	6,850	6,557
Law Officers	4,650	3,564
Manual Workers	26,570	25,819
Nurses and Midwives	56,526	55,447
Other Health Pay Groups	5,282	4,846
Teachers and Lecturers	55,035	51,346
Uniformed Services	26,815	25,291
Youth Service	1,807	1,671
Subsidiaries	25,709	22,162
Other Accounting Adjustments	6,730	1766
Amount Shown in Other Employee Costs (see note 4.7)	(1,355)	895
Total Salaries and Wages	436,580	402,764
Pension	58,417	56,455
Social Security	25,319	23,526
Total	520,316	482,745

By Payment Type

Payment Type	2022	2021
	£000	£000
Ad Hoc Payments / Supplements	2,833	2,058
Basic Pay	405,600	372,661
Benefits	713	491
Business Expenses	51	50
Other Time Payments	505	317
Overtime	12,460	8,387
Purchased Annual Leave	(334)	-
Relocation Expenses	357	242
Shift Allowances	12,002	12,242
Sickness Offsets From Social Security	(1,811)	(2,070)
Skill Related Payments	2,732	2,770
Standby Payments	2,409	2,311
Other Accounting Adjustments	(937)	3,304
Amount Shown in Other Employee Costs (see note 4.7)	(1,355)	894
Total Salaries and Wages	436,580	402,764
Pension	58,417	56,455
Social Security	25,319	23,526
Total	520,316	482,745

Employee sickness absence

Absence Type	Hours				Days			
	2022	2021	2020	2019	2022	2021	2020	2019
Sickness	500,136	426,531	265,227	313,986	67,586	57,639	35,841	42,430
CoronaVirus	-	36,823	167,880	-	-	4,976	-	-
Total	500,136	463,353	433,107	313,986	67,586	62,615	58,528	42,430
% Working Time Lost	4%	4%	3%	3%	4%	4%	4%	3%

Note: This table excludes subsidiary companies' sickness.

During 2020 and 2021, COVID-19 absences were not counted with general sickness figures. This policy was closed down in 2022 and COVID-19 absences are now counted alongside all other sickness absences. The largest cause of sickness absences in 2022 was COVID-19 related.

Expenditure on Consultancy and Temporary Employees

Consultants are hired to work on projects in a number of specific situations:

- where the Government does not have the skills set required
- where the particular requirement falls outside the core business of public servants
- where an external, independent perspective is required.
- When used appropriately, consultancy can be a cost-effective and efficient way of getting the temporary and skilled external input that the government needs.

Engagement of consultants is governed by the Public Finances Manual.

Expenditure accounted for as consultancy and temporary employees was £2.6 million and £14.4 million in 2022 compared to £1.3 million and £15.2 million respectively in 2021. This analysis is based on the accounting definitions of spend on consultancy and temporary staff, which is not the same as spend with consultancy companies that can provide employees to operate within the organisation on a hired services basis.

A more detailed analysis of spend on consultants is published at six monthly intervals in response to Proposition 59/2019.

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 2022 -2025.

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.

Statement of Revenue Outturn against Approvals

2021		2022 Government Plan	2022 Final Approved Budget*	2022 Actual	Difference from Approval
£'000		£'000	£'000	£'000	£'000
998,068	States Net General Revenue Income	930,875	930,875	1,028,317	97,442
(887,914)	Departmental Net Revenue Expenditure - Near Cash	(858,499)	(922,898)	(873,361)	49,537
110,154	Operating Surplus/(Deficit)	72,376	7,977	154,956	146,979
(42,418)	Departmental Depreciation/Amortisation	(57,724)	(57,724)	(51,412)	6,312
67,736	(Deficit)/Surplus of General Revenue Expenditure over Income	14,652	(49,747)	103,544	153,291
(11,860)	Revenue Expenditure on Projects			(19,636)	
(2,089)	Revenue Expenditure on Projects Reclassified in Year			(7,138)	
-	Our Hospital AUCC Impairment			(8,376)	
-	Departmental Net Revenue Income/(Expenditure) - Other Non Cash			(3,423)	
2,303	Trading Operations Net Revenue Income/(Expenditure)			3,553	
85,506	Net Revenue Income/(Expenditure) of Special Funds			(90,191)	
168,450	Net Revenue Income/(Expenditure) of Social Security Funds			(222,461)	
540	Net Revenue Income/(Expenditure) of SOJDC			(2,748)	
(31,056)	Net Revenue (Expenditure) of Andium Homes			(7,838)	
(21,596)	Net Revenue Income/(Expenditure) of Ports of Jersey			(17,372)	
(17,258)	Other Income/(Expenditure) ¹			6,490	
(1,795)	Consolidation Adjustments ²			(2,509)	
238,881	Net Revenue Income/(Expenditure) as Reported in the SoCNE	14,652	(49,747)	(268,105)	153,291

Reconciliation of Approvals on page 199 provides a summary of the approved changes to the budgets approved by the States Assembly in the Government Plan to the Final Approved Budget.

1. This includes other Consolidated fund items, including movements in Pension Liabilities, charges relating to Finance Leases and movements in hedging arrangements.

2. Accounting Standards require that all transactions and balances between entities within the States of Jersey group are eliminated in the consolidated accounts.

* e) Reconciliation of Approvals on page 199 provides a summary of the approved changes to the budgets approved by the States Assembly in the Government Plan to the Final Approved Budget.

Reconciliation of movement in Unallocated Consolidated Fund Balance

	2022 £'000	2021 restated £'000
Opening balance	122,298	336,050
Carry forwards from previous year	106,153	155,593
Net General Revenue Income	1,028,317	998,068
Net Departmental expenditure - near cash		
Revenue	(873,362)	(887,914)
Capital	(3,638)	(4,328)
Project spend		
Capital	(96,698)	(122,477)
Revenue	(35,148)	(13,949)
Other near-cash spend		
Expenditure	216	(3,155)
Asset disposal proceeds	-	86
Capital repayment to currency fund	(709)	(684)
Transfers from		
Strategic reserve fund		
Hospital Financing costs	499	2,000
Capital repayment	11,320	-
Hospital Project costs	2,712	21,000
Health insurance fund	-	6,332
Civil asset recovery fund	-	4,200
Criminal Offences Confiscation Fund	2,985	4,196
Jersey innovation fund	3,000	-
Loans funds	5,700	-
Fiscal stimulus fund	(19,359)	-
Transfers to		
Climate emergency fund	(3,913)	-
Strategic reserve fund		
Proceeds (RCF)	10,000	(21,000)
Proceeds (Bond)	(24,000)	-
Technology accelerator fund	(20,000)	-
Insurance fund	(1,244)	-
Borrowing		
Movements in RCF	(74,806)	85,806
Bond issuance	487,562	-
Past service liability repayment	(472,731)	-
Realisation of PYB 2019 tax debtor	19,289	-
Consolidated Fund movement	52,145	223,774
Closing balance before carry forwards	174,443	559,824
Carry forward to subsequent year from:	(74,799)	(106,153)
Closing balance	99,644	453,671
Less: PYB Tax Debtor >1yr	-	(331,373)
Adjusted Closing Balance	99,644	122,298

Note: 2021 has been restated to recognise the Rolling Credit Facility proceeds and associated transfer to the Strategic Reserve during the year.

Notes to the Statement of Outturn Against Approvals - Revenue Expenditure

a) Net General Revenue Income against Estimate

2021 Actuals		2022 Budget	2022		Actual	Difference from Budget
			Income	Expenditure		
£'000		£'000	£'000	£'000	£'000	£'000
Income Tax						
557,798	Personal Income Tax	557,100	599,427	-	599,427	42,327
85,476	Companies	99,000	121,544	-	121,544	22,544
(1,444)	Provision for Bad Debts	(6,000)	-	(1,306)	(1,306)	4,694
641,830	Net Income Tax	650,100	720,971	(1,306)	719,665	69,565
106,373	Goods and Services Tax (GST)	103,600	117,976	(277)	117,699	14,099
Impôts Duties						
9,312	Spirits	7,321	7,269	-	7,269	(52)
9,640	Wines	9,231	8,863	-	8,863	(368)
881	Cider	889	993	-	993	104
6,041	Beer	6,261	6,548	-	6,548	287
25,669	Tobacco	16,135	13,862	-	13,862	(2,273)
25,131	Fuel	28,328	25,880	-	25,880	(2,448)
1,145	Goods (Customs)	800	895	-	895	95
2,511	Vehicle Emissions Duty	3,130	2,416	-	2,416	(714)
37	Impôts Other	-	-	(42)	(42)	(42)
80,367	Impôts Duties	72,095	66,726	(42)	66,684	(5,411)
Stamp Duty						
54,666	Stamp Duty	36,168	46,715	-	46,715	10,547
3,004	Probate	2,500	3,160	-	3,160	660
3,322	Land Transactions Tax	3,069	4,429	-	4,429	1,360
60,992	Stamp Duty	41,737	54,304	-	54,304	12,567
Fines and Other Income						
48,667	Dividends	11,082	12,389	-	12,389	1,307
15,942	Non Dividends	9,107	15,379	(994)	14,385	5,278
30,143	Returns from Housing Associations	28,976	28,613	-	28,613	(363)
94,752	Fines and Other Income	49,165	56,381	(994)	55,387	6,222
13,754	Island Rate	14,178	14,578	-	14,578	400
998,068	Net General Revenue Income	930,875	1,030,939	(2,619)	1,028,317	97,442

Notes to the Statement of Outturn Against Approvals - Revenue Expenditure

b) Ministerial and Non-Ministerial Departments Net Revenue Expenditure (Near Cash) against Approval

2021 Actuals	Government Plan 2022			Final Approved Budget*			2022 Outturn			Difference from Final Approved Budget	
	Income	Expenditure	Net Government Plan Budget	Income	Expenditure	Net Final Approved Budget	Income	Expenditure	Net Outturn		
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Ministerial Departments											
33,031	Chief Operating Office	(1,475)	39,369	37,894	(1,436)	40,102	38,666	(1,698)	40,358	38,660	(6)
157,390	Children, Young People, Education and Skills	(20,536)	188,014	167,478	(23,114)	199,512	176,398	(22,708)	198,572	175,864	(534)
91,784	Customer and Local Services	(10,233)	104,800	94,567	(11,265)	106,428	95,163	(11,464)	103,738	92,274	(2,889)
46,085	Infrastructure, Housing and Environment	(28,734)	77,392	48,658	(34,491)	83,876	49,385	(34,667)	83,493	48,826	(559)
228,915	Health and Community Services	(25,526)	251,816	226,290	(22,951)	272,675	249,724	(25,778)	272,423	246,645	(3,079)
12,116	Jersey Overseas Aid	-	13,375	13,375	-	14,633	14,633	(5)	14,607	14,602	(31)
30,253	Justice and Home Affairs	(3,187)	33,933	30,746	(4,343)	36,314	31,971	(4,500)	36,362	31,862	(109)
25,721	States of Jersey Police Service	(234)	25,439	25,205	(581)	27,013	26,432	(630)	27,062	26,432	-
7,724	Office of the Chief Executive	-	5,569	5,569	(705)	7,450	6,745	(820)	6,452	5,632	(1,113)
	Ministry of External Relations	(145)	3,063	2,918	(265)	3,349	3,084	(277)	3,362	3,084	-
32,604	Department for the Economy	(54)	36,732	36,678	(3,216)	40,114	36,898	(3,199)	39,795	36,597	(301)
9,387	Strategic Policy, Planning and Performance	(588)	11,676	11,088	(1,714)	13,879	12,165	(1,555)	13,305	11,750	(415)
75,270	Treasury & Exchequer	(2,912)	71,510	68,598	(3,395)	77,902	74,507	(3,509)	78,016	74,507	-
108,928	Covid-19 Response	-	33,588	33,588	-	55,840	55,840	(88)	43,122	43,034	(12,806)
Non-Ministerial States Funded Bodies and the States Assembly											
2,002	Bailiff's Chambers	(68)	2,195	2,127	(68)	2,721	2,653	(18)	2,671	2,653	-
883	Comptroller and Auditor General	(78)	1,035	957	(78)	1,051	973	(82)	1,055	973	-
6,367	Judicial Greffe	(1,468)	10,423	8,955	(1,468)	10,553	9,085	(2,122)	9,161	7,039	(2,046)
8,384	Law Officers Department	(288)	9,303	9,015	(288)	10,472	10,184	(507)	10,598	10,091	(93)
777	Office of the Lieutenant Governor	(107)	965	858	(107)	992	885	(157)	1,025	868	(17)
542	Offical Analyst	(53)	663	610	(53)	678	625	(50)	675	625	-
2,276	Probation	(88)	2,516	2,428	(88)	2,592	2,504	(98)	2,428	2,330	(174)
7,145	States Assembly	(79)	8,232	8,153	(79)	8,366	8,287	(212)	7,691	7,479	(808)
230	Viscounts Department	(806)	2,550	1,744	(806)	2,615	1,809	(1,307)	2,307	1,000	(809)
Other Heads of Expenditure											
	Finance Costs	-	21,000	21,000	(565)	21,565	21,000	(565)	499	(66)	(21,066)
100	Debt Management	-	-	-	-	1,900	1,900	-	1	1	(1,899)
	Past Service Pension Liabilities Refinancing	-	-	-	(18,725)	10,107	(8,618)	(18,725)	9,324	(9,401)	(783)
887,914	Net Revenue Expenditure - Near Cash	(96,659)	955,158	858,499	(129,801)	1,052,700	922,898	(134,741)	1,008,102	873,361	(49,537)
Capital Spend in Ministerial Departments											
32	Children, Young People, Education and Skills	-	-	-	-	342	342	-	342	342	-
784	Infrastructure, Housing and Environment	-	-	-	-	2,145	2,145	-	2,178	2,178	33
-	Health and Community Services	-	-	-	-	369	369	-	369	369	-
3,512	Department for the Economy	-	-	-	-	84	84	-	84	84	-
-	Covid-19 Response	-	-	-	-	665	665	-	665	665	-
4,328	Total Capital on Departments	-	-	-	-	3,605	3,605	-	3,638	3,638	33
892,242	Net Revenue Expenditure - Near Cash, including Capital	(96,659)	955,158	858,499	(129,801)	1,056,305	926,503	(134,741)	1,011,740	876,999	(49,504)

Notes to the Statement of Outturn Against Approvals - Revenue Expenditure

The refinancing of past-service pension liabilities of £472.7 million was funded through the issue of a bond, with the net income (from hedging arrangements) on Past Service Pension Liabilities Refinancing head of expenditure contributing to this repayment.

c) Ministerial and Non-Ministerial Departments Net Revenue Expenditure (Non Cash) against Approval

2021 Actuals	Government Plan 2022			Final Approved Budget			2022 Outturn			Difference from Final Approved Budget
	Income	Expenditure	Net Government Plan Budget	Income	Expenditure	Net Final Approved Budget	Income	Expenditure	Net Outturn	
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Ministerial Departments										
30	-	3,502	3,502	-	3,502	3,502	-	363	363	(3,139)
139	-	204	204	-	204	204	-	126	126	(78)
11	-	18	18	-	18	18	-	13	13	(5)
37,240	-	46,910	46,910	-	46,910	46,910	-	49,569	49,569	2,659
2,932	-	3,530	3,530	-	3,530	3,530	-	2,647	2,647	(883)
-	-	-	-	-	-	-	-	-	-	-
361	-	1,534	1,534	-	1,534	1,534	-	586	586	(948)
525	-	650	650	-	650	650	-	474	474	(176)
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
37	-	37	37	-	37	37	-	37	37	-
978	-	1,218	1,218	-	1,218	1,218	-	903	903	(315)
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
Non-Ministerial States Funded Bodies and the States Assembly										
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
50	-	50	50	-	50	50	-	51	51	1
66	-	22	22	-	22	22	-	17	17	(5)
-	-	-	-	-	-	-	-	-	-	-
49	-	49	49	-	49	49	-	49	49	-
42,418	-	57,724	57,724	-	57,724	57,724	-	54,835	54,835	(2,889)

Notes to the Statement of Outturn Against Approvals - Revenue Expenditure

d) Trading Operations Net Revenue Expenditure against Approval

2021 Actuals	Government Plan 2022			Final Budget			2022 Outturn			Difference from Final Approved Budget
	Estimated Income	Estimated Expenditure	Estimated Net Income	Income	Expenditure	Net Budget	Income	Expenditure	Net Outturn	
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
(1,286) Jersey Car Parking	(6,933)	5,772	(1,161)	(6,933)	5,772	(1,161)	(8,419)	4,875	(3,544)	(2,383)
(1,017) Jersey Fleet Management	(4,971)	3,027	(1,944)	(4,971)	3,027	(1,944)	(5,682)	3,157	(2,525)	(581)
(2,303) Net Revenue Income/(Expenditure) – Trading Operations	(11,904)	8,799	(3,105)	(11,904)	8,799	(3,105)	(14,101)	8,032	(6,069)	(2,964)

Notes to the Statement of Outturn Against Approvals - Revenue Expenditure

e) Reconciliation of Approvals

Department	2022 Government Plan As Amended	Carry Forward from 2021	Additional Funding	Fiscal Stimulus Expense	Fiscal Stimulus Income	Allocation of Reserves	Transfers to/from Projects	Departmental Transfers	2022 Approved Budget Near Cash	2022 Capital Budget	2022 Approved Head of Expenditure	Gov Plan 2022 Total NRE Non Cash	2022 Approved Budget Non Cash	2022 Final Approved Budget with Capital Approvals
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Ministerial Departments														
Chief Operating Office	37,894	-	-	-	-	1,839	-	(1,067)	38,666	-	38,666	3,502	3,502	42,168
Children, Young People, Education and Skills	167,478	-	87	2,149	(2,578)	9,063	(163)	362	176,398	342	176,740	204	204	176,944
Customer and Local Services	94,567	-	-	1,032	(1,032)	596	-	-	95,163	-	95,163	18	18	95,181
Infrastructure Housing and Environment	48,658	95	-	2,359	(4,504)	6,377	(3,100)	(500)	49,385	2,145	51,530	46,910	46,910	98,440
Health and Community Services	226,290	1,500	-	272	(272)	25,545	-	(3,611)	249,724	369	250,093	3,530	3,530	253,623
Jersey Overseas Aid	13,375	258	-	-	-	1,000	-	-	14,633	-	14,633	-	-	14,633
Justice and Home Affairs	30,746	-	-	204	(204)	1,225	-	-	31,971	-	31,971	1,534	1,534	33,505
States of Jersey Police Service	25,205	-	-	-	-	1,227	-	-	26,432	-	26,432	650	650	27,082
Office of the Chief Executive	5,569	612	-	-	-	379	-	185	6,745	-	6,745	-	-	6,745
Ministry of External Relations	2,918	-	-	-	-	166	-	-	3,084	-	3,084	-	-	3,084
Department for the Economy	36,678	-	-	3,162	(3,162)	220	-	-	36,898	84	36,982	-	-	36,982
Strategic Policy, Planning and Performance	11,088	81	-	-	-	448	-	548	12,165	-	12,165	37	37	12,202
Treasury & Exchequer	68,598	50	-	-	-	1,776	-	4,083	74,507	-	74,507	1,218	1,218	75,725
Covid-19 Response	33,588	-	-	-	-	22,252	-	-	55,840	665	56,505	-	-	56,505
	802,652	2,596	87	9,178	(11,752)	72,113	(3,263)	-	871,611	3,605	875,216	57,603	57,603	932,819
Non-Ministerial States Funded Bodies														
Bailiff's Chambers	2,127	-	-	-	-	526	-	-	2,653	-	2,653	-	-	2,653
Comptroller and Auditor General	957	-	-	-	-	16	-	-	973	-	973	-	-	973
Judicial Greffe	8,955	-	-	-	-	130	-	-	9,085	-	9,085	-	-	9,085
Law Officers Department	9,015	-	-	-	-	1,169	-	-	10,184	-	10,184	-	-	10,184
Office of the Lieutenant Governor	858	-	-	-	-	27	-	-	885	-	885	-	-	885
Official Analyst	610	-	-	-	-	15	-	-	625	-	625	50	50	675
Probation	2,428	-	-	-	-	76	-	-	2,504	-	2,504	22	22	2,526
States Assembly	8,153	-	-	-	-	134	-	-	8,287	-	8,287	-	-	8,287
Viscounts Department	1,744	-	-	-	-	65	-	-	1,809	-	1,809	49	49	1,858
	34,847	-	-	-	-	2,158	-	-	37,005	-	37,005	121	121	37,126
Other Heads of Expenditure														
Past Service Pension Liabilities Refinancing	-	-	(8,618)	-	-	-	-	-	(8,618)	-	(8,618)	-	-	(8,618)
Debt Management & Finance Costs	21,000	1,900	-	-	-	-	-	-	22,900	-	22,900	-	-	22,900
Reserve	22,385	51,031	-	-	-	(32,236)	-	-	41,180	-	41,180	-	-	41,180
General Reserve	77,847	24,230	-	-	-	(55,262)	-	-	46,815	-	46,815	-	-	46,815
	121,232	77,161	(8,618)	-	-	(87,498)	-	-	102,277	-	102,277	-	-	102,277
Net Revenue Expenditure	958,731	79,757	(8,531)	9,178	(11,752)	(13,227)	(3,263)	-	1,010,893	3,605	1,014,498	57,724	57,724	1,072,222
Past Service Pension Liabilities Refinancing	-	-	472,731	-	-	-	-	-	472,731	-	472,731	-	-	472,731

Project Expenditure

a) Project Expenditure from the Consolidated Fund

Head of Expenditure	Department	2022 Government Plan Allocation	Carryforward from 2021	Allocations from Reserves	Capital From Department Revenue	Movements within the same Head of Expenditure	Available Budget	2022 Capital Expenditure	2022 Revenue Expenditure	Total 2022 Expenditure	Unspent Project Approvals as at 31 December 22	Returns to the Consolidated Fund	Carryforward Project Approvals as at 31 December 22
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Central Planning													
Central Planning Reserves	Central	900	450	-	-	-	1,350	-	-	-	1,350	-	1,350
Central Risk & Inflation	Central	1,800	1,500	-	-	-	3,300	-	-	-	3,300	-	3,300
Jsy Instrumental Music Service	IHE	-	83	-	-	-	83	-	24	24	59	-	59
VCP Replacement School	IHE	-	141	-	-	-	141	(1)	14	13	128	-	128
Greenfields	IHE	-	76	-	-	-	76	(14)	34	20	56	-	56
Total		2,700	2,250	-	-	-	4,950	(15)	72	57	4,893	-	4,893
Major Projects													
MS Foundation (Major Project)	COO	5,546	-	677	-	-	6,223	1,708	4,515	6,223	-	-	-
Integrated Tech Solution (MP)	COO	19,730	-	1,166	-	-	20,896	17,091	3,804	20,895	1	-	1
Cyber (Major Project)	COO	4,370	-	1,696	-	-	6,066	3,708	2,358	6,066	-	-	-
Vehicle Testing Centre (Major)	IHE	-	193	-	-	-	193	8	-	8	185	-	185
Learning Difficulties - Special Needs	HCS	3,300	-	-	-	-	3,300	815	-	815	2,485	-	2,485
Fort Regent	IHE	2,000	2,777	-	-	-	4,777	1,149	122	1,271	3,506	-	3,506
Our Hospital	HCS	85,000	-	-	-	-	85,000	12,092	8,364	20,456	64,544	-	64,544
Digital Care Strategy	COO	3,900	2,331	-	-	(6,231)	-	(565)	565	-	-	-	-
Digital Care Strategy	HCS	-	-	-	-	6,231	6,231	3,427	421	3,848	2,383	-	2,383
Digital Care Strategy	HCS	-	-	-	-	-	-	(2,032)	2,032	-	-	-	-
Office Modernisation	COO	460	-	54	-	-	514	-	514	514	-	-	-
Office Modernisation	IHE	-	-	-	-	-	-	(171)	171	-	-	-	-
Elizabeth Castle	ECON	1,250	-	-	-	-	1,250	318	-	318	932	-	932
ITS Release 3 & 4	COO	4,200	-	-	-	-	4,200	4,180	20	4,200	-	-	-
ITS Release 3 Additional	COO	1,264	-	-	-	-	1,264	1,145	-	1,145	119	-	119
Ambulance and Fire Quarters	IHE	500	-	-	-	-	500	12	-	12	488	-	488
Schools Estate	IHE	1,250	-	-	-	-	1,250	-	-	-	1,250	-	1,250
Inspiring Active Places SS	IHE	814	-	-	3,100	-	3,914	2,406	-	2,406	1,508	-	1,508
Sewage Treatment Works	IHE	10,740	-	6,827	-	-	17,567	17,567	-	17,567	-	-	-
Infrastructure Rolling Vote	IHE	13,318	-	-	-	-	13,318	11,511	(76)	11,435	1,883	-	1,883
Infrastructure	IHE	-	-	506	-	-	506	506	-	506	-	-	-
Total		157,642	5,301	10,926	3,100	-	176,969	74,875	22,810	97,685	79,284	-	79,284

Project Expenditure

a) Project Expenditure from the Consolidated Fund (continued)

Head of Expenditure	Department	2022 Government Plan Allocation	Carryforward from 2021	Allocations from Reserves	Capital From Department Revenue	Movements within the same Head of Expenditure	Available Budget	2022 Capital Expenditure	2022 Revenue Expenditure	Total 2022 Expenditure	Unspent Project Approvals as at 31 December 22	Returns to the Consolidated Fund	Carryforward Project Approvals as at 31 December 22
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Projects													
Replacement Assets	COO	3,000	-	-	-	-	3,000	(1,994)	4,939	2,945	55	-	55
Electronic Document Management	COO	2,200	-	-	-	-	2,200	-	443	443	1,757	-	1,757
IT for Migration Services	COO	-	870	-	-	-	870	259	-	259	610	-	610
Service Digitisation	COO	1,750	-	-	-	-	1,750	1,341	216	1,557	193	-	193
Customer Relationship Management	COO	736	-	-	-	-	736	500	-	500	236	-	236
Jersey Care Model	HCS	800	1,138	-	-	(1,700)	238	-	-	-	238	-	238
Jersey Care Model	COO	-	-	-	-	1,700	1,700	245	-	245	1,455	-	1,455
Replacement Assets	CYPES	200	-	-	-	-	200	65	120	185	15	-	15
PPE Disposal (Gain)/Loss	CYPES	-	-	-	162	(31)	131	(350)	481	131	-	-	-
Discrimination Law, Safeguarding	CYPES	600	-	44	-	31	675	32	643	675	-	-	-
Discrimination Law, Safeguarding	IHE	1,000	-	113	-	-	1,113	1,078	19	1,097	16	-	16
Replacement Assets	IHE	3,980	-	-	-	-	3,980	3,953	27	3,980	-	-	-
Prison Phase 8	IHE	-	-	-	-	(3)	(3)	(3)	-	(3)	-	-	-
Prison Phase 8	JHA	1,609	663	-	-	3	2,275	524	-	524	1,751	-	1,751
Army Sea Cadets Quarters	IHE	494	-	-	-	-	494	19	-	19	475	-	475
North Of St Helier YC	IHE	2,000	-	-	-	-	2,000	-	-	-	2,000	-	2,000
School & Educational Development	IHE	10,650	-	-	-	-	10,650	326	692	1,018	9,632	-	9,632
Regulation Digital Assets	IHE	1,230	-	-	-	-	1,230	445	-	445	785	-	785
Sports Division Refurbishment	IHE	-	53	-	-	-	53	6	47	53	-	-	-
New Skatepark	IHE	700	559	85	-	-	1,344	1,814	(470)	1,344	-	-	-
Drainage Foul Sewer Extension	IHE	-	878	-	-	-	878	160	-	160	718	-	718
Demolition Fort Regent Pool	IHE	-	-	12	-	-	12	(74)	86	12	-	-	-
Infrastructure Assets	IHE	2,300	-	-	-	-	2,300	393	161	553	1,747	-	1,747
Replacement Assets	HCS	2,600	-	-	-	-	2,600	370	-	370	2,230	-	2,230
Health Services Improvements	HCS	5,000	-	204	-	-	5,204	5,181	23	5,204	-	-	-
Five Oaks Refurbishment	HCS	-	58	-	-	-	58	(185)	-	(185)	243	-	243
In-patient/support services	HCS	989	50	-	-	-	1,039	519	-	519	520	-	520
Replacement Assets	JHA	1,071	-	-	-	-	1,071	135	173	308	763	-	763
Dewberry House SARC	IHE	882	201	-	-	41	1,124	100	-	100	1,023	-	1,023
Dewberry House SARC	JHA	-	-	-	-	(41)	(41)	(41)	-	(41)	-	-	-
Combined Control IT	JHA	400	1,352	-	-	-	1,752	410	6	416	1,336	-	1,336
Electronic Patient Records	JHA	130	528	-	-	-	658	244	-	244	414	-	414

Project Expenditure

a) Project Expenditure from the Consolidated Fund (continued)

Head of Expenditure	Department	2022 Government Plan Allocation	Carryforward from 2021	Allocations from Reserves	Capital From Department Revenue	Movements within the same Head of Expenditure	Available Budget	2022 Capital Expenditure	2022 Revenue Expenditure	Total 2022 Expenditure	Unspent Project Approvals as at 31 December 22	Returns to the Consolidated Fund	Carryforward Project Approvals as at 31 December 22
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Minor Capital 2021	JHA	-	184	-	-	-	184	120	63	183	1	-	1
Police Minor Capital 2021	JHA	-	200	-	-	-	200	-	200	200	-	-	-
Aerial Ladder Platform	JHA	-	97	-	-	-	97	-	-	-	97	-	97
States of Jersey Police Firearms Range	JHA	264	1,022	-	-	-	1,286	74	-	74	1,212	-	1,212
Next Passport Project	JHA	355	-	-	-	-	355	-	-	-	355	-	355
Revenue Transformation Project	T&E	3,385	-	-	-	-	3,385	428	2,348	2,776	609	-	609
Phoenix Software	NMD	-	45	-	-	-	45	-	-	-	45	-	45
Non-Ministerial IT	NMD	1,413	-	-	-	-	1,413	369	328	697	716	-	716
Conversion Courtroom	NMD	-	438	-	-	-	438	-	-	-	438	-	438
Total		49,738	8,336	458	162	-	58,694	16,462	10,545	27,007	31,685	-	31,685
Other Projects													
Computer Development Vote	COO	-	-	-	-	-	-	(90)	90	-	-	-	-
Victoria College	CYPES	-	6	-	-	-	6	-	-	-	6	-	6
ESC Minor Capital / AUCC	CYPES	-	125	-	-	-	125	19	-	19	106	-	106
School ICT	CYPES	-	90	-	-	-	90	(45)	45	-	90	-	90
Replacing assets and minor capital	IHE	-	-	-	-	-	-	(34)	34	-	-	-	-
Web Development	COO	-	-	-	-	-	-	(98)	98	-	-	-	-
CRM Platform Renewal	COO	-	-	-	-	-	-	(42)	42	-	-	-	-
HR Transform (Turnaround Team Trf)	COO	-	-	-	-	-	-	(1)	1	-	-	-	-
T&R JDE System	COO	-	-	-	-	-	-	(400)	400	-	-	-	-
Replacing assets and minor capital	CYPES	-	-	-	-	-	-	(174)	174	-	-	-	-
North of St. Helier Youth Clu b	IHE	-	-	-	-	-	-	(5)	5	-	-	-	-
Rouge Bouillon	IHE	-	-	-	-	-	-	(41)	41	-	-	-	-
IAP Feasibility	IHE	-	-	-	-	-	-	(162)	162	-	-	-	-
Rouge Bouillon Site Review	IHE	-	-	-	-	-	-	(29)	29	-	-	-	-
Mental Health Facility Overdale	IHE	-	-	-	-	-	-	(135)	135	-	-	-	-
Relocation Fire Station	IHE	-	-	-	-	-	-	(88)	88	-	-	-	-
EFW Plant La Collette	IHE	-	-	-	-	-	-	(6)	6	-	-	-	-
Minor Capital	JHA	-	-	-	-	-	-	(247)	247	-	-	-	-
Minor Capital	JHA	-	-	-	-	-	-	(4)	4	-	-	-	-

Project Expenditure

a) Project Expenditure from the Consolidated Fund (continued)

Head of Expenditure	Department	2022 Government Plan Allocation	Carryforward from 2021	Allocations from Reserves	Capital From Department Revenue	Movements within the same Head of Expenditure	Available Budget	2022 Capital Expenditure	2022 Revenue Expenditure	Total 2022 Expenditure	Unspent Project Approvals as at 31 December 22	Returns to the Consolidated Fund	Carryforward Project Approvals as at 31 December 22
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Victoria College capital proje	HCS	-	150	-	-	-	150	14	-	14	135	-	135
Archive Storage Extension	HCS	-	17	-	-	-	17	2	-	2	15	-	15
Grainville Phase 5	HCS	-	48	15	-	-	63	63	-	63	-	-	-
St Mary School	HCS	-	113	-	-	-	113	43	-	43	70	-	70
Orchard House	HCS	-	4,317	-	-	-	4,317	2,849	-	2,849	1,468	-	1,468
Prison Phase 6	HCS	230	3,750	-	-	-	3,980	2,492	-	2,492	1,488	-	1,488
Automatic Weather Station	HCS	-	35	-	-	-	35	31	-	31	4	-	4
Equipment, Maintenance, Minor	HCS	-	19	-	-	-	19	5	-	5	14	-	14
Eastern Cycle Network	HCS	-	66	-	-	-	66	11	-	11	55	-	55
Replacement Assets	HCS	-	100	-	-	-	100	59	-	59	41	-	41
Taxes Office System Renewal	T&E	-	1,471	-	-	-	1,471	1,427	43	1,470	0	-	0
Non-Mins - Minor Capital	NMD	-	203	-	-	-	203	66	-	66	137	-	137
Drainage Foul Sewer Extensions	IHE	-	-	-	-	-	-	(2)	-	(2)	2	-	2
Replacement Assets and Minor Capital	IHE	-	-	-	-	-	-	(105)	79	(26)	26	-	26
Total		230	10,510	15	-	-	10,755	5,373	1,723	7,096	3,657	-	3,658
Grand Total		210,310	26,397	11,399	3,262	-	251,368	96,696	31,150	131,845	119,519	-	119,519

Capital Expenditure

b) Capital Expenditure from Trading Funds

	Total Project Expenditure £'000	Total Allocated Budget £'000	Remaining Unspent Budget £'000
Jersey Car Parking			
Anne Court Car Park	3,808	6,985	3,177
Automated Charging System	281	312	31
Car Park Maintenance & Refurbishment	8,753	17,384	8,631
Jersey Car Parking Total	12,842	24,681	11,839
Jersey Fleet Management			
Car Park Maint & Refurbishment	21,371	23,229	1,858
Jersey Fleet Management Total	21,371	23,229	1,858
Total	34,213	47,910	13,697

Covid-19 by Department and Project (including capital)

Project by Department	Government Plan 2022 Budget	Allocations to/from Reserves	Departmental Transfers	Budget as at 31 December 2022	Actuals as at 31 December 2022	Difference from Final Budget
	£'000	£'000	£'000	£'000	£'000	£'000
Office of the Chief Executive	500	-	-	500	228	272
Covid-19 Review	500	-	-	500	228	272
Department For the Economy	10,200	-	(775)	9,425	3,703	5,722
Economic Recovery	10,200	-	(775)	9,425	3,703	5,722
Children, Young People, Education and Skills	-	1,814	1,884	3,697	3,198	500
Covid-19 Pressures	-	1,814	-	1,814	1,814	-
Covid-19 Social Recovery	-	-	1,884	1,884	1,384	499
Customer and Local Services	672	395	1,108	2,176	2,118	58
Covid-19 Income Support Costs	672	395	775	1,843	1,843	-
Covid-19 Social Recovery	-	-	333	333	275	58
Infrastructure, Housing & Environment	2,205	-	375	2,580	1,754	826
Covid-19 Bus Contract	1,200	-	-	1,200	958	242
Covid-19 Social Recovery	-	-	375	375	5	370
Support for Sports Infrastructure	1,005	-	-	1,005	790	215
Health and Community Services	9,106	7,028	(3,469)	12,664	12,726	(62)
Covid-19 PPE Provision and Supply	3,300	-	-	3,300	3,299	1
Covid Recovery	-	6,362	-	6,362	6,476	(113)
Covid-19 Health Service Recovery	1,296	-	-	1,296	1,300	(4)
Covid-19 PPE Warehousing	407	-	-	407	346	61
Covid-19 Social Recovery	-	-	634	634	641	(7)
Covid-19 Vaccine	4,103	-	(4,103)	-	-	-
Test and Trace	-	665	-	665	665	-
Justice and Home Affairs	-	564	-	564	564	-
Covid-19 Pressures	-	564	-	564	564	-
Treasury & Exchequer	7,136	-	-	7,136	3,232	3,904
Covid-19 Revolving Credit Facility	7,136	-	-	7,136	3,232	3,904
Strategic Policy, Performance	3,769	13,116	878	17,763	16,177	1,586
Covid-19 Social Recovery	3,769	-	(3,225)	544	89	455
Covid-19 Vaccine	-	-	4,103	4,103	2,971	1,132
Test and Trace	-	13,116	-	13,116	13,116	-
Total	33,588	22,917	-	56,505	43,699	12,806

Budget Allocations - Ministerial Decisions Approved vs Amounts Allocated

Ministerial Decision	Description	Amounts Allocated £'000	Amounts Allocated £'000
MD-TR-2022-083	2021 End of Year Flexibility (Opera House)	2,237	151
MD-TR-2022-131	Voluntary Release Scheme	1,015	834
MD-TR-2022-132	Special Educational Needs	2,000	2,000
MD-TR-2022-156	Response to ongoing crisis in Ukraine	1,250	1,144
MD-TR-2022-228	Covid-19 Helpline	500	395
MD-TR-2022-229	Covid Pressures	2,241	1,814
MD-TR-2022-241	Independent Jersey Care Inquiry	250	83
MD-TR-2022-341	Reserve funding for Covid-19 Response (PCR Laboratory & Testing)	23,343	13,781
MD-TR-2022-344	Reserve funding for various pressures in 2022	5,205	2,667
MD-TR-2022-352	Reserve funding for various Covid-19 pressures	6,944	6,927
MD-TR-2022-439	Special Payment	1,114	1,114
MD-TR-2022-453	Special Payment	375	375
MD-TR-2022-478	Pay Awards - Teachers	2,410	2,373
MD-TR-2022-813	Funding for Health and Community Services pressures	13,357	13,275
MD-TR-2022-814	Funding, Additional Income and Repurposing in 2022	14,181	2,181
MD-TR-2022-357	Reserve funding for various financial pressures	8,346	6,675
MD-TR-2022-399	Pay Awards	16,372	16,372
MD-TR-2022-083	2021 End of Year Flexibility (Oakfield)	3,100	3,100
MD-TR-2022-431	Revenue to capital expenditure (Discrimination Law and Safeguarding)	163	163
		104,403	75,424
MD-TR-2022-083	Allocation of unspent 2021 approvals	4,496	4,461
MD-TR-2022-083	Allocation of unspent 2021 approvals	21,476	21,476
		25,972	25,937
MD-TR-2022-131	Transfer to capital (Oakfield)	(3,100)	(3,100)
MD-TR-2022-431	Transfer to capital (Discrimination Law and Safeguarding)	(163)	(163)
		(3,263)	(3,263)
Total		127,112	98,098

Budget Allocation - Fiscal Stimulus Movements by Department

Revenue Head of Expenditure	Ministerial Decision	Description	Amount £'000
Department for the Economy	MD-TR-21-044	049-RJAHS-Groundsrefurb	298
Department for the Economy	MD-TR-21-044	024-Heritage-Hamptonne	869
Department for the Economy	MD-TR-21-044	025-Heritage-LaHougueBie	237
Department for the Economy	MD-TR-21-044	074-JAC-ArtCentre	0
Department for the Economy	MD-TR-21-044	091-Heritage-Systems	101
Department for the Economy	MD-TR-21-044	174-NT-MorelFarm	1,639
Department for the Economy	MD-TR-21-044	037-Jconsumer-Confidence	19
Children, Young People, Education and Skills	MD-TR-21-044	171-Convent-Centre	445
Children, Young People, Education and Skills	MD-TR-21-044	051-CYPES-RETRAIN	221
Children, Young People, Education and Skills	MD-TR-21-044	038-JsyYouthS-FirstTower	1,327
Children, Young People, Education and Skills	MD-TR-21-044	041-TrinityYS-YouthC	208
Children, Young People, Education and Skills	MD-TR-21-044	001-Jscout-Kfaucon	14
Children, Young People, Education and Skills	MD-TR-21-044	102-Jscout-StLukes	50
Children, Young People, Education and Skills	MD-TR-21-044	002-Local Church - Ebenezer	11
Children, Young People, Education and Skills	MD-TR-21-044	160 J Scout Les Creux	81
Children, Young People, Education and Skills	MD-TR-21-044	160 J Scout St Ouen	221
Customer and Local Services	MD-TR-21-044	029 Howard Davis Hall Redevelopment	598
Customer and Local Services	MD-TR-21-044	099-CLS-UnemplSupp	178
Customer and Local Services	MD-TR-21-044	071-JET-Acorn	256
Customer and Local Services	MD-TR-21-044	008-JCAB-Website	0
Infrastructure, Housing & Environment	MD-TR-21-074	021-Jcricket-Grainville	300
Infrastructure, Housing & Environment	MD-TR-21-074	057-IHE-Springfield	1,671
Infrastructure, Housing & Environment	MD-TR-21-074	104-IHE FBFields	68
Infrastructure, Housing & Environment	MD-TR-21-074	027 Jbaptist Facility	7
Infrastructure, Housing & Environment	MD-TR-21-074	034 J racecourse	14
Infrastructure, Housing & Environment	MD-TR-21-074	084-Jpadel-Padelfacilities	425
Infrastructure, Housing & Environment	MD-TR-21-074	150 Durrell Conservation	980
Infrastructure, Housing & Environment	MD-TR-21-074	153 Healing Waves	392

Budget Allocation - Fiscal Stimulus Movements by Department (continued)

Revenue Head of Expenditure	Ministerial Decision	Description	Amount £'000
Infrastructure, Housing & Environment	MD-TR-21-074	148 Biodiversity Nature	22
Infrastructure, Housing & Environment	MD-TR-21-074	020-IHE Coronation	624
Justice and Home Affairs	MD-TR-21-074	060-Aircadets-BuildingM	204
Health and Community Services	MD-TR-21-074	069 - Brook Premises	8
Health and Community Services	MD-TR-21-074	026 - Brighter Strategy	45
Health and Community Services	MD-TR-21-074	136- HCS Stimulation	175
Health and Community Services	MD-TR-21-074	107-JAAR-premises	4
Health and Community Services	MD-TR-21-074	135-JAAR Site	5
Health and Community Services	MD-TR-21-074	131-Hospice-Assistants	35
Total Fiscal Stimulus allocations			11,752

Budget Allocations - Transfers from Reserves by Department

Revenue Head of Expenditure	Ministerial Decision	Description	Amount £'000
Chief Operating Office	MD-TR-2022-131	Voluntary Redundancy	7
Chief Operating Office	MD-TR-2022-399	Pay Awards	718
Chief Operating Office	MD-TR-2022-439	Special Payment	1,114
Children, Young People, Education and Skills	MD-TR-2022-132	Demographic Pressures - SEN and RON	2,000
Children, Young People, Education and Skills	MD-TR-2022-131	Voluntary Redundancy	130
Children, Young People, Education and Skills	MD-TR-2022-399	Pay Awards	2,827
Children, Young People, Education and Skills	MD-TR-2022-357	Social Worker and Recruitment & Retention	1,570
Children, Young People, Education and Skills	MD-TR-2022-478	Pay Awards - Teachers	2,373
Children, Young People, Education and Skills	MD-TR-2022-431	Revenue to capital expenditure (Discrimination Law and Safeguarding)	163
Customer and Local Services	MD-TR-2022-399	Pay Awards	596
Infrastructure, Housing and Environment	MD-TR-2022-344	Increased Chemical Costs in Energy Recovery Facility	550
Infrastructure, Housing and Environment	MD-TR-2022-344	IHE - Future Fisheries & Marine Resources Management	366
Infrastructure, Housing and Environment	MD-TR-2022-344	IHE - Vienna Convention vehicle testing	72
Infrastructure, Housing and Environment	MD-TR-2022-344	IHE - UK EU TCA Biosecurity Border Controls	1,804
Infrastructure, Housing and Environment	MD-TR-2022-399	Pay Awards	1,412
Infrastructure, Housing and Environment	MD-TR-2022-357	Westaway Court Refurb	490
Infrastructure, Housing and Environment	MD-TR-2022-131	Voluntary Redundancy	93
Infrastructure, Housing and Environment	MD-TR-2022-344	Brexit funding Return	(801)
Infrastructure, Housing and Environment	MD-TR-2022-344	Sewage Treatment Works Return	(709)
Infrastructure, Housing and Environment	MD-TR-2022-083	Oakfield Sport Centre	3,100
Health and Community Services	MD-TR-2022-131	Voluntary Redundancy	360
Health and Community Services	MD-TR-2022-344	Relocate Samares/Plemont: Revenue Expenditure	583
Health and Community Services	MD-TR-2022-357	Financial pressures 2022	4,085
Health and Community Services	MD-TR-2022-399	Pay Awards	6,818
Health and Community Services	MD-TR-2022-131	Total Reward & Recognition 2022	50
Health and Community Services	MD-TR-2022-453	Special Payment	375
Health and Community Services	MD-TR-2022-813	Funding for pressures	13,275
Jersey Overseas Aid	MD-TR-2022-156	Ukraine Funding	1,000
Justice and Home Affairs	MD-TR-2022-344	JCIS Legal & Policy	73
Justice and Home Affairs	MD-TR-2022-399	Pay Awards	962
Justice and Home Affairs	MD-TR-2022-814	Operation Spire Reserve Funding	190
States of Jersey Police Service	MD-TR-2022-131	Voluntary Redundancy	11
States of Jersey Police Service	MD-TR-2022-399	Pay Awards	803

Budget Allocations - Transfers from Reserves by Department (continued)

Revenue Head of Expenditure	Ministerial Decision	Description	Amount £'000
States of Jersey Police Service	MD-TR-2022-814	Smoothing Reserve - C&CC	413
Office of the Chief Executive	MD-TR-2022-156	Ukraine Funding	144
Office of the Chief Executive	MD-TR-2022-399	Pay Awards	170
Office of the Chief Executive	MD-TR-2022-131	Voluntary Redundancy	65
Ministry of External Relations	MD-TR-2022-131	Voluntary Redundancy	50
Ministry of External Relations	MD-TR-2022-399	Pay Awards	50
Ministry of External Relations	MD-TR-2022-814	Reserve Funding, Additional Income and Repurposing in 2022	66
Department for the Economy	MD-TR-2022-083	Opera House: Revenue Expenditure	67
Department for the Economy	MD-TR-2022-399	Pay Awards	153
Strategic Policy, Planning and Performance	MD-TR-2022-131	Voluntary Redundancy	37
Strategic Policy, Planning and Performance	MD-TR-2022-241	Independent Jersey Care Inquiry (IJCI) Care Survivor led Legacy	83
Strategic Policy, Planning and Performance	MD-TR-2022-399	Pay Awards	328
Treasury and Exchequer	MD-TR-2022-131	Voluntary Redundancy	31
Treasury and Exchequer	MD-TR-2022-357	Additional bank charges and card fees	530
Treasury and Exchequer	MD-TR-2022-344	Land & building valuation	262
Treasury and Exchequer	MD-TR-2022-399	Pay Awards	788
Treasury and Exchequer	MD-TR-2022-814	Reserve Funding, Additional Income and Repurposing in 2022	200
Treasury and Exchequer	MD-TR-2022-083	Return of unspent allocations	(35)
Departmental Allocations			49,862
Covid-19 Response	MD-TR-2022-228	Covid Helpline	395
Covid-19 Response	MD-TR-2022-229	Covid Pressures	1,814
Covid-19 Response	MD-TR-2022-352	Ambulance Service Improvements	565
Covid-19 Response	MD-TR-2022-352	Covid response pressures	6,362
Covid-19 Response	MD-TR-2022-341	Test & Trace Programme	13,116
Covid-19 Response Allocations			22,252
Baliff's Chambers	MD-TR-2022-399	Pay Awards	41
Baliff's Chambers	MD-TR-2022-814	Reserve Funding, Additional Income and Repurposing in 2022	485
Comptroller and Auditor General	MD-TR-2022-814	Reserve Funding, Additional Income and Repurposing in 2022	16
Judicial Greffe	MD-TR-2022-399	Pay Awards	130
Law Officers Department	MD-TR-2022-344	JCIS Legal & Policy	99
Law Officers Department	MD-TR-2022-399	Pay Awards	259

Budget Allocations - Transfers from Reserves by Department (continued)

Revenue Head of Expenditure	Ministerial Decision	Description	Amount £'000
Law Officers Department	MD-TR-2022-814	Reserve Funding, Additional Income and Repurposing in 2022	811
Office of the Lieutenant Governor	MD-TR-2022-399	Pay Awards	27
Official Analyst	MD-TR-2022-399	Pay Awards	15
Probation	MD-TR-2022-399	Pay Awards	76
States Assembly	MD-TR-2022-399	Pay Awards	134
Viscount's Department	MD-TR-2022-399	Pay Awards	65
Non-Ministerial Allocations			2,158
Various	MD-TR-2022-083	Allocation of unspent 2021 approvals	4,496
Various	MD-TR-2022-083	Allocation of unspent 2021 approvals	21,476
Additional allocations			25,972
Health and Community Services	MD-TR-2022-344	Relocate Samares/Plemont: Capital Expenditure	369
Department for the Economy	MD-TR-2022-083	Opera House: Capital Expenditure	84
Covid-19 Response	MD-TR-2022-341	PCR Laboratory	665
Departmental Capital expenditure allocations			1,118
Children, Young People, Education and Skills	MD-TR-2022-431	Revenue to capital expenditure (Discrimination Law and Safeguarding)	(163)
Infrastructure, Housing and Environment	MD-TR-2022-083	Revenue to capital expenditure (Oakfield)	(3,100)
Reclassified as Capital expenditure			(3,263)
Total Reserves Allocations			98,099

Budget Allocations - Departmental Transfers

From	To	Ministerial Decision	Description	Amount £'000
Covid-19 Response Transfers				
Health and Community Services	Strategic Policy, Planning and Performance	AO Letter 19/01/2022	COVID 19 Vaccine	4,103
Strategic Policy, Planning and Performance	Children, Young People, Education and Skills	AO Letter 07/03/2022	Social Recovery: CYPES Health and Further Education	1,884
Strategic Policy, Planning and Performance	Infrastructure, Housing & Environment	AO Letter 07/03/2022	Countryside Access & Wellbeing	375
Strategic Policy, Planning and Performance	Health and Community Services	AO Letter 07/03/2022	Dental Health Transfer	423
Strategic Policy, Planning and Performance	Customer and Local Services	AO Letter 24/03/2022	Arts and Wellbeing project	333
Department for the Economy	Customer and Local Services	AO Letter 24/03/2022	Economic Recovery	500
Strategic Policy, Planning and Performance	Health and Community Services	AO Letter 12/05/2023	Social Recovery	210
				7,828
Departmental Transfers				
Chief Operating Office	Treasury and Exchequer	MD-TR-2022-009	Transfer of Commercial Services	4,268
Treasury and Exchequer	Office of the Chief Executive	MD-TR-2022-029	Transfer of Risk Funding	185
Strategic Policy, Planning and Performance	Health and Community Services	MD-TR-2022-185	Transfer of Analytics Transformation Prog	519
Health and Community Services	Strategic Policy, Planning and Performance	MD-TR-2022-260	Transfer of Reducing Preventable Disease	276
Health and Community Services	Chief Operating Office	MD-TR-2022-261	Transfer of Digital Assets	3,201
Children, Young People, Education and Skills	Strategic Policy, Planning and Performance	MD-TR-2022-660	Transfer of Reg & Insp of Children Services	291
Infrastructure, Housing & Environment	Strategic Policy, Planning and Performance	MD-TR-2022-720	Transfer of Housing PDB and LT Plan	500
Health and Community Services	Children, Young People, Education and Skills	MD-TR-2022-730	Transfer of CAMHS	653
Department for the Economy	Customer and Local Services	MD-TR-2022-005	Transfer of CFPS	275
				10,168
Total transfers				17,996

Other Accountability Disclosures

Personal Data Related Incidents

There were 17 personal data related incidents reported to the Office of the Information Commissioner in 2022. 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 JFRoM, only gifts over 10,000 in value are to be disclosed. No gifts were made in 2022 (2021: nil)

Losses and special payments

	2022	2021
	£000	£000
Losses	11,063	2,367
Fruitless payments	622	-
Special payments	1,625	3,054
Total	13,310	5,421

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 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.

Losses includes an £8.4 million impairment estimate recognised to reflect the decision to review and amend the Our Hospital project solution from a single site at Overdale. While there is still uncertainty pending a confirmed specific solution, this is an estimate of the amounts already incurred and recognised as an asset within Assets Under the Course of Construction in the Property, Plant and Equipment balance on the Statement of Financial Position that will no longer contribute to the revised solution. For example, costs incurred on specific elements of the Our Hospital project that only support the single site at Overdale solution.

More information on the minimum and maximum impairment and the range of scenarios is provided in Note 4.3 Key Sources of Estimation Uncertainty.

The fruitless payments recognised in 2022 predominantly relate to costs incurred across a number of projects on feasibility or pre-feasibility work that did not then go ahead. They include:

• Jersey College for Girls and Jersey College Preparatory music facilities	£192,240
• Overdale Mental Health facilities	£134,772
• Les Landes Nursery	£111,492
• La Moye Hall Extension	£42,339
• Jersey Instrumental Music Service	£41,338

A further breakdown of losses and special payments is provided in Note 4.23.

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 Minister considers the consolidation of the Funds into the States of Jersey Accounts sufficient for statutory reporting requirements, and so for 2022 will prepare an Annual Performance Report for the Funds that reports upon their performance with reference to the relevant statements in these accounts, rather than a separate set of accounts.

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: 28 April 2023

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 2022 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 significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and the 2022 Government of Jersey Financial Reporting Manual (the 'JFRm'), which applies EU adopted International Financial Reporting Standards (IFRS) in place as at 1 January 2020 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 2022 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 JFRm;
- 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 (November 2020) 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 JFRmM;
- 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;
- assessing the challenges and mitigating actions put in place in response to Covid-19;
- 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	How our scope addressed this matter
<p>Risk of fraud in revenue recognition – personal income tax (States of Jersey Core Entities)</p> <p>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).</p> <p>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.</p> <p>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.</p> <p>Personal income tax recognised in the 2022 SoCNE is £599m. Of this, £585m is based on the personal income tax estimate for 2022. The remaining £14m relates to previous years when the estimated income was lower than the actual income.</p> <p>We also consider the risk of fraud in revenue recognition exists in income earned through operations where a long-term contract covers several reporting periods.</p>	<p>We addressed this risk by carrying out the following audit procedures:</p> <ul style="list-style-type: none"> • evaluation of the design and implementation of controls over the tax estimation methodology; • challenging the methodology and the assumptions used in the tax estimate; we used our internal actuarial team for this; • considering the historical accuracy of the estimates made for the 2021 financial year against actual tax revenues; • challenging any changes to the current year estimate compared to prior year; • substantively testing the source data used in the estimate; and • substantively testing income earned through operations associated with long term contracts covering different reporting periods. <p>Our observations</p> <p>We obtained sufficient, appropriate audit evidence that the estimate for personal income tax recognised was not materially misstated for the year ended 31 December 2022.</p> <p>Our work on long term contracts did not identify a risk of material misstatement.</p>
<p>Valuation of land, buildings, social housing, networked assets and other structures (States of Jersey Core Entities and Group)</p> <p>The net book value of Property, Plant and Equipment at the 31 December 2022 was £4.5 billion.</p> <p>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.</p> <p>Note 4.9 discloses the following net book values at 31 December 2022:</p> <ul style="list-style-type: none"> • Land: £390m • Buildings: £757m • Social Housing: £1,006m • Networked Assets (including land): £1,459m • Other Structures £371m. <p>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.</p>	<p>We addressed this risk by:</p> <ul style="list-style-type: none"> • obtaining an understanding of the design and implementation of controls over the valuation process; • considering the reasonableness of the valuations and engaging our in-house valuations expert to support our challenge of the key assumptions used in the valuation; • assessing the competence, skills and experience of the valuer and the instructions issued to the valuer; • substantively testing the source data provided to and used by the valuer; In particular, evaluating the appropriateness of data provided to the valuer by management; and • sample testing individual assets to ensure the basis of valuations completed in 2022 was appropriate. <p>The work done by our in-house valuations expert included consideration of the methodology and assumptions used in the 2022 valuations.</p> <p>For the valuation of social housing held in Andium Homes Limited, we reviewed and evaluated the work performed by the component auditor in accordance with our instructions.</p> <p>Our observations</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 2022.</p>

Key Audit Matter

How our scope addressed this matter

Valuation of strategic investments (States of Jersey Core Entities)

Strategic investments at 31 December 2022 were valued at £324m, and represent the four subsidiaries that the JFRm requires to be valued rather than consolidated in the group accounts.

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.

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.

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.

We addressed this risk by carrying out the following audit procedures:

- obtaining an understanding of the design and implementation of controls over the valuation process;
- engaging an in-house expert to critically assess and challenge the valuation methodology and the assumptions used by management; and
- substantively testing the accuracy of the source data used in the valuation.

We tested that the valuations have been accurately reflected in the financial statements and that the disclosures are in line with the reporting framework.

Our observations

We obtained sufficient, appropriate audit evidence that the valuation of strategic investments was not materially misstated as at 31 December 2022.

Valuation of unquoted investments for which a market price is not readily available (States of Jersey Core Entities)

At 31 December 2022 the Common Investment Fund had assets of in the region of £3.5bn. This included £1.3bn of assets valued as Level 3 investments. The valuation of these assets involves significant judgements given the unobservable inputs.

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 details the sensitivity of Level 3 investments to movements assumptions.

We addressed this risk by carrying out the following audit procedures:

- obtaining an understanding of the design and implementation of controls over the valuation process;
- understanding and testing the source of data used in the valuations to ensure it is independent;
- agreeing the valuation to supporting documentation including the investment manager valuation statements and cash flows for any adjustments made to the investment manager valuation;
- critically assessing methodologies used to value the investments as set out in investment manager valuation policies or other relevant documentation;
- agreeing the investment manager valuation to audited accounts or other independent supporting documentation, where available; and
- inspecting control reports, and where relevant, bridging letters, from investment managers to identify any matters impacting on the valuation.

Our observations

We obtained sufficient, appropriate audit evidence that the valuation of unquoted investments was not materially misstated as at 31 December 2022.

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	£84.5m	£92.4m
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	£67.6m	£73.9m
	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	£2.5m	£2.8m
	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 £14.9m, performance materiality of £11.9m and a reporting threshold of £0.4m 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 2022 Group Total Assets of £9.2 billion	Share of 2022 Group Total Expenditure of £1.4 billion	Scope
States of Jersey Core Entities	82.1%	93.1%	Full scope audit (Mazars)
Andium Homes Limited	12.0%	2.7%	Full scope audit (separate component auditor)
Ports of Jersey Limited	4.8%	3.9%	Full scope audit (separate component auditor)
Jersey Development Company	1.1%	0.3%	Specific review (separate component auditor)
TOTAL	100.0%	100.0%	

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 JFReM 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. 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 three years, covering the year ended 31 December 2020, the year ended 31 December 2021 and the year ended 31 December 2022.

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 2022 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 2022 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 (November 2020) 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 JFReM.

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 (November 2020) 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

Date: 28 April 2023

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 2022 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
Comptroller and Auditor General

Jersey Audit Office
de Carteret House
7 Castle Street
St Helier
Jersey
JE2 3BT

Date: 28 April 2023

Financial Statements

3.1 Consolidated Statement of Comprehensive Net Expenditure for the year ended 31 December 2022

	Notei	States of Jersey Core Entities 2022 £'000	States of Jersey Group 2022 £'000	States of Jersey Core Entities 2021 £'000	States of Jersey Group 2021 £'000
Revenue					
Levied by the States of Jersey	5	(1,256,724)	(1,255,461)	(1,158,553)	(1,157,323)
Earned through Operations	5	(205,246)	(272,075)	(223,176)	(277,738)
Total Revenue		(1,461,970)	(1,527,536)	(1,381,729)	(1,435,061)
Expenditure					
Social Benefit Payments	6	471,137	471,137	476,633	476,633
Staff Costs	7	491,569	520,316	457,710	482,745
Other Operating Expenses		355,304	387,379	339,725	363,413
Grants and Subsidies Payments	8	70,064	70,247	71,640	71,724
Depreciation and Amortisation		54,856	89,140	54,156	90,987
Impairments	11	14,539	17,643	(6,515)	16,828
Finance Costs	11	32,415	34,193	26,184	27,573
Net Foreign-Exchange Losses/(Gain)		501	526	637	593
Total Expenditure		1,490,385	1,590,581	1,420,170	1,530,496
Operating Net Revenue Expenditure/(Income)		28,415	63,045	38,441	95,435
Other Non-Operating Revenue/Expenditure					
Gains on Disposal of Non-Current Assets		(96)	(58)	(114)	(119)
Loss/(Gains) on Other Financial Assets	11	217,426	213,228	(342,595)	(347,907)
Movement in Past Service Liability		(8,110)	(8,110)	14,270	14,270
Fair value loss/(gains) on Investment property		-	-	-	(560)
Net Revenue Expenditure/(Income)		237,635	268,105	(289,998)	(238,881)
Other Comprehensive Income					
Items that will not be reclassified to Net Revenue Expenditure					
Revaluation of Property, Plant and Equipment	9	(79,884)	(185,335)	(144,083)	(167,926)
Remeasurements of the Net Defined Benefit Pension Scheme Liability	21	(1,580)	(1,580)	(452)	(452)
Items that may be reclassified subsequently to Net Revenue Expenditure					
(Gain)/Loss on Revaluation of Financial Instruments held at FVTOCI		87,485	87,485	(73,706)	(73,750)
Total Other Comprehensive Expenditure/(Income)		6,021	(99,430)	(218,241)	(242,128)
Total Comprehensive Expenditure/(Income)		243,656	168,675	(508,239)	(481,009)

Note

i. The Notes in section 4 of this report form part of the financial statements.

3.2 Consolidated Statement of Financial Position (SoFP) as at 31 December 2022

		States of Jersey Group	States of Jersey Group
	Note ⁱ	31 Dec 2022 £'000	31 Dec 2021 £'000
Non-Current Assets			
Property, Plant and Equipment	9	4,469,822	4,229,174
Investment Property	10	-	17,900
Intangible Assets		67,096	37,872
Other Financial Assets > 1 year	11	3,383,677	3,856,160
Derivative Financial Instruments Expiring > 1 year		6,068	-
Interest in Joint Venture		5,883	6,882
Trade and Other Receivables > 1 year	13	327,935	342,930
Total Non-Current Assets		8,260,481	8,490,918
Current Assets			
Other Non-Current Assets Classified as Held for Sale		6,120	3,262
Inventories	12	73,706	38,171
Other Financial Assets < 1 year	11	165,410	202,984
Derivative Financial Instruments Expiring < 1 year	11	11,281	804
Trade and Other Receivables < 1 year	13	498,235	452,586
Cash and Cash Equivalents	14	228,737	195,376
Total Current Assets		983,489	893,183
Total Assets		9,243,970	9,384,101
Current Liabilities			
Trade and Other Payables < 1 year	15	261,605	228,889
Past Service Pension Provision < 1 year	20	-	9,003
External Borrowings < 1 year	16	21,000	96,518
Currency in Circulation	17	104,682	116,935
Finance Lease Obligations < 1 year	18	-	-
Provisions < 1 year	19	924	4,758
Total Current Liabilities		388,211	456,103
Total Assets Less Current Liabilities		8,855,759	8,927,998
Non-Current Liabilities			
Trade and Other Payables > 1 year	15	-	-
External Borrowing > 1 year	16	857,707	296,052
Provisions > 1 year	19	49,247	34,638
Past Service Pension Provision > 1 year	20	-	466,112
Defined Benefit Pension Schemes Net Liability > 1 year	21	1,417	3,269
Total Non-Current Liabilities		908,371	800,071
Assets Less Liabilities		7,947,388	8,127,927
Taxpayers' Equity			
Accumulated Revenue and Other Reserves		5,848,458	6,108,724
Revaluation Reserve		1,832,491	1,665,758
Investment Reserve		266,439	353,445
Total Taxpayers' Equity		7,947,388	8,127,927

The financial statements were approved and authorised for issue on:

Deputy Ian Gorst
Minister for Treasury and Resources

Date: 28 April 2023

Richard Bell
Treasurer of the States

Date: 28 April 2023

Note

i. The Notes in section 4 of this report form part of the financial statements.

3.3 Consolidated Statement of Changes in Taxpayers' Equity (SoCiTE) for the year ended 31 December 2022

States of Jersey Group					
	Note ⁱ	Accumulated Revenue and Other Reserves £'000	Revaluation Reserve £'000	Investment Reserve £'000	Total £'000
Balance at 1 January 2021		5,852,886	1,514,337	279,695	7,646,918
Net Revenue Expenditure		238,881	-	-	238,881
Other Comprehensive Income					
Revaluation of Property, Plant and Equipment	9	-	167,926	-	167,926
Revaluation Losses for Financial Instrument held at FVTOCI	11	-	-	73,750	73,750
Remeasurements of the Net Defined Benefit Pension Scheme Liability	21	452	-	-	452
Total Other Comprehensive Income		452	167,926	73,750	242,128
Other Movements					
Release of Revaluation Reserve on Disposal of Property, Plant and Equipment		16,505	(16,505)	-	-
Total Other Movements		16,505	(16,505)	-	-
Total Movements in Reserves		255,838	151,421	73,750	481,009
Balance at 31 December 2021		6,108,724	1,665,758	353,445	8,127,927
Net Revenue Income		(268,105)	-	-	(268,105)
Other Comprehensive Income					
Revaluation of Property, Plant and Equipment	9	-	185,335	-	185,335
Revaluation Gains for Financial Instrument held at FVTOCI	11	-	-	(87,485)	(87,485)
Remeasurements of the Net Defined Benefit Pension Scheme Liability	21	1,580	-	-	1,580
Total Other Comprehensive Income		1,580	185,335	(87,485)	99,430
Other Movements					
Release of Revaluation Reserve on Disposal Other Reserve Adjustments ⁱⁱ		19,162 (12,903)	(19,162) 560	- 479	- (11,864)
Total Other Movements		6,259	(18,602)	479	(11,864)
Total Movements in Reserves		(260,266)	166,733	(87,006)	(180,539)
Balance at 31 December 2022		5,848,458	1,832,491	266,439	7,947,388

Note

i. The Notes in section 4 of this report form part of the financial statements.

ii. This comprises subsidiaries' 2021 adjustments made after approval of the 2021 accounts. It also includes a reserves adjustment to remove the Data Protection department which has been moved outside of the group boundary as an arms length organisation in the form of the Jersey Office of the Information Commissioner. As the adjustments are not material, 2021 has not been restated.

3.4 Consolidated Statement of Cash Flows (SoCF) for the year ended 31 December 2022

		States of Jersey Group	
		2022	2021
		£'000	£'000
	Note ⁱ		
Cash Flows from Operating Activities			
Net Revenue (Expenditure)/Income	SoCNE	(268,105)	238,881
Adjustments for Non-Cash Transactions			
Depreciation of Property, Plant and Equipment	9	87,410	89,424
Amortisation of Intangible Assets		1,732	1,563
Impairments & Abortive Costs	SoCNE	17,643	16,828
Investment Income	5	(45,079)	(73,874)
Finance Costs	SoCNE	34,193	27,573
Adjustments for Non-Operating Activities			
Loss/(Gains) on Other Financial Assets	SoCNE	213,228	(347,907)
Losses/(Gain) on Disposal of Non-Current Assets	SoCNE	(58)	(119)
Movement in Pension Liabilities		(10,008)	16,764
Payment of Pension Liability	20	(5,508)	(12,789)
Net Foreign Exchange Loss	SoCNE	526	593
Fair value losses/(gains) on Investment property	5	17,900	(560)
Repayment of pension liabilities		(472,731)	-
Movement in Other Liabilities			
Increase/(Decrease) in Provisions	19	10,775	11,314
Increase/(Decrease) in Currency in Circulation	17	(12,253)	1,744
Operating Cash Flows before movements in Working Capital		(430,335)	(30,565)
Adjustments for movements in Working Capital			
(Increase)/Decrease in Inventories	12	(35,535)	(5,826)
Increase in Trade and Other Receivables	13	(35,869)	(98,756)
Increase in Trade and Other Payables	15	41,541	15,698
Net Cash (Outflow)/Inflow from Operating Activities		(460,198)	(119,449)
Cash Flows from Investing Activities			
Purchases of Property, Plant and Equipment	9	(202,614)	(204,100)
Proceeds from disposal of Property, Plant and Equipment	9	272	880
Purchases of Intangible Assets		(30,956)	(21,485)
Proceeds from disposal of Assets Held for Sale		31,292	33,186
Interest Received	5	1,888	1,065
Dividends Received	5	43,191	72,809
Interest in Joint Venture		999	230
Net (Purchases)/Proceeds from disposal/purchase of Financial Assets ⁱⁱ		186,214	5,414
Net Cash Inflow from Investing Activities		30,286	(112,001)
Cash Flows from Financing Activities			
Proceeds of External Borrowings		597,288	137,500
Repayments of External Borrowings		(110,806)	-
Bond Interest Paid		(19,596)	(9,916)
Other Interest Paid		(3,613)	(1,846)
Bank and Other Charges		-	(1,436)
Net Cash Outflow from Financing Activities		463,273	124,302
Net (Decrease)/Increase in Cash and Cash Equivalents		33,361	(107,148)
Cash and Cash Equivalents at the Beginning of the Year	14	195,376	302,524
Cash and cash equivalents at the end of the year		14	228,737
		228,737	195,376

Note

i. the Notes in section 4 of this report form part of the financial statements

ii. The purchases and proceeds from purchase/disposal of Financial Assets have been presented net to reflect the true States of Jersey apportioned cash movement.

Notes to the Accounts

Notes to the Accounts

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4.1 Basis of financial statements preparation

1. 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.

2. Purpose

The purpose of this note is to outline the basis on which the consolidated financial statements for the SOJ 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.

3. Basis of preparation

Compliance with the 2022 JFReM

These consolidated accounts have been prepared in accordance with the 2022 States of Jersey Financial Reporting Manual (JFReM) issued by the Treasurer of the States to meet the requirements of the Public Finances (Jersey) Law 2019. The accounting policies contained in the JFReM apply EU adopted International Financial Reporting Standards (IFRS) in place as at 1 January 2021 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 2022 financial year (including comparators) is based on the UK Financial Reporting Manual (FReM) for the UK financial year ending 31 March 2021 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.

4.1 Basis of financial statements preparation (continued)

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 JFRoM

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"> • IASB effective date 1 Jan 2018 • EU effective date 1 Jan 2019 • FReM 2022-23 • Expected in JFRoM 2024 	<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: It is not possible to identify the impact of IFRS 16 on SoJ accounts at this stage, as it subject to further work to be carried out by each entity. The impact is expected to be material.</p>

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.

4. Basis of consolidation

These accounts consolidate all material entities within the States of Jersey consolidation boundary (the 'accounting boundary') as set out in the JFRoM. 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 26.

Subsidiaries are all entities (including structured entities) over which the group has control. In accordance with the interpretation of direct control applied in the JFRoM 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. See Note 26.

4.1 Basis of financial statements preparation (continued)

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 into Core and Group Entities. The Core comprises all entities except for the subsidiary companies (note 4.26).

5. 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).

4.1 Basis of financial statements preparation (continued)

Policies supporting the Consolidated Statement of Changes in Taxpayers' Equity

6. 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 other than donated 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) within the Common Investment Fund (CIF). Gains and losses on FVTOCI instruments are only recognised as income within Net Revenue Expenditure when the instruments are disposed of.

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	Note
Taxation revenue - Personal Tax Forecast	4.5
Revenue recognition - whether revenue from contracts with customers is recognised over time or at a point in time	4.5
Impairment - key assumptions and methodologies used to estimate the recoverability of accounts receivable, statutory debts and the value of inventory and fixed assets	4.9/4.12/4.13
Fair value - assumptions used in valuation techniques for the fair value of financial assets and liabilities, including derivatives	4.11

Recognition of pension schemes:

Public Employees Pension Fund (PEPF) and Jersey Teachers Superannuation Fund (JTSF)

The PEPF comprises a final-salary section known as the Public Employees Contributory Retirement Scheme (PECRS) and a 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 JTSF 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 JFRoM as an interpretation of IAS 19.

Investment property:

The States has assessed the purpose for holding property classed as investment property within its subsidiary companies' accounts and determined that, where these are used for an operational or service delivery objective of the States, they should be classed as operational assets within the States consolidated accounts. Any investment property held by subsidiary companies but not used for an operational or service objective of the States will remain classed as investment property.

This is a judgement made at the group level based on the strategic objectives of the Government on behalf of the Island. It does not imply that any differing judgement or accounting treatment by the subsidiary companies is incorrect as that will be based on their direct objectives in a commercial context.

Our Hospital Impairment:

Government ministers announced in 2022 that the project to build a single facility at Overdale will not be progressed. A review of the proposals found “... *the Our Hospital Project is no longer achievable within the £804.5 million funding approved by the last States Assembly, and that it would cost between £70 million and £115 million more under current market conditions.*”

Revised proposals are for a smaller development at Overdale and a redevelopment of the site of the current hospital and adjacent sites. The revised proposals are subject to approval by the States Assembly.

On that basis, a judgement has been made that some of the costs incurred on the Our Hospital project will no longer contribute towards the revised solution so they should be recognised through expenditure during the year. This is an estimate based on information available at the time of preparing the accounts. Further information is provided on the uncertainty in Note 4.3.

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) using a discounted cash flow of future rental streams. A discount rate of 5.75% (7.0% 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.	1,005,811
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 (2021: £198m). If drainage pipes were 5% larger than estimated this would increase the value of drainage assets by £10.9m (2020: £7m). Conversely a 5% reduction in estimated pipe diameter would reduce the value of drainage assets by £10.9m (2020: £8m). An increase/(decrease) to the base cost factor by +/- 5% would increase/(decrease) the value of this asset class by £10.9m (2021: £7m).	220,000
Valuation of Property, Plant and Equipment - General	Valuations require a number of judgements around key inputs on: <ul style="list-style-type: none"> • Unit material costs for modern equivalent depreciated replacement cost valuations; • Location factors to determine the local prices based on build cost indices; • Useful economic lives; • Condition of assets; and • Dimensions of the networked assets where historical records do not exist. 	While the impact has not been quantified, any variation in these inputs will have a significant impact on the valuation.	1,829,457
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 Jersey of the state of the global economy, in particular, energy prices and tightening monetary policy. This is partially mitigated by using Revenue Jersey data on earnings reported by employers through the Income Tax Instalment System (ITIS). And by using the latest (November) economic forecasts from the Fiscal Policy Panel (FPP).	Several sensitivity analyses have been carried out. <ol style="list-style-type: none"> 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 +/- £5.5m around the central forecast (0.9%). 2. There is a 2/3 likelihood that the impact of any variation in pension income will be within a range of +/- £0.6m (0.1%) 3. There is a 2/3 likelihood that the impact of any variation in investment income will be within a range of +/- £2.3m (0.4%). 	599,426

4.3 Key sources of estimation uncertainty (continued)

Item	Uncertainties	Effect if actual results differ from assumptions	Carrying amount (£'000)
		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 +/-£3.8m (0.7%).	
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. The spend to date has been analysed by categories and split by:</p> <p>Stage 1A – original concept and site evaluation</p> <ul style="list-style-type: none"> • General • Validation and testing of brief • Site selection • Clinical design <p>Stage 1B – detailed design</p> <ul style="list-style-type: none"> • Work Stage (WS) 1 demolition • WS 2 Hospital, energy centre, mental health, knowledge centre and associated works • WS 3 access road • Equipment and other <p>The impairment recognised in the accounts is an estimate of the costs incurred to date on the previous scheme that would not be re-usable for a future solution. It is based on a range of scenarios and assumptions but there remains significant uncertainty until the revised solution is known.</p> <p>This judgement will be revisited as more information is available. All costs incurred to date on the hospital projects will be considered in any future judgement. The next likely decision milestone will be in the Government Plan 2024 which should inform an updated disclosure in the 2023 Annual Report and Accounts.</p>	<p>The total costs on the Our Hospital project to the end of 2022 are broken down as:</p> <p>Design and Delivery Partner costs £34.7 million</p> <p>Site acquisition £25.1 million</p> <p>Government of Jersey costs £13.7 million</p> <p>Planning Fees £0.3 million</p> <p>Storm drainage £0.2 million</p> <p>Les Quennevais £9.7 million</p> <p>Access enablement £0.1 million</p> <p>TOTAL £83.8 million</p> <p>Removing the site acquisitions and Les Quennevais work from the scope of the impairment, the remaining balance in scope is £49.0 million.</p> <p>Of that, the total of the Overdale specific costs within Stage 1B, excluding demolition costs per the assumptions, would be £41.3 million.</p> <p>An impairment of £8.4 million (20% of the above Overdale specific costs plus the specific access enablement costs) has been recognised as an estimate in 2022.</p> <p>Based on a range of scenarios developed using the assumptions listed, the range of the impairment would be:</p> <p>10% of Overdale specific costs plus access enablement - reduction in the impairment of £4.2 million to £4.2 million.</p> <p>30% of Overdale specific costs plus access enablement - increase in the impairment of £4.2 million to £12.6 million.</p>	83,284

4.3 Key sources of estimation uncertainty (continued)

Item	Uncertainties	Effect if actual results differ from assumptions	Carrying amount (£'000)
Our Hospital Impairment	<p>The assumptions include:</p> <ul style="list-style-type: none"> - Positive planning determination has been achieved for Overdale and for part of the Kensington Place development. This sets the precedent for development and can be built on for a multi-site solution. - All Stage 1A costs have value as they are concept and evaluation costs which would have been necessary under any early stage project. - There will be a requirement to provide proportionate access to healthcare facilities, including Overdale via Westmount Road, making use of survey and design information. - The Bowling Club will not be displaced, hence costs expended on relocation and associated road design as part of the access enablement are to be written off. - Works carried out for storm drainage are necessary for any future development at Overdale site. - Demolition works will still be necessary under any future scenario. - The scope of new healthcare facilities will equate to something in the range of 70% to 90% of the Schedule of Accommodation, achieved over Overdale and a combination of Gloucester Street/ Kensington Place, St Saviours or Les Quennevais, or a mix of the two sites. - Development proposals will therefore utilise 70% to 90% of the specific WS3 and WS4 and equipment costs expended to date, therefore there is a potential write off, dependent on post feasibility design adopted of 10% to 30% of these costs. - The 70% to 90% does not equate to the percentage of the floorplan or site. - No valuation has been included in these numbers for any value in past write offs which included work on Gloucester Street site and may have value in future plans. <p>On that basis, there is a potential write off (impairment of AUCC), dependent on post feasibility design adopted, of 10% to 30% of these costs.</p>		
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 4.11 (e).</p> <p>Any valuation movement is recognised through the OCI and does not affect the operating net revenue expenditure/income.</p>	230,921

4.3 Key sources of estimation uncertainty (continued)

Item	Uncertainties	Effect if actual results differ from assumptions	Carrying amount (£'000)
Valuation of level 3 Other Financial Instruments	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.	For details of the key assumptions used and the impact of changes to these assumptions see note 4.11 (f)/(e)	1,036,654

4.4 Segmental analysis

The Segmental analysis split is consistent with the accounting boundary disclosed within note 26 where the majority of segments are broken down except for Social Security Funds at note 27 and the States Funds.

The Executive Leadership Team review monthly and quarterly financial reports on the below core segments. This split is based on lines of accountability within the organisation for the income it has collected from the public. These reports differ from the statements below whereby the balances after revenue are shown net of group eliminations for all intergroup transactions inlin the Group's accounting policies.

Reporting Segments	Operational activity
Ministerial Departments	This segment provides a range of services which include educational tuition, planning control, healthcare, police, firefighters. Taxation revenue is the main source of funding collected by Revenue Jersey within the Treasury and Exchequer department.
Non-Ministerial Departments and the States Assembly	Primary principle activity of these entities encompass the States' legal system as well as the States assembly. Its main source of income is fines and penalties issued by the courts.
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 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.
Special Funds and the Common Investment Fund	All government funds and surplus cash is invested in the Common Investment Fund (CIF) to generate growth for future generations.
States Of Jersey Development Company	Purpose is to purchase land and buildings for development to sell.
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.

4.4 (a) Statement of Comprehensive Net Expenditure for the year ended 31 December 2022

Reporting Segments	Ministerial Departments	Non-Ministerial Departments and the States Assembly	Social Security Funds	Trading Operations	Special and Common Investment Funds	Total States of Jersey Core Entities	States Of Jersey Development Company	Andium Homes Limited	Ports of Jersey Limited	Total States Of Jersey Group
Primary Revenue Source	Taxation	Fines and Penalties	Social Security Contributions	Parking or Sale of good/ Services	Investment Income		Property Development	Social Housing	Sale of Goods and Services	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Revenue										
Levied by the States of Jersey	(984,902)	(786)	(325,848)	(886)	-	(1,312,422)	-	-	(22)	(1,312,444)
Earned through Operations	(89,048)	(3,767)	(723)	(13,216)	(29,429)	(136,183)	(3,670)	(59,551)	(45,937)	(245,341)
Less: Internal Core Revenue	(42,757)	526	55,698	5,660	(32,492)	(13,365)	-	-	-	(13,365)
Total Revenue	(1,116,707)	(4,027)	(270,873)	(8,442)	(61,921)	(1,461,970)	(3,670)	(59,551)	(45,959)	(1,571,150)
Less: Internal Subsidiary Revenue										43,614
Total Adjusted Revenue	(1,116,707)	(4,027)	(270,873)	(8,442)	(61,921)	(1,461,970)	(3,670)	(59,551)	(45,959)	(1,527,536)
Expenditure										
Social Benefit Payments	95,087	-	376,050	-	-	471,137	-	-	-	471,137
Staff Costs	466,159	23,462	-	1,629	319	491,569	1,482	4,521	22,744	520,316
Other Operating Expenses	266,090	12,722	2,300	2,599	71,593	355,304	3,186	13,185	15,704	387,379
Grants and Subsidies Payments	67,846	73	-	-	2,145	70,064	-	1	182	70,247
Depreciation and Amortisation	51,295	117	591	2,849	4	54,856	32	17,155	17,097	89,140
Impairments & Abortive Costs	14,460	-	252	(173)	-	14,539	-	498	2,606	17,643
Finance Costs	26,433	7	1	5,941	33	32,415	357	850	571	34,193
Net Foreign-Exchange (Gains)/Losses	31	-	-	-	470	501	-	-	25	526
Total Expenditure	987,401	36,381	379,194	12,845	74,564	1,490,385	5,057	36,210	58,929	1,590,581
Operating Net Revenue Expenditure/(Income)	(129,306)	32,354	108,321	4,403	12,643	28,415	1,387	(23,341)	12,970	63,045
Other Non-Operating Revenue/Expenditure										
(Gains)/Losses on Disposal of Non-Current Assets	34	-	-	(130)	-	(96)	-	(11)	49	(58)
(Gains)/Losses on Other Financial Assets	(11,852)	-	46	-	229,232	217,426	30	(4,777)	549	213,228
Movement in Past Service Liability	-	-	-	(8,110)	-	(8,110)	-	-	-	(8,110)
Net Revenue Expenditure/(Income)	(141,124)	32,354	108,367	(3,837)	241,875	237,635	1,417	(28,129)	13,568	268,105
Other Comprehensive Income										
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	96,925	-	-	-	-	96,925	-	-	-	96,925
Fair value gain/(loss) on disposal of financial assets	(9,500)	-	-	-	-	(9,500)	-	-	-	(9,500)
Other Comprehensive Income	14,053	-	(639)	(7,453)	-	5,961	-	(70,731)	(34,720)	(99,490)
Total Comprehensive Expenditure/(Income)	(127,071)	32,354	107,728	(11,290)	241,875	243,596	1,417	(98,860)	(21,152)	168,615

4.4 (b) Statement of Comprehensive Net Expenditure for the year ended 31 December 2021

Reporting Segments	Ministerial Departments	Non-Ministerial Departments and the States Assembly	Social Security Funds	Trading Operations	Special and Common Investment Funds	Total States of Jersey Core Entities	States Of Jersey Development Company	Andium Homes Limited	Ports of Jersey Limited	Total States Of Jersey Group
Primary Revenue Source	Taxation	Fines and Penalties	Social Security Contributions	Parking or Sale of good/ Services	Investment Income		Property Development	Social Housing	Sale of Goods and Services	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Revenue										
Levied by the States of Jersey	(803,206)	(925)	(291,821)	(491)	-	(1,096,443)	-	-	-	(1,096,443)
Earned through Operations	(148,479)	(4,369)	(344)	(9,964)	(31,560)	(194,716)	(3,409)	(55,108)	(30,581)	(283,814)
Less: Internal Core Revenue	16,855	636	50,855	3,736	(25,133)	46,949	-	-	-	46,949
Total Revenue	(934,830)	(4,658)	(241,310)	(6,719)	(56,693)	(1,244,210)	(3,409)	(55,108)	(30,581)	(1,333,308)
Less: Internal Subsidiary Revenue										43,331
Total Adjusted Revenue	(934,830)	(4,658)	(241,310)	(6,719)	(56,693)	(1,244,210)	(3,409)	(55,108)	(30,581)	(1,289,977)
Expenditure										
Social Benefit Payments	211,608	-	340,859	-	-	552,467	-	-	-	552,467
Staff Costs	407,673	20,031	-	1,480	61	429,245	1,086	3,609	24,725	458,665
Other Operating Expenses	254,170	9,756	2,445	(3,271)	57,979	321,079	964	20,383	11,875	354,301
Grants and Subsidies Payments	48,413	1,127	-	-	1,114	50,654	-	-	59	50,713
Depreciation and Amortisation	46,548	152	718	2,696	13	50,127	44	13,996	19,032	83,199
Impairments & Abortive Costs	20,876	-	1,479	1,642	2	23,999	230	5,127	4,345	33,701
Finance Costs	19,286	5	2	6,219	1,101	26,613	427	549	161	27,750
Net Foreign-Exchange (Gains)/Losses	(20)	-	-	-	786	766	-	-	(6)	760
Total Expenditure	1,008,554	31,071	345,503	8,766	61,056	1,454,950	2,751	43,664	60,191	1,561,556
Operating Net Revenue Expenditure/(Income)	73,724	26,413	104,193	2,047	4,363	210,740	(658)	(11,444)	29,610	271,579
Other Non-Operating Revenue/Expenditure										
(Gains)/Losses on Disposal of Non-Current Assets	3,916	(1)	-	(62)	-	3,853	(115)	-	-	3,738
(Gains)/Losses on Other Financial Assets	(166)	-	(295)	-	(252,450)	(252,911)	-	(864)	617	(253,158)
Movement in Past Service Liability	-	-	-	2,129	-	2,129	-	-	-	2,129
Net Revenue Expenditure/(Income)	77,474	26,412	103,898	4,114	(248,087)	(36,189)	(773)	(12,308)	30,227	24,288
Other Comprehensive Income										
Revaluation of Property, Plant and Equipment	(7,765)	-	(634)	1,386	-	(7,013)	(118)	(49,000)	(53,614)	(109,745)
Net Defined Benefit Pension Scheme Liability	-	-	-	(359)	-	(359)	-	-	-	(359)
(Gain)/Loss on Revaluation of Financial Instruments held at FVTOCI	(9,490)	-	-	-	-	(9,490)	-	-	-	(9,490)
Other Comprehensive Income	(17,255)	-	(634)	1,027	-	(16,862)	(118)	(49,000)	(53,614)	(119,594)
Total Comprehensive Expenditure/(Income)	60,219	26,412	103,264	5,141	(248,087)	(53,051)	(891)	(61,308)	(23,387)	(95,306)

4.5 - 4.8

Notes supporting the Consolidated Statement of Comprehensive Net Expenditure

4.5 Revenue

Accounting Policies

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 resulting from changes in price levels and other changes in the volume of assets. These are disclosed separately in Note 11 (b) as '(Gains)/Losses on Financial Asset'. The total States of Jersey revenue composition and recognition of revenue sources were as follows:

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 based on company returns' assessable income. Comprise amounts of tax payable by companies that relate to instalments and final payments received/raised for current and former periods. It does not include estimates of revenue relating to the reporting year that will be recognised in annual income tax returns lodged after the reporting date.
Goods and Services Tax (GST) and Stamp Duty	Recognised based on the actual liabilities raised during the year and includes an estimate of amounts outstanding that relate to transactions occurring in the reporting period.
Impôts Duties	Recognised 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.

IFRS 15 does not apply to the non-exchange transactions that are "Levied by the States of Jersey" such as taxation, fines and penalties. These transactions do not meet the requirements of IFRS' definition of a contract due to no specific performance obligations being set in return for the consideration received. Goods, services and rental income under "Earned through Operations" do meet IFRS 15's application criteria and therefore the two different types of incomes will detail their accounting policy separately.

Taxation Revenue:

Taxation revenue is recognised in the period in which the event that generates the revenue occurs. Some of the accrued revenue receivable figures and other items are subject to statistical estimation of forecasts, as tax returns and tax payments can be filed later. Due to the areas of uncertainty involved, actual outcomes could differ from the estimates used. States of Jersey believe that the levels of variation are acceptable, and Revenue Jersey estimate that any total understatement or overstatement is unlikely to exceed 1% of the Statement of Comprehensive Net Expenditure total revenue, which does not significantly impact the reported position. Estimation of some revenues can be difficult due to impacts of economic conditions and the timing of final taxable income; hence, the States of Jersey uses the following basis of recognition:

4.5 Revenue (continued)



Personal Tax Forecast

The estimate used to recognise Personal Income Tax is based on the same model used by the Income Forecasting Group (IFG).

The forecast is driven by forecasts for compensation of employees (CoE), gross operating surplus (GOS), Bank Rate, earnings, employment and inflation. These are provided by the independent Fiscal Policy Panel. Taxable income is broken down and forecast as follows:

Income Type	Forecast Approach	Proportion of total	
		2022	2021
Employment and other earned Income	Employment income equation (supplemented by IT IS data)	70%	70%
Pension Income	Pension Income	10%	10%
Shareholder income / distributions	RPIY inflation	6%	6%
Business profits	10 year average growth rate	6%	6%
Property income	5 year average growth rate	4%	4%
Bank interest, dividend income and unearned	Unearned income equation	4%	4%

A different approach is taken to forecasting taxable income from taxpayers on the High-Value-Residency (HVR) regime. This is because the marginal tax rate for these individuals is different from that for the main taxpayer population. This represents a relatively small amount of the total tax take and is forecast using actual and expected arrivals and departures of these taxpayers; multiplied by the expected tax take per individual.

Tax rates are applied to income forecasts added together, less allowances. Credits are subtracted and adjustments are made for past and future changes to tax rates or allowances. HVR forecasts are added separately.

Approach used to account for the impact of Covid-19

The IFG made additional adjustments to account for the impact of the global pandemic and the resultant restrictions on economic activity. The removal of the pandemic adjustments to bank, dividend and other unearned income and shareholder income/distributions are set out in the 2022 IFG report. Adjustments for business profits and property income have been reviewed based on all information available at the end of the year, including 2021 outturn. This has resulted in a removal of the adjustments to provide an accurate base for the 2022 forecast.

4.5 Revenue (continued)

Accounting Policies

Assumption	2022 £m	2021 £m	Assumption narrative
Personal business profits	(3.0)	(3.1)	In 2022, the IFG recommended revised adjustments (+5.64pp for 2021 and 2022). Following better-than-expected growth in personal business profits in 2021, the adjustment (5.64pp) was removed for 2022. This reduces the forecast by £3.0m (based on latest outturns and forecasts).
Property Income	(0.8)	(1.1)	In 2022, the IFG recommended revised adjustments (+2.88pp for 2021 and 2022). Following in-line growth in property income in 2021, the adjustment (2.88pp) was removed for 2022. This reduces the forecast by £0.8m (based on latest outturns and forecasts).
Bank, dividends and other unearned	-	(1.1)	The IFG agreed to formally remove these adjustments from the forecasts for 2022 onwards.
Shareholder income/distributions	-	(2.2)	The IFG agreed to formally remove these adjustments from the forecasts for 2022 onwards.

Penalties and general interest charges (GIC) arising under taxation legislation are recognised as revenue at the time the penalty and GIC are imposed on the taxpayer and included within the relevant revenue categories. Generally, subsequent remissions and write-offs of such penalties and interest are treated as an expense (mutually agreed write-down) or other economic flow of the period. 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

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.

4.5 Revenue (continued)



Sale of goods and services

Below is a summary of the revenue recognition:

Income Type	Forecast Approach
School Fees	School fees consists of tuition fees, resource fees, levies, application fees, enrolment fees, waiting list fees and other miscellaneous charges. Tuition/term fees, resource fees and levies are recorded as income in the period when services are provided. Non-refundable enrolment fees and application fees were treated as income on receipt.
Lottery Ticket Sales	The income is derived from the sale of lottery scratch cards through numerous retail outlets across the Island. Revenue recognised at the point that the tickets are sold. The purchase of a ticket creates an agreement between the customer and the States that may be evidenced by a ticket specifying the wager and the odds.
Airport and Harbour Charges Channel Island Control Area (CICA)	There are four distinct performance obligations, these are landing, parking, departing and other charges (i.e. noise and fixed electrical ground power). The revenue from these charges is recognised on the day the movement takes place or services are rendered. Passenger charges levied on passengers on departure; <ul style="list-style-type: none"> - Aircraft landing and take-off charges levied according to noise certification; - Aircraft parking charges based on a combination of weight and time parked; and - Other charges levied (i.e. fixed electrical ground power) when these services are rendered.
Other fees and services	The States recognises revenue when a performance obligation is satisfied. Grants and similar financing for capital items, to the extent that they have not been eliminated on consolidation, are recognised immediately in the Consolidated Statement of Comprehensive Net Expenditure (SOCNE) unless it is likely that the grant will need to be repaid, in which case the grant is deferred in the Statement of Financial Position (SOFP).

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.

Accounting for Goods and Services Tax (GST)

GST charged/paid is fully recoverable, and so income and expenditure is shown net of GST.

4.5 Revenue

	Notes	2022 £'000	2021 £'000
Levied by the States of Jersey			
Taxation Revenue			
Personal Income Tax		599,426	557,912
Corporation Tax		121,669	85,472
Goods and Services Tax (GST)		117,976	106,601
Total Taxation Revenue		839,071	749,985
Social Security Contributions		268,741	241,064
Island rates, duties, fees, fines and penalties			
Impôts Duty		66,726	80,329
Stamp Duty and Land Transfer Tax		54,304	60,992
Island Wide Rates		14,578	13,754
Fines and Penalties		12,041	11,199
Total Island rates, duties, fees, fines and penalties		147,649	166,274
Total Levied by the States of Jersey		1,255,461	1,157,323
Earned through operations			
Revenue from Contracts with Customers			
Sale of Goods		10,578	8,585
Sale of Services		102,929	89,293
Other Fees and Charges		11,452	10,665
Total Revenue from Contracts with Customers		124,959	108,543
Investment Income			
Interest Income		1,888	1,065
Dividend Income		43,191	72,809
Total Investment Income		45,079	73,874
Other Revenue			
Hire & Rentals		80,256	77,051
Other Income	i	21,781	18,270
Total Other Revenue		102,037	95,321
Total Earned through operations		272,075	277,738
Total Revenue		1,527,536	1,435,061

Performance Narrative

Analysis providing an explanation of the key year on year movements in revenue can be found in Appendix 1 Financial Review starting on page 71.

Note

i. Other income includes: Financial Services returns, Criminal Offences Confiscations Fund grants received, recovered costs, coverage payments and other income that does not fall into any other category.

4.6 Social Benefit Payments

Accounting Policies

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.

	Notes	2022 £'000	2021 £'000
Social Benefits			
Pensions		227,706	212,569
Income Support		73,154	76,816
Incapacity Allowance, Pensions and Survivors' Benefits		53,176	48,818
Long Term Care Benefits		61,057	57,399
Health Benefits		33,490	32,496
Covid-19 Related Benefit Payments	i	5,301	31,372
Education and Other: Allowances and Student Grants		17,253	17,163
Total Social Benefits		471,137	476,633

Performance Narrative

The most significant change in 2022 is the reduced level of Covid-19 related benefit payments, the largest of which was the Co-funded Payroll Scheme. Covid related income support measures ceased during the early part of 2022.

Note

i. Covid-19 benefit payments relate to the co-funded payroll scheme, emergency support payments, stimulus payments and vouchers.

4.7 Staff Costs

Accounting Policies

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. Public sector pension scheme costs include current service costs and past service costs, both of which are explained in further detail in note 4.20 and 4.21.

2022

Department	Notes	Salaries and Wages £'000	Pension Contributions £'000	Social Security £'000	Total £'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	ii	31,601	-	-	31,601
States Members Remuneration		2,638	-	-	2,638
Other Staff Costs	iii	1,873	-	-	1,873
Capitalised Staff Costs		(4,477)	-	-	(4,477)
Elimination of Social Security Contributions	iv	-	-	(25,320)	(25,320)
Total		461,899	58,417	-	520,316

2021

Department	Notes	Salaries and Wages £'000	Pension Contributions £'000	Social Security £'000	Total £'000
Departments & Trading Operations		378,771	53,710	22,284	454,765
Subsidiary Companies	i	22,162	2,745	1,244	26,151
Non-States Staff Costs	ii	25,438	-	-	25,438
States Members Remuneration		2,562	-	-	2,562
Other Staff Costs	iii	894	-	-	894
Capitalised Staff Costs		(3,537)	-	-	(3,537)
Elimination of Social Security Contributions	iv	-	-	(23,528)	(23,528)
Total		426,290	56,455	-	482,745

Performance Narrative

There has been an increase in staff numbers and costs in 2022. The majority of these posts relate to key public service delivery demands and moves to fill vacant posts. They include additional teaching assistants and teachers, additions in our blue light services, a developing public health function and fixed term staff delivering the ITS programme.

The increase in costs also includes the impact of pay awards in 2022. More information on the number of staff and what pay awards were given in 2022 is provided in the Staff Report section.

Notes

i. Further details can be found in the separately published Jersey Development Company / Andium Homes/ Ports of Jersey accounts.

ii. 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.

iii. Other staff costs include redundancy, voluntary redundancy, severance payments and adjustments for the cost of accumulated compensated absences.

iv. 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.

4.8 Grants

Accounting Policies

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.

Significant Grants made during 2022

The note below summarises grants of £75,000 and over made by the States of Jersey in 2022 and 2021. Some organisations below may have also received grants below £75,000.

Issuing Dept	Grantee	2022 £'000	2021 £'000	Reason for Grant
C&LS	Jersey Employment Trust (JET)	1,105	1,030	To provide sheltered work and additional training and development to the most severely disabled.
C&LS	Jersey Employment Trust (JET) - Workforce Solutions Ltd (VDS)	800	800	To provide employment opportunities to people with serious learning difficulties or autism.
C&LS	Shelter Trust	1,444	1,443	To provide accommodation to homeless Islanders.
C&LS	Jersey Women's Refuge	215	256	To provide financial support for costs.
C&LS	Jersey Citizens Advice Bureau	271	271	To support to an organisation that enables people to take greater responsibility for their own lives and wellbeing, to access services available to them and provides Islander with the Jersey Online Directory.
C&LS	Home Call	103	103	To support the provision of services to elderly and vulnerable Islanders. Services provided include organising home grocery and prescription deliveries, arranging transport to medical appointments and organising social events.
CYPES	Beaulieu Convent School	2,389	2,315	To provide financial support to the school.
CYPES	De La Salle College	1,945	1,953	To provide financial support to the school.
CYPES	FCJ Primary School	322	304	To provide financial support to the school.
CYPES	Jersey Child Care Trust	134	134	To provide financial support for operating costs.
CYPES	Digital Jersey	217	366	To provide financial support for the running costs of the Digital Jersey Academy.
CYPES	Best Start Partnership	116	-	Early years best start initiative
CYPES	Eden House Grant	-	691	To help develop a Therapeutic Children's Home.
IHE	Serco (Jersey) Limited	436	414	To provide financial support for the running costs of the Waterfront Pool.
JOA	Overseas Aid Grants	7,707	6,184	To provide humanitarian aid for sustainable grant projects and work project initiatives.
JOA	Overseas Aid Grants	1,658	2,138	To support local charities providing community work project initiatives.
JOA	Overseas Aid Grants	3,995	3,361	To provide disaster and emergency relief.
JOA	Overseas Aid Grants	600	-	Ukraine support
Non-Mins	Bailiff's Covid 19 Appeal	-	170	To support the provision of trauma focused therapy for HCS staff and the acquisition of new medical equipment.
OCE	Government of Jersey London Office	621	594	To provide financial support for the running costs of the Jersey Government's London Office.
OCE	Bureau de Jersey Ltd	100	100	To provide financial support for operating costs.
OCE	Channel Islands Brussels Office	264	319	To provide financial support for the running costs of the Channel Islands Brussels Office
ECON	Jersey Finance Limited	5,747	5,620	Grant towards costs of organization that promotes the Jersey's finance industry and provides technical assistance to the Jersey Government.
ECON	Digital Jersey Ltd	2,225	2,025	Grant towards costs of organisation that promotes the digital sector and provides technical assistance to the Jersey Government.

4.8 Grants (continued)

Issuing Dept	Grantee	2022 £'000	2021 £'000	Reason for Grant
ECON	Jersey Competition Regulatory Authority	897	691	Grant towards cost of organisation that seeks to create a more competitive commercial environment.
ECON	Jersey Island Genetics Ltd	185	183	Cattle testing.
ECON	Jersey National Park Ltd	200	150	Grant towards costs of safeguarding and developing the Jersey National Park.
ECON	Jersey Arts Centre Association	640	602	To provide financial support for operating costs.
ECON	Jersey Opera House	366	572	To provide financial support for operating costs.
ECON	Jersey Heritage	5,529	4,503	To provide financial support for operating costs.
ECON	Jersey Rugby Football Club	50	150	Grant to fund running of team.
ECON	Jersey Battle of Flowers (Events) Ltd	177	-	To provide financial support for costs of event.
ECON	Art House Jersey	915	515	To provide financial support for operating costs.
ECON	Jersey Business Ltd	860	1,568	Grant support for operating costs and business plan objectives.
ECON	Jersey Sport	1,962	1,956	To provide financial support for the development of Jersey sport.
ECON	Jersey Consumer Council	112	89	To provide financial support for operating costs.
ECON	Visit Jersey Ltd	5,750	5,650	To provide financial support for operating costs.
ECON	Fisheries Scheme	22	186	To provide financial support for the Jersey fishing industry.
ECON	Jersey Products Promotion (2017) Ltd	222	218	Supporting Rural Initiative Scheme that supports innovation and business diversification.
ECON	Super League Triathlon	-	270	To provide financial support for hosting the Super League Triathlon in Jersey (2, 3).
ECON	Jersey Office of the Information Commissioner	250	500	To provide financial support to an organisation that enforces data protection legislation (3, 4).
ECON	Jersey Bus Tours	-	129	Provision of financial support.
ECON	Normandy Trader Freight Services Ltd	-	107	Provision of financial support.
ECON - Funds	Technology Accelerator Fund	230	-	To support development of digital skills and support digital-based economic opportunities.
SPPP	Jersey Advisory and Conciliation Service (JACS)	355	355	To provide a free employment relations service to help employers, employees and trade unions work together for the prosperity of Jersey business and the benefit of employees.
T&E Funds	Dormant Bank Accounts - Various	560	-	
T&E Funds	Charities Commissioner Costs	-	110	To provide financial support for the costs of the Charity Commissioner.
T&E Funds	The Jersey Community Foundation Limited	-	1,096	To assist with the distribution for charitable purposes of approved amounts from the Dormant Bank Account Fund.
T&E Funds	Association of Jersey Charities	1,524	1,388	CI Lottery
Ports of Jersey	Ports of Jersey Issued Grant	685	84	Ports grant
Total significant grants awarded		53,905	51,663	

4.8 Grants (continued)

Fiscal Stimulus Grants

Issuing Dept	Grantee	2022 £'000	2021 £'000	Reason for Grant
C&LS	Jersey Employment Trust (JET)	256	552	To extend the Acorn facility
C&LS	Jersey Citizens Advice Bureau	-	50	To provide a website and digital channels update.
C&LS	Unemployment Support Scheme	167	210	Project supporting long term jobseekers.
C&LS	Shelter Trust	-	190	To support women only accommodation.
CYPES	Trinity Youth Centre Trust	208	621	To provide financial support for the operating costs of the Trinity Youth Centre.
CYPES	Jersey Scouts	367	36	Refurbishment of Kenneth Faucon Hall
CYPES	Beaulieu Convent School	445	1,055	Beaulieu Convent School - Sports Centre
CYPES	Every Child Our Future	-	60	Every Child Our Future Summer School
CYPES	Local Church - Ebenezer	11	-	Refurbishment project
HCS	Brook Jersey	-	181	Brook Jersey premises
IHE	Jersey Cricket Limited	300	-	The refurbishment of Grainville Cricket Pavilion
IHE	Padel for All Limited	425	-	The construction of Padel Courts
IHE	Durell Wildlife Conservation Trust	980	-	Enabling works for Warty Pigs Enclosure
IHE	Baptist Facility	7	158	Facilities modernisation project
IHE	Enable Jersey Changing Facility St Brelades Bay	-	87	Re-develop the changing room facilities at St. Brelade's beach
IHE	Jersey Cheshire Home	-	67	Solar PV panels
IHE	The Jersey Race Club	14	15	Racecourse improvements
IHE	Healing Waves	392	19	Healing Waves - Adaptive Surf Centre
IHE	Jersey Association of Youth and Friendship	-	30	Maintenance grant for JAYF hostels
IHE	Jersey Biodiversity Centre	22	34	Engage Jersey with Nature 2021
JHA	Jersey Air Cadets	204	-	Improvements made to grounds.
ECON	Jersey Heritage	237	199	La Hougue Bie Gallery and Workshop
ECON	Jersey Heritage	869	126	Hamptonne Agricultural Museum
ECON	Jersey Heritage	101	34	Implementation of a new I.T. system
ECON	Royal Jersey Agricultural & Horticultural Society	298	197	RJA&HS grounds refurbishment
ECON	The National Trust of Jersey	1,639	528	Morel Farm refurbishment
ECON	Jersey Consumer Council	19	18	Consumer Confidence and Data Security
Total Fiscal Stimulus grants awarded		6,961	4,467	

4.8 Grants (continued)

Economic Recovery Fund Grants

Issuing Dept	Grantee	2022 £'000	2021 £'000	Reason for Grant
ECON	Tantivy Blue Coach Tours Ltd	75	118	Visitor Attraction & Events Support Scheme (VAES)
ECON	Jersey Business Ltd	1,460		Visitor Attraction & Events Support Scheme (VAES)
ECON	Digital Jersey Ltd	251		To extend the short-course provision previously funded by Fiscal Stimulus in 2021
ECON	Jersey Bus Tours	12		Visitor Attraction & Events Support Scheme (VAES)
ECON	St Brelade's College	31		Visitor Attraction & Events Support Scheme (VAES)
ECON	Jersey Lavender Ltd	16		Visitor Attraction & Events Support Scheme (VAES)
ECON	La Mare Vineyards Ltd	14		Visitor Attraction & Events Support Scheme (VAES)
ECON	Waverley Coaches	41		Visitor Attraction & Events Support Scheme (VAES)
ECON	Jersey Finance Ltd	299		To support Jersey Finance's Economic Program
ECON	Airline Services(CI) Ltd	47		Visitor Attraction & Events Support Scheme (VAES)
ECON	CRES Reallocation	1		
ECON	C I Travel Group	-	93	VAES to support tourism attractions in Jersey
ECON	Individual - Mr Martin Sayers	-	146	VAES to support tourism attractions in Jersey
ECON	Polar Cars Ltd	30	211	Vehicle Hire Car support scheme
ECON	Europcar Jersey	(212)	212	Vehicle Hire Car support scheme
ECON	Spellbound Holdings Ltd	30	120	Vehicle Hire Car support scheme
ECON	Visitor Accommodation Support Scheme (VASS) - Various	1,225	6,260	To support local visitor accommodation providers
ECON	Fixed Cost Support Scheme (FCSS) - Various	150	3,105	Fixed Cost Support Scheme as part of Economic Recovery Fund
Total Economic Recovery Fund grants awarded		3,470	10,265	

4.8 Grants (continued)

Payments made under Significant Grant Schemes during 2022

The note below summarises payments under Government of Jersey Grant Schemes where total payments exceeded £25,000 in 2022.

Issuing Dept	Name of Scheme	2022 £'000	2021 £'000	Reason for Grant
IHE	Area Payments to Individuals	1,499	814	Support to underpin a base level of farming activity in the countryside
OCE	Quality Milk Payments to Individuals	913	485	Transitional support to allow the industry to implement their Dairy Industry Recovery Programme
CYPES	Nursery Education Fund	2,869	2,170	Provide pre-school learning through the Nursery Education Fund
CYPES	Grants to individuals (Jersey College for Girls)	13	-	To assist students in the payment of fees
CYPES	Grants to individuals (Victoria College)	47	10	To assist students in the payment of fees
C&LS	Social Recovery	250	-	To support projects that promote mental or physical health for Islanders that may have been affected by the pandemic.
C&LS	Various employment schemes	140	681	Additional employment opportunities for the unemployed - includes Back to Work, Enhanced Workzone, Advance Plus
Total significant grants awarded under Government of Jersey Grant Schemes		5,731	4,160	
Total Other Grants and Subsidies under £75k		1,132	1,169	
Grand Total - Grants and Subsidies awarded		71,199	71,724	
Adjustment to accrued grants in prior year		(952)	-	
Total Grants and Subsidies expense recorded		70,247	71,724	

Performance Narrative

The reduction in grant expenditure in 2022 is mainly due to reduced payments from the Economic Recovery Fund as the specific measures taken to support the local economy and mitigate the impact of Covid-19 were wound down. This was partly offset by an increase in Fiscal Stimulus grants. There was also an increase in other individual grants out from departments in 2022 including an increase in support for Jersey Heritage and from Jersey Overseas Aid including support for Ukraine.

4.9 - 4.21

Notes supporting the Consolidated Statement of Financial Position

4.9 Property, Plant and Equipment

Accounting Policies

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)*

* The States has elected to use DHC as a proxy for fair value for assets with a short useful life or a low value.

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.

4.9 Property, Plant and Equipment (continued)

Accounting Policies

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 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.

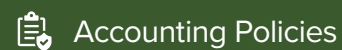
Downward revaluations are recorded in the revaluation reserve to the extent that they reverse previous upward revaluations. Downward revaluations below the historic cost of the asset are recorded as an impairment in Net Revenue Expenditure/Income.

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.

4.9 Property, Plant and Equipment (continued)



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.

4.9 Property, Plant and Equipment

a) Reconciliation - 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
Cost or Valuation											
At 1 January 2022	421,439	1,090,376	1,127,197	1,481,640	445,391	17,634	283,452	7,149	5,073	304,734	5,184,085
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	39,448	71,399	93,763	55,307	21,486	-	-	-	-	-	281,403
Assets reclassified (to)/from Intangibles	-	-	-	-	-	-	-	-	-	-	-
Assets reclassified (to)/from Non-Current Assets Held For Sale	-	-	(33,250)	-	-	-	-	-	-	(842)	(34,092)
At 31 December 2022	466,111	1,178,062	1,239,890	1,550,129	473,331	18,943	278,880	7,383	5,073	385,906	5,603,708
Accumulated Depreciation											
At 1 January 2022	(69,935)	(335,705)	(214,538)	(62,758)	(86,672)	(10,048)	(170,921)	(4,276)	(58)	-	(954,911)
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	-	-	-	-	-	-	-	-
Impairment	(6,663)	(52,852)	(22,151)	(17,536)	(2,939)	-	-	-	-	(8,376)	(110,517)
At 31 December 2022	(76,598)	(421,223)	(234,079)	(91,608)	(102,395)	(10,470)	(183,920)	(5,156)	(61)	(8,376)	(1,133,886)
Net Book Value: 31 December 2022	389,513	756,839	1,005,811	1,458,521	370,936	8,473	94,960	2,227	5,012	377,530	4,469,822
Net Book Value: 1 January 2021	351,504	754,671	912,659	1,418,882	358,719	7,586	112,531	2,873	5,015	304,734	4,229,174
Asset Financing											
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
Net Book Value: 31 December 2022	389,513	756,839	1,005,811	1,458,521	370,936	8,473	94,960	2,227	5,012	377,530	4,469,822

4.9 Property, Plant and Equipment (continued)

a) Reconciliation - 2021

	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
Cost or Valuation											
At 1 January 2021	401,812	990,196	1,023,632	1,371,576	419,924	17,076	269,798	5,682	823	233,455	4,733,974
Additions	93	5,268	7,134	-	-	65	148	17	-	191,375	204,100
Disposals	(46)	(18)	-	-	-	(2,374)	(1,258)	(155)	-	-	(3,851)
Transfers	570	24,879	58,579	11,062	2,258	2,867	14,764	1,605	3,512	(120,096)	-
Revaluations	19,010	70,051	69,616	99,002	23,209	-	-	-	738	-	281,626
Assets reclassified (to)/from Intangibles	-	-	-	-	-	-	-	-	-	-	-
Assets reclassified (to)/from Non-Current Assets Held For Sale	-	-	(31,764)	-	-	-	-	-	-	-	(31,764)
At 31 December 2021	421,439	1,090,376	1,127,197	1,481,640	445,391	17,634	283,452	7,149	5,073	304,734	5,184,085
Accumulated Depreciation											
At 1 January 2021	(69,935)	(284,163)	(106,521)	(34,634)	(73,469)	(10,719)	(157,584)	(3,856)	(55)	-	(740,936)
Depreciation charge	-	(36,066)	(15,049)	(8,736)	(13,203)	(1,424)	(14,368)	(575)	(3)	-	(89,424)
Disposals	-	-	-	-	-	2,095	1,031	155	-	-	3,280
Transfers	-	-	-	-	-	-	-	-	-	-	-
Impairment	-	(15,475)	(92,968)	(19,388)	-	-	-	-	-	-	(127,831)
At 31 December 2021	(69,935)	(335,705)	(214,538)	(62,758)	(86,672)	(10,048)	(170,921)	(4,276)	(58)	-	(954,911)
Net Book Value: 31 December 2021	351,504	754,671	912,659	1,418,882	358,719	7,586	112,531	2,873	5,015	304,734	4,229,174
Net Book Value: 1 January 2021	331,877	706,033	917,111	1,336,942	346,455	6,357	112,214	1,826	768	233,455	3,993,038
Asset Financing											
Purchased	306,426	746,023	911,239	1,418,882	358,719	7,527	112,030	2,873	4,291	304,734	4,172,744
Donated	35,668	29	-	-	-	59	501	-	724	-	36,981
Leased	9,410	8,619	1,420	-	-	-	-	-	-	-	19,449
Net Book Value: 31 December 2021	351,504	754,671	912,659	1,418,882	358,719	7,586	112,531	2,873	5,015	304,734	4,229,174

4.9 Property, Plant and Equipment (continued)

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 Struc- tures	Transport Equipment	Plant and Machinery, Furniture and Fittings	Information Technology Equipment	Antiques and Works of Art	Assets Un- der Course of Construc- tion
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Revaluation or Cost Model	Revaluation	Revaluation	Revaluation	Revaluation	Revaluation			Cost		
Independent Valuer	Valuation Office Agency	Valuation Office Agency	Jones Lang LaSalle	Valuation Office Agency	Valuation Office Agency & Buckley					
Valuation Methodology	Fair Value	Fair Value	Existing Use Value	Fair Value	Fair Value					
Frequency of Full Valuation	Quinquennial	Quinquennial	Quinquennial	Quinquennial	Quinquennial			N/A		
Date of last full valuation	December 2022	December 2022	December 2022	December 2019	December 2019					
Effective Date of Valuation	December 2022	December 2022	December 2022	December 2022	December 2022					
Carrying Amount at Cost	316,043	438,577	524,863	979,194	114,923	8,473	94,960	2,227	5,012	385,906
Revaluation Surplus / Deficit	73,470	318,262	480,948	479,327	256,013	-	-	-	-	(8,376)
Revaluation /Impairment Movement in Year	32,785	18,547	71,612	37,771	18,547	-	-	-	-	(8,376)

Performance Narrative

The increase in the overall net book value of property, plant and equipment assets is largely driven by the net revaluation increases during 2022 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 external valuers, Valuation Office Agency, performed a full land and building valuation. Land values were increased by £19.5m and buildings by £22.7m. Further to this, the Valuation Office Agency performed an interim infrastructure valuation as at 31 December 2022. The overall valuation increase on infrastructure assets was £34.5m comprising:

- Impairments on: Roads - £2.9m and Structures - £5.1m.
- Revaluations on: Drainage - £21.4m, Sea Defences - £8.5m, Infrastructure Land - £12.6m.

Valuation movements are largely driven by build costs where replacement cost is used or market conditions such as rental or sales values. 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.

4.9 Property, Plant and Equipment (continued)

b) Capital Commitments

This amount includes the following amounts which are committed via a contractual arrangement, but not yet incurred/provided for.

	2022	2021
	£'000	£'000
Tangible		
Andium: Mayfair	46,319	48,153
SOJDC Joint Venture: Horizon Development	-	44,720
Andium: The Limes	23,951	37,045
HCS: Our Hospital	5,603	10,568
SOJDC: International Finance Centre 6	20,766	38,940
Andium: Ann Court	9,097	19,921
PoJ: Harbours Redevelopment	6,753	-
Andium: La Collete Low Rise	6,502	21,290
JFM: Vehicle Plant and Replacement	3,347	2,540
IHE: Liquid Waste Strategy	3,001	1,322
JCP: Anne Court Car Park	2,402	2,781
GoJ: Replacement Assets	2,156	
HCS: Health Service Improvements	1,908	2,227
Andium: Le Marais	1,790	10,229
PoJ: Ferryspeed Warehouse	1,229	-
HCS: Special Needs	918	-
IHE: Orchard House	773	3,634
PoJ: ILS 26 Replacement	607	-
JHA: Prison Phase 6	558	2,813
COO: Replacement Assets	451	776
COO: Cyber	398	870
COO: Intergrated Technology Solution	346	3,178
PoJ: Harbour Lighting Towers	315	
Andium: Summerland	301	952
PoJ: Elizabeth Marina Tidal Gate	296	
PoJ: New North Quay Slab Repairs	285	
IHE: Infrastructure	215	723
Andium: Le Squez 4	205	1,115
Other Tangible	5,252	26,929
Total Tangible	145,744	280,726
Intangible		
COO: Integrated Technology Solution	4,454	3,638
COO: Cyber	1,015	-
HCS: Digital Care Strategy	871	-
COO: Service Digitisation	798	141
Other Intangible	1,557	409
Total Intangible	8,695	4,188
Total Capital Commitments	154,439	284,914

4.10 Investment Property

Accounting Policies

Property (land or building or both) is defined as investment property where it is held solely to earn rental income or for capital appreciation or both.

The States of Jersey uses the fair value model to account for investment properties. Investment properties are measured initially at cost and then subsequently at fair value. Investment properties are not depreciated but valuations are subject to annual review by a RICS registered valuer according to market conditions at the year-end.

Net rental income together with any gains or losses arising from changes in valuation or disposal are recognised as Hire & Rental in Revenue Earned from Operations within the Consolidated Statement of Comprehensive Net Expenditure (SOCNE).

The following table summarises the movement in the fair value of investment properties over the year:

Non-current assets - at fair value	2022 £'000	2021 £'000
Balance at 1 January	17,900	17,340
Net gains/(losses) from fair value adjustments	-	560
Assets reclassified (to)/from Inventories	(17,900)	-
Balance at 31 December	-	17,900

The States had classified the Waterfront Leisure Centre, owned by the States of Jersey Development, as investment property holdings as the property was being held for long-term rental yields and capital appreciation. The property has been reclassified as Inventory in 2022 reflecting the change of intention for the property. Investment properties are carried at fair value with changes in fair values are presented in Consolidated Statement of Comprehensive Net Expenditure (SOCNE) as part of (Gains)/Losses on Financial Assets.

There are no restrictions on the States' ability to realise the value inherent in its investment property or on the States' right to the income and proceeds from any disposals.

There are contractual obligations on the States to repair and maintain certain investment properties and these have been reflected in the relevant property valuations.

	2022 £'000	2021 £'000
Rental income from investment property	1,286	2,020
Net Rental Income	1,286	2,020

4.10 Investment Property (continued)

The future minimum lease rentals receivable are as follows:

	2022 * £'000	2021 £'000
Within one year	-	1,192
Within two to five years	-	4,813
Later than five years	-	1,295
Total future lease rentals due under existing contracts	-	7,300

* While lease income is still being received, there are no longer any lease rentals associated with Investment Properties

Performance Narrative

The property previously recognised as an Investment Property has been reclassified to Inventory in 2022. It is included in the balance in Note 4.12 Inventories

4.11 Financial Instruments

Accounting Policies

Classification

The group classifies its financial assets at amortised cost or fair value either through other comprehensive income (FVTOCI) or through profit or loss (FVTPL). 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 (in the Common Investment Fund or with the States' Cash Manager), 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

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.

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.

4.11 Financial Instruments (continued)

Accounting Policies

Impairment of Financial Assets

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.

The group classifies its financial liabilities at either amortised cost or fair value through profit or loss (FVTPL)

Category	Criteria for classification	Financial Liability
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
Amortised Cost	Most of the government's financial liabilities are classified at amortised cost.	Bank borrowings, bond, credit facility and contractual trade payables

4.11 Financial Instruments (continued)



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).

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.

4.11 Financial Instruments (continued)

a) Financial Instruments by Category

	2022		2021	
	Long-term £'000	Short-term £'000	Long-term £'000	Short-term £'000
Financial Assets				
Amortised Cost				
Cash and cash equivalents (Note 14)	-	228,737	-	195,376
Trade and other receivables (Note 13)	11,744	53,397	10,267	73,650
Loans and advances	14,896	2,434	16,340	420
Liquid Investments	17	135,705	14	177,837
Preference shares	7,400	-	7,400	-
	34,057	420,273	34,021	447,283
Fair value through OCI				
Strategic investments	327,821	-	415,306	-
	327,821	-	415,306	-
Fair value through profit and loss assets				
Housing Bonds	46,423	-	37,438	-
Investments	2,987,120	27,271	3,379,662	24,727
Derivatives*	6,068	11,281	-	804
	3,039,611	38,552	3,417,100	25,531
Total financial assets**	3,401,489	458,825	3,866,427	472,814
Financial Liabilities				
Amortised cost				
Trade and other payables (Note 15)	-	(55,261)	-	(37,880)
External borrowing (Note 16)	(857,707)	(21,000)	(296,052)	(96,518)
	(857,707)	(76,261)	(296,052)	(134,398)
Total financial liabilities	(857,707)	(76,261)	(296,052)	(134,398)

Loans and advances

Loans and advances comprises loans from the States of Jersey Development Company to the joint venture they are engaged with to develop the Horizon site at the Waterfront, 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 (see Summary of Key Funds page 104).

* The balances stated above are recorded as a net derivative basis. The gross derivative asset value is £804,935,133 and the gross liability value is £787,586,046.

** 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.

4.11 Financial Instruments (continued)

Strategic Investments

Strategic Investments comprises 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	Shareholding	2022 £'000	2021 £'000
Jersey Electricity PLC	62% (19,000,000 Ordinary Shares of 5p)	96,900	117,800
JT Group Limited	100% (20,000,000 £1 Ordinary shares)	182,900	223,098
Jersey Waterworks Company Limited	74% (4,620,000 (100%) "A" Ordinary Shares, 2,520,000 (50%) Ordinary Shares, 900,000 (100%) 10% Cumulative Fifth Preference shares)	35,900	30,283
Jersey Post International Limited	100% (5,000,000 £1 Ordinary shares)	12,121	44,125
Total Jersey Strategic Investments		327,821	415,306

Investments

Investments are those held across various investment managers and asset classes in the Common Investment Fund. See Note 4.11(c) for further detail on the breakdown.

Derivatives

Foreign Exchange Derivatives

During the course of 2022 Sterling suffered a significant devaluation against the USD resulting in a substantial rise in the Sterling value of USD denominated assets within the Common Investment Fund.

The most material holding of US Dollar assets was through the States Equity portfolio. Under the advice of the Treasury Advisory Panel a hedging arrangement was entered into to protect some of these gains from a sudden recovery in Sterling. The hedging arrangement was implemented in steps, with initial hedging of 50% of exposure, which was increased to 75% of exposure as Sterling moved further away from its expected long term fair value.

In addition to the above some foreign currency denominated investment holdings are subject to their own hedging in line with the published Investment Strategy, the most material being USD denominated investments in the Absolute Return asset class and the debt-like investments in the Opportunities asset class which have exposure in USD and Euro, these are hedged at 90%.

Whilst these instruments hedge foreign exchange risk, they have not been designated as hedging instruments and are accounted for at Fair Value through the Operating Cost Statement. More details on the management of Foreign Exchange risk is given in Note 4.11(f).

Whilst these instruments offset foreign exchange risk, they have not been designated as hedging instruments and are accounted for at Fair Value through profit and loss. More details on the management of Foreign Exchange risk is given in Note 4.11(f). Details of gains and losses recognised on these instruments are given in Note 4.12(b).

4.11 Financial Instruments (continued)

Settlement	Currency bought	Local value	Currency sold	Local Value	Asset Value	Liability Value
		£'000		£'000	£'000	£'000
Due to mature in under 6m	GBP	8,775	EUR	(9,920)	8,775	(8,832)
	GBP	1,002	HKD	(9,400)	1,002	(1,001)
	GBP	784,773	USD	(932,350)	784,773	(773,594)
	EUR	2,902	GBP	(2,503)	2,583	(2,503)
	EUR	85	USD	(90)	75	(75)
	USD	1,282	CHF	(1,184)	1,065	(1,064)
	USD	513	EUR	(480)	426	(426)
	USD	109	GBP	(90)	90	(90)
	EUR	3,150	GBP	2,849	40	0
	EUR	3,150	GBP	2,967	37	0
Open forward contracts at 31 December 2022					798,866	(787,585)
Net forward contracts at 31 December 2022						11,281

Interest Rate Swap Derivatives

The Group has entered into two interest rate swap agreements. Andium Homes limited entered into an interest rate swap on the 27 July 2022 to mitigate their interest rate risk on their Revolving Credit Facility. The swap has a notional value of £50m as at 31 December 2022 with interest rate of 2.58% and maturity of 27 February 2027, in line with the RCF. The carrying value of this swap is £2.915m as at 31 December 2022.

Jersey Development Company also entered into a interest rate swap agreement, which is effective from 31 March 2024, to manage their interest rate risk on their floating rate secured loan. The interest rate swap agreement has a notional amount of £22m whereby the Group receives a fixed rate of interest of 1.21% and pays interest at a variable rate equal to Compounded SONIA on the notional amount. The bank refunds JDC the proportion of SONIA variable interest paid above the hedge fixed rate. The carrying value of this swap is £3.153m as at 31 December 2022.

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).

4.11 Financial Instruments (continued)

As 31 December 2022, 40 (2021: 51) of the facilities that had been granted by banks remained active. These facilities had a total facility value of £2.9 million (2021: £3.4 million) at their respective dates of award. At 31 December 2022, reflecting repayments made in the period to the year's end, the remaining value of guarantee exposure from these facilities (including accrued interest) is £1.7 million (£2.7 million). Loan repayments will continue to diminish this guarantee exposure over time, notwithstanding that balances continue to accrue interest until full repayment.

There were no new confirmed claims in 2022 (2021: 1 claim). No other liability provision was recorded in the accounts as at 31 December 2022 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 £0.54 million (2021: £0.86 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 23 letters (2021: 25 letters) of comfort to four Housing Trusts covering loans totalling £67.45 million (2021: £74.87 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 2022 have exceeded the threshold for triggering subsidy payments towards the end of the year. Given the short period between the trigger date and 31st December 2022 the liability is expected to be £5,000. 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.

4.11 Financial Instruments (continued)

b) Amounts Recognised in the SOCNE

2022

	Financial assets			Financial liabilities		Total £'000
	Amortised Cost	Fair value through OCI	Fair value through OCI	Amortised cost	Fair value through profit and loss assets	
	£'000	£'000	£'000	£'000	£'000	
Interest income	(1,522)	-	(366)	-	-	(1,888)
Dividend income/distributions	-	(6,989)	(36,202)	-	-	(43,191)
Total Investment Income	(1,522)	(6,989)	(36,568)	-	-	(45,079)
Net Realised Financial Asset Gain	-	-	(37,801)	-	-	(37,801)
Net Unrealised Financial Asset Loss	-	-	251,029	-	-	251,029
Total (Gains)/Losses on Financial Asset	-	-	213,228	-	-	213,228
Interest expense	-	-	-	22,864	-	22,864
Fee expense	-	-	-	1,629	-	1,629
Total Finance Costsⁱ relating to Financial Instruments	-	-	-	24,493	-	24,493
Impairment loss	3,196	-	-	-	-	3,196
Total Impairmentⁱⁱ relating to Financial Instruments	3,196	-	-	-	-	3,196
Total Income/Expenditure in Net Revenue Expenditure relating to Financial Instruments	1,674	(6,989)	176,660	24,493	-	195,838
Loss/(Gains) on Other Financial Assets	-	87,485	-	-	-	87,485
Surplus/deficit on revaluation of assets in Other Comprehensive Income	-	87,485	-	-	-	87,485
Net (Gain)/Loss for the year	1,674	80,496	176,660	24,493	-	283,323

2021

	Financial assets			Financial liabilities		Total £'000
	Amortised Cost	Fair value through OCI	Fair value through OCI	Amortised cost	Fair value through profit and loss assets	
	£'000	£'000	£'000	£'000	£'000	
Interest income	(817)	-	(248)	-	-	(1,065)
Dividend income/distributions	-	(48,916)	(23,893)	-	-	(72,809)
Total Investment Income	(817)	(48,916)	(24,141)	-	-	(73,874)
Net Realised Financial Asset Gain	-	-	(318,459)	-	-	(318,459)
Net Unrealised Financial Asset Gain	-	-	(29,448)	-	-	(29,448)
Total (Gains)/Losses on Financial Asset	-	-	(347,907)	-	-	(347,907)
Interest expense	-	-	-	11,602	-	11,602
Fee expense	-	-	-	1,435	-	1,435
Total Finance Costsⁱ relating to Financial Instruments	-	-	-	13,037	-	13,037
Impairment loss	2,135	-	-	-	-	2,135
Total Impairmentⁱⁱ relating to Financial Instruments	2,135	-	-	-	-	2,135
Total Income/Expenditure in Net Revenue Expenditure relating to Financial Instruments	1,318	(48,916)	(372,048)	13,037	-	(406,609)
Gains on Other Financial Assets	-	(73,750)	-	-	-	(73,750)
Surplus/deficit on revaluation of assets in Other Comprehensive Income	-	(73,750)	-	-	-	(73,750)
Net (Gain)/Loss for the year	1,318	(122,666)	(372,048)	13,037	-	(480,359)

4.11 Financial Instruments (continued)

ⁱ Reconciliation to SoCNE Finance Costs		
	2022	2021
Expenses Breakdown	£'000	£'000
Interest Expense	22,864	11,602
Fee Expense	1,629	1,435
Pension Past Service Liabilities Interest	9,700	14,536
Finance Costs	34,193	27,573

ⁱⁱ Reconciliation to SoCNE Impairments		
	2022	2021
Expenses Breakdown	£'000	£'000
Impairment Loss / (Reversals)	3,196	2,135
Impairment of PPE	14,447	14,693
Impairments	17,643	16,828

Performance Narrative

A significant component of 2022's (Gains)/Losses on Financial Asset balance is the net unrealised loss incurred by the financial instrument that relate to the uncrystallised losses incurred on the investment portfolio in the Common Investment Fund. The negative performance represents a 2022 annual loss of c.6.5%. As an active portfolio, volatility in asset values are expected and our long term investment horizon allows these assets to be held through periods of volatility to secure long term gains. See investment commentary for details. Gains from the CIF were in excess of 10% in 2021 and over 50% of the 2022 losses were recovered in January 2023 alone with returns of 4.5% to the end of February which demonstrates our ability to hold positions to recovery.

Strategic Investments

The downwards movement in the valuation of the strategic investments is largely the result of a reduction in earnings in JT Global following the sale of the Internet of Things business in 2021 and the reinvestment of some of the proceeds in 2022. Industry comparable company valuation multiples were also lower in 2022, reflecting wider market conditions.

The Jersey Post valuation also reflects reduced earnings in 2022 due to challenging conditions. The overall industry benchmarks, used for the valuation, were lower in 2022 as comparable companies experienced similar challenges. The forecast for the company expects a return to pre-2022 earnings.

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.

4.11 Financial Instruments (continued)

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.

4.11 Financial Instruments (continued)

2022

31 December 2022	Carrying value						Fair value			
	Financial and non-financial assets			Financial liabilities			Level			
	Fair value through profit and loss	Fair value through OCI	Amortised cost	Fair value through profit and loss	Liabilities at amortised cost	Total	1	2	3	Total
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Financial assets										
Amortised Cost										
Cash and cash equivalents (Note 14)	-	-	228,737	-	-	228,737	228,737	-	-	228,737
Trade and other receivables (Note 13)	-	-	65,141	-	-	65,141	65,141	-	-	65,141
Loans and advances	-	-	17,330	-	-	17,330	-	15,629	-	15,629
Short-term liquid investments	-	-	135,722	-	-	135,722	135,722	-	-	135,722
Preference shares	-	-	7,400	-	-	7,400	-	7,400	-	7,400
Fair value through OCI										
Strategic investments**	-	327,821	-	-	-	327,821	96,900	-	230,921	327,821
Fair value through profit and loss										
Housing Bonds Equity Class	46,423	-	-	-	-	46,423	-	-	46,423	46,423
Government Bond Class	1,462,432	-	-	-	-	1,462,432	968,216	494,216	-	1,462,432
Corporate Bond Class	121,961	-	-	-	-	121,961	121,961	-	-	121,961
Property Class	178	-	-	-	-	178	-	178	-	178
Absolute Return Class	99,974	-	-	-	-	99,974	-	-	99,974	99,974
Absolute Return Bond Class	465,218	-	-	-	-	465,218	-	-	465,218	465,218
Opportunities Class	285,775	-	-	-	-	285,775	-	285,775	-	285,775
Alternative Risk Premia Class	425,039	-	-	-	-	425,039	-	-	425,039	425,039
Derivatives	153,814	-	-	-	-	153,814	-	153,814	-	153,814
	17,349	-	-	-	-	17,349	11,204	6,145	-	17,349
Total financial assets	3,078,163	327,821	454,330	-	-	3,860,314	1,627,881	963,157	1,267,575	3,858,613
Non-Financial assets										
Investment Property	-	-	-	-	-	-	-	-	-	-
Total financial and non-financial assets	3,078,163	327,821	454,330	-	-	3,860,314	1,627,881	963,157	1,267,575	3,858,613
Financial liabilities										
Liabilities at amortised cost *										
Trade and other payables (Note 15)	-	-	-	-	(55,261)	(55,261)	(55,261)	-	-	(55,261)
External borrowing (Note 16)	-	-	-	-	(878,707)	(878,707)	(147,357)	(563,485)	-	(710,842)
Total financial liabilities	-	-	-	-	(933,968)	(933,968)	(202,618)	(563,485)	-	(766,103)

4.11 Financial Instruments (continued)

2021

31 December 2021	Carrying value						Fair value			
	Financial and non-financial assets			Financial liabilities			Level			
	Fair value through profit and loss	Fair value through OCI	Amortised cost	Fair value through profit and loss	Liabilities at amortised cost	Total	1	2	3	Total
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Financial assets										
Amortised Cost										
Cash and cash equivalents (Note 14)	-	-	195,376	-	-	195,376	195,376	-	-	195,376
Trade and other receivables (Note 13)	-	-	83,917	-	-	83,917	83,917	-	-	83,917
Loans and advances	-	-	16,760	-	-	16,760	-	16,760	-	16,760
Short-term liquid investments	-	-	177,851	-	-	177,851	177,851	-	-	177,851
Preference shares	-	-	7,400	-	-	7,400	-	7,400	-	7,400
Fair value through OCI										
Strategic investments**	-	415,306	-	-	-	415,306	117,800	-	297,506	415,306
Fair value through profit and loss										
Housing Bonds	37,438	-	-	-	-	37,438	-	-	37,438	37,438
Equity Class	1,907,069	-	-	-	-	1,907,069	1,328,296	578,773	-	1,907,069
Government Bond Class	128,326	-	-	-	-	128,326	128,326	-	-	128,326
Corporate Bond Class	10,943	-	-	-	-	10,943	-	10,943	-	10,943
Property Class	116,945	-	-	-	-	116,945	-	-	116,945	116,945
Absolute Return Class	492,355	-	-	-	-	492,355	-	-	492,355	492,355
Absolute Return Bond Class	324,560	-	-	-	-	324,560	-	324,560	-	324,560
Opportunities Class	287,190	-	-	-	-	287,190	-	-	287,190	287,190
Alternative Risk Premia Class	137,001	-	-	-	-	137,001	-	137,001	-	137,001
Derivatives	804	-	-	-	-	804	804	-	-	804
Total financial assets	3,442,631	415,306	481,304	-	-	4,339,241	2,032,370	1,075,437	1,231,434	4,339,241
Non-Financial assets										
Investment Property	17,900	-	-	-	-	17,900	-	-	17,900	17,900
Total financial and non-financial assets	3,460,531	415,306	481,304	-	-	4,357,141	2,032,370	1,075,437	1,249,334	4,357,141
Financial liabilities										
Liabilities at amortised cost *										
Trade and other payables (Note 15)	-	-	-	-	(37,880)	(37,880)	(37,880)	-	-	(37,880)
External borrowing (Note 16)	-	-	-	-	(392,570)	(392,570)	(148,890)	(376,160)	-	(525,050)
Total financial liabilities	-	-	-	-	(430,450)	(430,450)	(186,770)	(376,160)	-	(562,930)

* Loans and receivables and liabilities at amortised cost are disclosed in this Note in accordance with IFRS 7, but are carried at amortised cost in the Statement of Financial Position.

** 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 14b except for Jersey Electricity PLC which has been valued using unheld quoted ordinary share price therefore being deemed as level 1.

4.11 Financial Instruments (continued)

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. Separately the Board of Jersey Development Company is responsible for obtaining valuations of directly held investment property.

Discussions of valuation processes and results for financial instruments are held between the Director of Treasury and Investment Management, the Head of Treasury and Investment Management and the Treasury Advisory Panel at least quarterly.

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:

- a. independent review of valuations applied by the custodian, Northern Trust;
- b. review of the valuation process by the independent investment advisor, Aon;
- c. where they are available, review of the SOC1 internal controls reports for fund managers, custodian and administrators; and
- d. back testing to validate manager valuations to compare published audited outturn results against the valuations.

The valuation of Strategic Investments is supervised by the Director of Treasury and Investment Management 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.

The valuation of investment property is undertaken by D2 Real Estate, independent valuers appointed by Jersey Development Company. At each financial year-end, the Executive Directors:

- a. verify all major inputs to the valuation report;
- b. assess property valuation movements against the previous year valuation report; and
- c. discuss the results with the independent valuer.

4.11 Financial Instruments (continued)

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 2022.

Description of asset	Assessed valuation range		Value at 31 December 2022 £'000	Value on increase £'000	Value on decrease £'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
Total			990,231	1,099,880	880,582

Please refer to Note 4.11(e) for sensitivity analysis of unquoted strategic investments. We have not disclosed sensitivity analysis of housing bonds because we do not expect changes in the valuation input of the carrying balance of the bonds to result in material variances.

2022	Opening balance £'000	Transfers in/(out) of Level 3 £'000	Reclassification from/(to) Inventories £'000	Net Purchases/(Sales) £'000	Unrealised gains/(losses) £'000	Realised gains/(losses) £'000	Closing balance £'000
Common Investment Fund							
Property Pool	116,945	-	-	-	(16,726)	(245)	99,974
Absolute Return Pool	492,355	-	-	(12,713)	24,266	(38,690)	465,218
Opportunities Pool	287,190	-	-	122,428	15,125	296	425,039
Total movements within the Common Investment Fund	896,490	-	-	109,715	22,665	(38,639)	990,231
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)	-	-	-	-
Total movements outside the Common Investment Fund	352,844	-	(17,900)	5,017	(62,617)	-	277,344

There were no transfers of assets between levels 1 or 2 and level 3 during the year.

Description of asset	Assessed valuation range		Value at 31 December 2021 £'000	Value on increase £'000	Value on decrease £'000
	+%	-%			
Property Class	10%	-10%	116,945	128,640	105,251
Absolute Return Class	10%	-10%	492,355	541,591	443,120
Opportunities Class	13%	-13%	287,190	323,089	251,291
Total			896,490	993,320	799,662

4.11 Financial Instruments (continued)

2021	Opening balance	Transfers into Level 3	Transfers out of Level 3	Net Purchases/ (Sales)	Unrealised gains/(losses)	Realised gains/(losses)	Closing balance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Common Investment Fund							
Global Equities	13	-	-	(13)	-	-	-
Property Pool	104,024	-	-	-	11,898	1,023	116,945
Absolute Return Pool	460,182	-	-	(1,989)	40,250	(6,088)	492,355
Opportunities Pool	143,929	-	-	116,352	7,713	19,196	287,190
Total movements within the Common Investment Fund	708,148	-	-	114,350	59,861	14,131	896,490
Unquoted Strategic Investments	241,370	-	-	-	56,136	-	297,506
Housing bonds	30,162	-	-	2,959	4,317	-	37,438
Investment Property	17,340	-	-	-	560	-	17,900
Total movements outside the Common Investment Fund	288,872	-	-	2,959	60,453	-	352,284

There were no transfers of assets between levels 1 or 2 and level 3 during the year.

4.11 Financial Instruments (continued)

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.

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 from 1.98% to 3.75% 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 debt.	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.

* The Equity Class contains both directly held Quoted Equity deemed level 1, and Pooled Equity, deemed level 2.

Description of asset or liability	Valuation hierarchy	Basis of valuation	Observable and unobservable inputs	Key sensitivities
Absolute Return Pool	3	Valued monthly at NAV based on manager valuation models.	<p>Investment valuations are determined by the Manager.</p> <p>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.</p>	<p>Valuation models apply numerous subjective judgments by the Investment Manager.</p> <p>These are subject to assumptions around factors such as Liquidity discounts, EBITDA multiples etc.</p>
Opportunities Fund	3	Valued quarterly at NAV based on manager valuation models. Valuations are adjusted to capital calls / distributions in the quarter.	<p>Investment valuations are determined by the Manager.</p> <p>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.</p>	<p>Valuation models apply numerous subjective judgments by the Investment Manager.</p> <p>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.</p>
Unquoted strategic investments	3	Priced using income multiples based on similar companies.	<p>Forecast EBITDA of the companies.</p> <p>Industry valuation multiples.</p> <p>Financial results of the comparable companies.</p>	<p>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</p> <p>5% increase/(decrease) in discount rate (decreases)/ increases the value by £7.376m</p>

4.11 Financial Instruments (continued)

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 (September 2022) 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 most recent review of the ISD was presented to the States in September 2022.

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.

4.11 Financial Instruments (continued)

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 in investments (note 4.11(a)) 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 2022, assuming that all other variables, in particular foreign exchange rates and interest rates, remain the same:

2022

Asset type	Value at 31 December 2022 £000	Potential market movements (+/-)	Value on increase £000	Value on decrease
Equity Class	1,462,432	19.3%	1,744,681	1,180,183
Strategic investments	327,821	17.4%	384,764	270,878
Total	1,790,253		2,129,445	1,451,061

2021

Asset type	Value at 31 December 2021 £000	Potential market movements (+/-)	Value on increase £000	Value on decrease £000
Equity Class	1,907,069	18%	2,250,341	1,563,797
Strategic investments	415,306	16.2%	420,705	409,907
Total	2,322,375		2,671,046	1,973,704

4.11 Financial Instruments (continued)

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.

2022

Assets exposed to interest rate risk	Value at 31 December 2022 £'000	Potential movement on 1% change in interest rates £'000	Value on increase £'000	Value on decrease £'000
Alternative Risk Premia class	153,814	1,538	155,352	152,276
Absolute Return class	465,218	4,652	469,870	460,566
Bonds	407,914	4,079	411,993	403,835
Total change in assets available	1,026,946	10,269	1,037,215	1,016,677

2021

Assets exposed to interest rate risk	Value at 31 December 2021 £'000	Potential movement on 1% change in interest rates £'000	Value on increase £'000	Value on decrease £'000
Alternative Risk Premia class	118,144	1,181	119,325	116,963
Absolute Return class	460,182	4,602	464,784	455,580
Bonds	455,779	4,558	460,337	451,221
Total change in assets available	1,034,105	10,341	1,044,446	1,023,764

4.11 Financial Instruments (continued)

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 2022	Potential market movement	Value on increase	Value on decrease
	£'000	£'000	£'000	£'000
Equity Class	1,257,720	75,463	1,333,183	1,182,257
Opportunities Pool	155,811	9,349	165,160	146,462
Absolute Return class	102,436	6,146	108,582	96,290
Alternative Risk Premia class	152,083	9,125	161,207	142,958
Cash and cash equivalents	21,781	1,307	23,088	20,474
Total change in assets available	1,689,831	101,390	1,791,220	1,588,441

Assets exposed to currency risk	Value at 31 December 2021	Potential market movement	Value on increase	Value on decrease
	£'000	£'000	£'000	£'000
Equity Class	1,700,571	102,034	1,802,605	1,598,537
Opportunities Pool	108,979	6,539	115,517	102,440
Absolute Return class	106,777	6,407	113,184	100,370
Alternative Risk Premia class	121,265	7,276	128,541	113,990
Total change in assets available	2,037,592	122,256	2,159,847	1,915,337

4.11 Financial Instruments (continued)

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.
- UK 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.
- Loans and advances comprise of Andium Housing Limited Bonds. 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.

4.11 Financial Instruments (continued)

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 States' financial liabilities as at 31 December 2022 and 2021, stated at their gross, contractual and undiscounted amounts, fall due as indicated in the following table:

2022

Financial Liabilities	Less than one year	Between one to five years	Greater than 5 years	Total
	£'000	£'000	£'000	£'000
Trade and other payables (Note 15)	(55,261)	0	0	(55,261)
External borrowing (Note 16)	(31,535)	(147,961)	(1,454,566)	(1,634,062)
Total	(86,796)	(147,961)	(1,454,566)	(1,689,323)

2021

Financial Liabilities	Less than one year	Between one to five years	Greater than 5 years	Total
	£'000	£'000	£'000	£'000
Trade and other payables (Note 15)	(37,880)	0	0	(37,880)
External borrowing (Note 16)	(95,181)	(100,583)	(507,813)	(703,577)
Total	(133,061)	(100,583)	(507,813)	(741,457)

4.12 Inventories

Accounting Policies

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.

Analysed by Type:

	2022 £'000	2021 £'000
Raw Materials, Consumables, Work in Progress and Finished Goods	12,684	12,462
Development Property Inventories	61,022	25,709
Total Inventories	73,706	38,171

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	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Inventory used during the year	34,023	35,035	-	-
Inventory written off	1,281	651	1,405	531
Reclassification	-	-	-	-
Total	35,304	35,686	1,405	531

4.12 Inventories (continued)

Performance Narrative

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, will move into their new headquarters in December 2023, with construction being undertaken by Rok Regal Construction. More detail is available within the Jersey Development Company Annual Report and Accounts.

4.13 Trade and Other Receivables

Accounting Policies

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.

4.13 Trade and Other Receivables (continued)

Amounts falling within one year

	2022	2021
	£'000	£'000
Levied by the States of Jersey Receivables: Amounts falling due within one year		
Income Tax Receivables	200,794	152,614
Income Tax Accrued Income	105,422	72,780
GST Receivables	26,844	23,417
GST Accrued Income	29,630	32,376
Social Security Receivables	40,725	39,116
Social Security Accrued Income	31,893	57,580
Island Rates, Duties, Fines and Penalties Receivables	23,531	14,339
Island Rates, Duties, Fines and Penalties Accrued Income	1,384	818
Provision for Levied by the States of Jersey Receivables	(15,385)	(14,103)
Total Levied by the States of Jersey Receivables	444,838	378,937
Earned Through Operations Receivables: Amounts falling due within one year		
Trade Receivables	20,612	37,147
Prepayments and Accrued income	30,049	31,366
Contract Assets	9,038	7,505
Expected Credit Loss Allowance for Earned through Operations Receivables	(6,302)	(2,369)
Total Earned Through Operations Receivables	53,397	73,649
Total Receivables due within one year	498,235	452,586
Levied by the States of Jersey Receivables: Amounts falling due after more than one year		
Taxation Receivables ¹	316,191	331,373
Social Security Receivables	-	1,290
Total Levied by the States of Jersey Receivables due after more than one year	316,191	332,663
Earned Through operations Receivables: Amounts falling due after more than one year		
Trade and Other Receivables	11,744	10,267
Total Earned Through Operations Receivables due after more than one year	11,744	10,267
Total Receivables due after more than one year	327,935	342,930
Total Receivables	826,170	795,516

The provision for impairment of receivables is analysed below:

Trade and Other Receivables Categories	2022	2021
	£'000	£'000
Income Tax Receivables	9,113	8,564
GST Receivables	485	456
Social Security Receivables	4,880	4,191
Island Rates, Duties, Fines and Penalties Receivables	907	892
Trade Receivables	1,627	1,375
Contract Assets	4,675	994
Total provision for impairment of receivables	21,687	16,472

4.13 Trade and Other Receivables (continued)

Performance Narrative

The increase in Income Tax receivables reflects the overall increase in both personal income tax (£41.5m) and companies tax (£40.3m) recognised in 2022. In addition, Revenue Jersey have taken additional steps to complete all 2021 Year Of Assessment assessments before the end of 2022.

¹ On 4 November 2020 the States Assembly agreed to move all prior year taxpayers onto a current year basis of assessment.

This means that, for all prior year taxpayers, the payments made in 2020 towards 2019 tax bills have now been used to pay 2020 tax liabilities. 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. (More information can be found here: <https://www.gov.je/taxsmoney/incometax/individuals/payingtaxearnings/pages/prioryearbasistaxreformproposal.aspx>)

4.14 Cash and cash equivalents

Accounting Policies

Cash and cash equivalents comprise 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.

	2022 £'000	2021 £'000
Bank Deposit Accounts	141,341	62,207
Bank Current Accounts	39,296	37,941
Cash in Hand and in Transit	602	339
Cash Equivalents ⁱ	47,498	94,889
Total Cash and Cash Equivalents	228,737	195,376

Performance Narrative

Overall, the rise in cash and cash equivalents is due to a restructure between types of cash instruments held by the States of Jersey leading to a reduction (£42 million less compared to the previous year) of cash meeting the liquid investments criteria recognised within financial instruments (Note 4.11).

Cash and cash equivalents are held to meet investment objectives and drawdown requirements in the Common Investment Fund and operational requirements for monies held outside of this portfolio.

Operational holdings are structured by our cash manager in line with investment restrictions detailed within their Investment Management Agreement. Positioning is determined to best meet the short term cash flow requirements, considered in line with diversification and liquidity rules.

Values of holdings are expected to vary reflecting timing differences between receipt, and allocation to holding portfolios or settlement of payments.

Notes

i. Cash Equivalents include highly liquid investments held by the States Cash Manager. Any deposits with a maturity greater than 3 months are recognised as Liquid Investments within Financial Instruments (Note 4.11)

4.15 Trade and other payables

Accounting Policies

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.

	2022 £'000	2021 £'000
Levied by the States of Jersey Payables: Amounts falling due within one year		
Income Tax Payables and Receipts in Advance	114,393	97,403
GST Payables and Receipts in Advance	21,815	20,398
Social Security Payables and Receipts in Advance	7,510	11,115
Total Levied by the States of Jersey Payables falling due within one year	143,718	128,916
Earned Through Operations Payables: Amounts falling due within one year		
Trade Payables	55,261	37,880
Accruals and Deferred Income	36,397	40,012
Receipts in Advance	11,001	8,641
Contract Liabilities	15,228	13,440
Total Earned Through Operations Payables falling due within one year	117,887	99,973
Total Payables falling due within one year	261,605	228,889
Amounts falling due after more than one year		
Trade Payables	-	-
Total Payables due after more than one year	-	-
Total Payables	261,605	228,889

The average credit period taken for purchases in 2022 was 25 days (2021: 24 days).

The States considers that the carrying value of trade payables approximates to their fair value

Contract liabilities are recognised where an entity has received consideration from a customer prior to the transfer of goods and services. These items would have previously been recognised as deferred income in the prior year.

4.16 External borrowings

Accounting Policies

All external borrowings are financial liabilities, refer to Note 4.11 for financial instruments' accounting policy.

	2022 £'000	2021 £'000
Amounts falling due within one year		
States of Jersey Revolving Credit Facility	11,000	85,806
Jersey Development Company (JDC) Limited Bank Borrowings	-	712
Ports of Jersey Bank Borrowings	10,000	10,000
Total borrowings due within one year	21,000	96,518
Amounts falling due after more than one year		
Jersey Development Company (JDC) Limited Bank Borrowings	26,003	25,197
Andium Bank Borrowing	100,354	27,175
Government of Jersey £500m Bond 2022 Issuance	487,562	
Government of Jersey £250m Bond 2014 Issuance	243,788	243,680
Total borrowings due after more than one year	857,707	296,052
Total Borrowings Due	878,707	392,570

Movement during the year

	2022 £'000	2021 £'000
Opening Balance	392,570	254,671
Proceeds of External Borrowings	597,288	137,500
Finance Cost	22,864	12,161
Repayment of External Borrowings	(110,806)	-
Bond Interest Paid	(19,596)	(9,916)
Other Finance Cost Paid	(3,613)	(1,846)
Closing Balance	878,707	392,570

States of Jersey Revolving Credit Facility. On 7 May 2020, a £500m revolving credit facility was agreed with: HSBC Bank Plc, Jersey Branch (£100m), Barclays Bank Plc (£100m), the Royal Bank of Scotland International Limited (£100m), Lloyds Bank Corporate Markets Plc, Jersey Branch (£100m) and Butterfield Bank (Jersey) Limited (£100m). An option has been exercised to extend the term to 7 May 2023 with an additional option to extend the term for a further 1 year period. Interest is at a margin over SONIA (Sterling Overnight Index Average)

States of Jersey Bond 2022 Issuance. This Bond was issued in 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%.

4.16 External borrowings (continued)

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% (2021: 3.9%).

Jersey Development Company bank borrowings. This loan is secured on inventory and investment property and bears an average interest rate of 3.08% (2021: 3.62%).

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.



Performance Narrative

The most significant change in 2022 is the issue of the additional States of Jersey bond in 2022. The bond proceeds were used to repay the pension past service liabilities during the year as agreed by the States Assembly. There is a corresponding reduction in those liabilities reported in 2022 in note 4.20. As approved by the States Assembly, the balance of the proceeds was identified as funding for the Our Hospital project.

4.17 Currency in Circulation

Accounting Policies

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.

	2022 £'000	Movement £'000	2021 £'000
Jersey Notes issued	121,422	(13,317)	134,739
Less: Jersey Notes held	(26,363)	1,064	(27,427)
Total Jersey Notes in Circulation	95,059	(12,253)	107,312
Jersey Coinage issued	10,305	-	10,305
Less: Jersey Coinage held	(682)	-	(682)
Total Jersey Coinage in Circulation	9,623	-	9,623
Total Currency in Circulation	104,682	(12,253)	116,935

4.18 Leasing

Accounting Policies

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:

	2022 £'000	2021 £'000
Within one year	5,055	5,397
Within two to five years	16,387	13,644
Later than five years	8,177	8,478
Total	29,619	27,519

4.18 Leasing (continued)

During 2021, GOJ entered into an agreement for the development of a new Office Headquarters. No lease currently exists, and so no amounts are recognised above. However, the agreement will result in an operating lease after completion and an "election period", unless the GOJ elects to purchase the building under the agreement during that period. GOJ will pay a licence between completion and this point.

The States as lessor

Operator leases

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:

	2022 £'000	2021 £'000
Within one year	28,366	25,333
Within two to five years	58,003	52,106
Later than five years	117,343	49,312
Total	203,712	126,751

4.19 Provisions

Accounting Policies

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 2022 and 2021 were made up of:

2022

	2022 Balance b/f	Increase in provision	Used in year	Written back	2022 Balance c/f	Due within 12 months	Due after 12 months
	£'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
Total	39,396	15,147	(1,302)	(3,070)	50,171	924	49,247

2021

	2021 Balance b/f	Increase in provision	Used in year	Written back	2021 Balance c/f	Due within 12 months	Due after 12 months
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Dormant Bank Accounts	19,010	8,157	(189)	-	26,978	-	26,978
Insurance Provision	5,375	-	-	(430)	4,945	-	4,945
Decommissioning Provision	1,003	-	-	-	1,003	-	1,003
Other Provisions	2,694	4,270	(325)	(169)	6,470	4,758	1,712
Total	28,082	12,427	(514)	(599)	39,396	4,758	34,638

Dormant bank accounts

Money received in respect of the Dormant Bank Accounts (Jersey) Law 2017 is recognised as income when agreed by the Banks with a corresponding provision reducing the income to zero, to recognise that the money can be reclaimed by the Banks upon proof of ownership at any point or will be transferred to an independent organisation to be distributed for charitable purposes in accordance with the law.

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.

4.19 Provisions (continued)

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.

Performance Narrative

The most significant change in 2022 is the increase in the Dormant Bank Account fund provision which reflects the increase in the overall balance of the fund per the above note.

4.20 Past service pension provision



Benefits payable during employment

Short-term employee benefits are those due to be settled within 12 months of the year-end and include salaries and wages and other employee benefits relating to States Staff, Non-States Staff and other expenditure relating to the employment of Staff. These costs are reported within the Staff Costs Statement of Comprehensive Net Expenditure (SOCNE)

Staff costs that can be attributed directly to the construction of an asset have been capitalised. These are not included in staff costs, but make up the value of assets recognised in Note 4.9.

The States accrues for the cost of accumulated compensated absences, for example, untaken leave entitlement. This is accounted for when an employee renders services that increase their entitlement to future compensated absences. It is calculated based on salary and allowances.

Post-employment benefits

As part of the terms and conditions of employment of its staff the States of Jersey makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the States has a commitment to fund the payments (for those benefits) and to disclose them at the time that the employees earn their future entitlement.

The States of Jersey run the following schemes in respect to post employment benefits, all of which are administered by the States of Jersey:

- The Public Employees Pension Fund (PEPF) for non-teaching staff comprising of a final-salary scheme known as the Public Employees Contributory Retirement Scheme (PECRS) for all non-teaching staff which is now closed to new members and a replacement scheme open to all new non-teaching staff which is a career average revalued earnings (CARE) scheme referred to as the Public Employees Pension Scheme (PEPS).
- The Jersey Teachers Superannuation Scheme.

Defined Contributions Pension Schemes

Both schemes are funded schemes with benefits being paid from a combination of contributions from employees and employers together with returns from the investment of surplus funds.

Both schemes are subject to cost-cap mechanisms which ensure that the States is not liable for future obligations. Consequently, both schemes are accounted for as defined contribution schemes and no liability for future retirement benefits is recognised in the Statement of Financial Position (SoFP).

Departments are charged with employers contributions payable to the Public Employees and Jersey Teachers Pension Schemes in the year and are reported as part of Staff Costs in the SoCNE.

Both principal pension schemes were re-configured in 2007, so that the past service pension provision at that date was crystallised into a bond-like debt to be repaid over a set period of time subject to actuarial review. The past service pension provision is disclosed and reported in the Statement of Financial Position (SOFP) and has been classified as a provision subject to periodic actuarial revaluation. Contributions to the past service pension provision for both schemes are charged to Staff Costs within Net Revenue Expenditure within the SoCNE. Movements arising from re-measurement of the past service pension provision are reported in the Movements in Pension Liability line within Net Revenue Expenditure.

4.20 Past service pension provision (continued)

(a) Public Employees Contributory Retirement Scheme (PECRS) pre-1987 debt

The framework for dealing with the pre-87 debt is outlined in the Public Employees (Pension Scheme) (Funding and Valuation) (Jersey) Regulations 2015. Under the Regulations, the States may extinguish its liability to make contributions by paying an amount equal to the pre-1987 liability as determined by the Scheme Actuary.

In December 2021, the States Assembly approved the refinancing of the PECRS pre-87 pension increase liability as part of the Government Plan 2022-25. In April 2022 the Government issued debt in accordance with the principles of the Debt Strategy to repay the PECRS pre-87 liability.

On 31st May 2022, the States made full and final settlement of the PECRS pre-87 pension increase liability through the payment of £337,523,873 to the Public Employees Contributory Retirement Scheme (PECRS).

	2022 £'000	2021 £'000
Balance at 1 January	341,820	326,641
Finance Charge	6,195	14,536
Payment in Year	(3,915)	(9,057)
Movement in Liability Amount	(6,576)	9,700
Repayment	(337,524)	
Balance at 31 December	-	341,820
Amounts falling due:		
Within one year	-	9,003
After one year	-	332,817
Balance at 31 December	-	341,820

The calculation of the liability uses the following assumptions:

	2022 %	2021 %
Average future increase in staff expenditure	4.65	5.25
Discount rate	4.35	4.50

4.20 Past service pension provision (continued)

(b) JTSF Past Service Liability

The Teachers' Superannuation Scheme was restructured in April 2007 and as a result a provision for past service liability, similar to the PECS pre-87 past service liability, was recognised. In 2012 the Scheme's Management Board made a proposal to the Government on the treatment of the pension increase debt.

In December 2021, the States Assembly approved the refinancing of the JTSF pension increase liability as part of the Government Plan 2022-25. In April 2022 the Government issued debt in accordance with the principles of the Debt Strategy to repay the JTSF pension increase liability.

On 31st May 2022, the States made full and final settlement of the JTSF pension increase liability through the payment of £135,206,819 to the Jersey Teachers Superannuation Fund (JTSF).

	2022 £'000	2021 £'000
Balance at 1 January	133,295	128,776
Finance Charge	3,505	8,251
Payment in Year	(1,593)	(3,732)
Repayment	(135,207)	
Balance at 31 December	-	133,295

The calculation of the liability uses the following assumptions:

	2022 %	2021 %
Rate of salary increases (Jersey inflation plus 1% p.a. plus promotional increases of 1.3% p.a.)	5.60	5.60
Discount rate	6.50	6.50

Actuarial Gains and Losses on both scheme assets and liabilities are recognised through Other Comprehensive Income.

Performance Narrative

These liabilities were fully paid in 2022 using the proceeds from the issuance of a bond. See note 4.16 External Borrowing for more detail.

4.21 Defined benefit pension schemes



The States manages three defined benefits pension schemes all of which are closed to new members:

- 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. 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.

The change in the net pensions liability is analysed into the following components:

- a) Service cost comprising current service and net interest expense of the defined benefit liability both of which are charged to Net Revenue Expenditure with the Consolidated Statement of Comprehensive Net Expenditure (SOCNE)
- b) Remeasurements - charged to Other Comprehensive Income within the Consolidated Statement of Comprehensive Net Expenditure (SOCNE) comprising:
 - The return on plan assets – excluding amounts included in net interest in the net defined benefit liability;
 - Actuarial gains and losses – changes in the net pension liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions;
- c) Contributions from the States to the three closed (JPOPF, DPS and CSS) schemes charged to Staff Costs in the Consolidated Statement of comprehensive net expenditure (SOCNE).

4.21 Defined benefit pension schemes (continued)

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.

Scheme	Governing Legislation
Jersey Post Office Pension Fund	Civil Service Administration (Pensions)(Jersey) Rules 1963
Civil Service Scheme	
States of Jersey Employment Board Discretionary Pension Scheme	

Risks associated with the Schemes

Changes in bond yield

A decrease in corporate bond yields will increase the value placed on the liabilities for accounting purposes.

Inflation risk

Pension liabilities are linked to price inflation. Higher inflation, or higher expectations of future inflation, will lead to a higher liability value.

Life expectancy

The obligations under each Scheme are to provide benefits for the life of the member following retirement, so increases in life expectancy will result in an increase in the liabilities.

Transactions relating to post-employment benefits

The following transactions have been recognised in the Consolidated Statement of Net Expenditure

	2022 £'000	2021 £'000
Net Revenue Expenditure		
Current service cost	1	1
Net interest expense	63	50
Total Post-Employment Benefits charged to Net Revenue Expenditure	64	51
Other Comprehensive Income		
Remeasurement of the net defined benefit liability comprising:		
The return on plan assets, excluding the amount included in the net interest expense		(97)
Actuarial gains/(losses) arising from changes in financial assumptions	(1,580)	(119)
Other (if applicable)		(236)
Total Remeasurement of Defined Benefit Pension Scheme Liability recognised in Other Comprehensive Income	(1,580)	(452)
Total charged to the Consolidated Statement of Net Expenditure	(1,516)	(401)

4.21 Defined benefit pension schemes (continued)

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:

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)
Total defined benefits schemes	5,740	(7,157)	(1,417)

2021

	Asset £'000	Liability £'000	Net Liability £'000
Jersey Post Office Pension Fund	5,460	(5,602)	(142)
Discretionary Pension Scheme	213	(569)	(356)
Jersey Civil Service Scheme (pre-1967)	-	(2,771)	(2,771)
Total defined benefits schemes	5,673	(8,942)	(3,269)

Reconciliation of the movements in scheme assets

	2022 £'000	2021 £'000
Opening fair value of asset	5,673	6,050
Interest income	108	75
Remeasurement gain/(loss):	463	
The return on plan assets, excluding the amount included in the net interest expense		97
Contributions from employer	14	334
Net benefits paid out	(518)	(883)
Closing fair value of assets	5,740	5,673

Reconciliation of the movements in scheme liabilities

	2022 £'000	2021 £'000
Opening present value of liabilities	(8,942)	(10,054)
Current service cost	(1)	(1)
Interest cost	(170)	(125)
Remeasurement gain/(loss):		
- Actuarial gains/(losses) arising from changes in demographic assumptions	67	-
- Actuarial gains/(losses) arising from changes in financial assumptions	1,625	119
- Other (if applicable)	(575)	236
Benefits paid	839	883
Closing present value of liabilities	(7,157)	(8,942)

4.21 Defined benefit pension schemes (continued)

Scheme assets comprised

	2022 £'000	2021 £'000
Index-linked gilts	4,947	4,947
Cash and net current assets	281	163
Other	512	563
Secured pension (Annuity)		0
Total	5,740	5,673

The annuity is the sole asset of the defined benefits pensions schemes. All the remaining assets are in respect of the Jersey Post Office Pension Fund.

Basis for estimating assets and liabilities

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 2016.

Liabilities have been assessed on an actuarial basis using the projected unit credit method, using the following main assumptions:

	2022 Years	2021 Years	2020 Years
Demographic assumptions:			
Longevity of pensioners after 65			
Men	22	22	22
Women	24	24	23
Financial assumptions:	% p.a.	% p.a.	% p.a.
Inflation	3.1	3.3	3.0
Pensions increase	3.1	3.3	3.0
Discount rate	4.9	2.0	2.0

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all the other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases or decreases for men and women. In practice, this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the schemes, i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

Impact on the defined benefit obligation	2022		2021	
	Increase in assumption £'000	Decrease in assumption £'000	Increase in assumption £'000	Decrease in assumption £'000
Discount rate (increase/decrease of 0.1%)	(44)	44	(79)	79
Rate of increase in pensions (increase/decrease of 0.1%)	44	44	78	(79)
Post retirement mortality assumption (increase/decrease of 1 year)	(440)	440	(491)	502

4.22 - 4.29

Other Notes and disclosures

4.22 Contingent assets and liabilities

Accounting Policies

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 assets

There are no contingent assets as at 31 December 2022 (2021: none).

Contingent liabilities

There are several cases where a possible obligation exists (as a result of past events) and where the existence of the liability will be confirmed only by future events, including court cases, outside of the control of the States of Jersey.

Civil claims against the States of Jersey continue to be a possible obligation. The effect of the Supreme Court judgement in June 2019 in the case CN vs Poole Borough Council and subsequent decisions in the English Courts have significantly narrowed the prospects of such claims succeeding if the Jersey Courts adopt a similar approach. Provision for these liabilities is not made in the Accounts because legal liability is disputed.

In addition to these potential claims, other possible liabilities exist in the following areas: employment issues, medical claims, breaches of legal rights, losses arising from the issuing of incorrect guidance or incorrect application of law.

Even if all claims identified were successfully pursued against the States of Jersey, the total financial impact of these possible liabilities is not estimated to exceed £10 million.

4.23 Losses and Special Payments

Accounting Policies

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.

	2022 £'000	2021 £'000
Losses		
Losses of cash		
Overpayment of Social Benefits	175	250
Total losses of cash	175	250
Fruitless Payments		
Fruitless Payments	622	-
Total Fruitless Payments	622	-
Bad debts and claims abandoned		
Uncollectible Tax	1,280	988
Other Tax Receivables written off	178	197
Other claims abandoned	86	2
Total bad debts and claims abandoned	1,544	1,187
Damage or loss of inventory		
Write off of expired stock	14	28
Other inventory write offs	954	902
Total damage or loss of inventory	968	930
Impairment of fixed assets		
Impairment of fixed assets	8,376	-
Total impairment of fixed assets	8,376	-
Total Losses	11,685	2,367
Special Payments		
Total compensation payments	31	-
Total ex gratia and extra contractual payments	1,331	2,727
Total Severance Payments	263	327
Total Special Payments	1,625	3,054
Total Losses and Special Payments	13,310	5,421

Performance Narrative

The fruitless payments recognised in 2022 predominantly relate to costs incurred across a number of projects on feasibility or pre-feasibility work that did not then go ahead. A breakdown is provided in Section 2 on page 213.

The increase in uncollectible tax and tax receivables written off reflects the continual review of tax amounts owed to Revenue Jersey.

Performance Narrative (continued)

The fixed asset impairment is an estimate recognised to reflect the decision to review and amend the Our Hospital project solution from a single site at Overdale. While there is still uncertainty pending a confirmed specific solution, this is an estimate of the amounts already incurred and recognised as an asset within Assets Under the Course of Construction in the Property, Plant and Equipment balance on the Statement of Financial Position that will no longer contribute to the revised solution. For example, costs incurred on specific elements of the Our Hospital project that only support the single site at Overdale solution.

More information on the minimum and maximum impairment and the range of scenarios is provided in Note 4.3 Key Sources of Estimation Uncertainty.

Ex gratia payments includes a settlement to a software supplier in respect of licence agreements during the migration from one software package to another.

4.24 Related Party Transactions

Accounting Policies

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 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.

4.24 Related Party Transactions (continued)

2022

Organisation	Income £'000	Expenditure £'000	Balances Due to the States £'000	Balances Due by the States £'000	Notes
Directly Controlled Entities - Strategic Investments					
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 Limited	2,661	194	44	-	Income includes dividends of £2,464k
Directly Controlled Entities - Other					
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	-	-	
Victoria College Prep	-	4	-	-	
Indirectly Controlled Entities - Subsidiaries of Strategic Investments					
JE Building Services	-	204	-	-	Subsidiary of JEC
Jersey Deep Freeze Ltd	1	165	-	-	Subsidiary of JEC
Jersey Energy	-	3	-	-	Subsidiary of JEC
Retirement Schemes					
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.
Controlled or influenced by Key Management Personnel or members of their close family					
Autism Jersey	5	936	-	-	Deputy Helen Miles (Minister) is a trustee.
Beauvoir Ltd	-	113	-	-	Gregory Guida (former Minister) is director and shareholder.
Brighter Futures	-	1	-	-	Deputy Kirsten Morel (Assistant Minister) is a director.
Bureau des Iles Anglo Normandes	-	163	-	-	Kate Halls-Nutt (Chief Officer for External Relations) is co-chair.
Channel Islands Brussels Office	-	325	-	-	Kate Halls-Nutt (Chief Officer for External Relations), is a director.
De La Salle College	-	2,135	-	-	Mike Cutland (Chief Probation Officer) is a governor.
Dickinson Gleeson, Advocates	1	-	-	-	The spouse of Deputy Kristina Moore (Chief Minister) is a partner.
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.

2021

Organisation	Income £'000	Expenditure £'000	Balances Due to the States £'000	Balances Due by the States £'000	Notes
Directly Controlled Entities - Strategic Investments					
Jersey Electricity plc	5,990	7,441	12	371	Income includes dividends of £4,014k
Jersey Post International Limited	502	405	163	4	
JT Group Limited	43,063	5,705	233	-	Income includes dividends of £42,463k
The Jersey New Waterworks Company Limited	2,351	256	35	15	Income includes dividends of £2,190k
Directly Controlled Entities - Other					
Bel Royal School	1	-	-	-	
Grouville School Fund	2	-	-	-	
Haute Vallee School	3	7	-	-	
Hautlieu School	-	3	-	-	
Le Rocquier School	-	-	-	-	
Les Landes School Fund	1	4	-	-	
Les Quennevais School Fund	-	2	-	-	
Les Vaux Housing Trust	1	-	-	-	
Mont A L'Abbe School	1	-	-	-	
Plat Douet School Fund	2	-	-	-	
St Lukes	-	-	-	-	
St Saviours School Fund	2	1	-	-	
Samares School Fund	1	-	-	-	
Trinity Youth Centre Trust Inc	-	621	-	-	
Victoria College Prep	-	2	-	-	
Victoria College	-	40	-	-	
Indirectly Controlled Entities - Subsidiaries of Strategic Investments					
JE Building Services	-	232	-	-	Subsidiary of JEC
Jersey Deep Freeze Ltd	3	219	-	-	Subsidiary of JEC
Jersey Energy	-	46	-	-	Subsidiary of JEC
Retirement Schemes					
PECRS	412	-	-	-	Income related to services provided by the Treasury Department.
JTSF	149	-	-	-	Income related to services provided by the Treasury Department.
PEPF	38	-	-	-	Income related to services provided by the Treasury Department.
Controlled or influenced by Key Management Personnel or members of their close family					
Bureau des Iles Anglo Normandes	-	75	-	-	Kate Halls-Nutt (Chief Officer for External Relations) is co-chair.
Caritas Jersey	-	1	-	-	Mike Cutland (Chief Probation Officer) is a director.
Channel Islands Brussels Office	-	319	-	-	Kate Halls-Nutt (Chief Officer for External Relations) is a director.
De La Salle College	-	2,040	-	-	Mike Cutland (Chief Probation Officer) is a governor.
Government of Jersey London Office	-	975	-	-	Kate Halls-Nutt (Chief Officer for External Relations) is chair-person.
Jersey Cares Ltd	-	198	-	-	Deputy Ian Gorst (Minister) is a director.
Jersey Heritage	-	5,036	22	-	Steven Cartwright (Chief Officer of Bailiffs Chambers) and the spouse of Mark Egan (Greffier of the States), are trustees.
National Trust for Jersey	-	608	-	-	Alec le Sueur (Practice Director of Law Officers' Department) is a council member.

4.25 Third Party Assets

Accounting Policies

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: 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	2022 £'000	2021 £'000
Viscount's	299,992	38,772
Health and Community Services	328	298
Justice and Home Affairs	24	28
Charitable Funds	38,322	46,240
Total Liquid Assets held on behalf of third parties	338,666	85,338

In addition to the liquid assets listed above the Viscount's Department holds property and contents with an approximate total value of £5,569.6 million (2021: £12.2 million). 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 £0.48 million (2021: £0.46 million)

In addition to the items listed above the Non-Ministerial Department holds various works of art, valued at £0.6 million (2021: £1.1 million).

4.25 Third Party Assets (continued)

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.



Performance Narrative

The significant balance disclosed as investments held by the Viscount almost entirely relates to a saisie judiciaire relating to ongoing criminal proceedings in respect of a Russian individual and, as such, there can only be limited disclosure of specifics of this matter. In addition, there are challenges to providing an accurate valuation.

4.26 Entities within the Accounting Boundary

The Accounting Boundary is set out in the JFRoM 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.

Entities consolidated within the accounting boundary

Government Departments	Non-Ministerial Bodies
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	Stabilisation Fund
Assisted House Purchase Scheme	Currency Fund (comprising Jersey Currency Notes and Jersey Coinage)
99 Year Leaseholders Fund	Insurance Fund
Agricultural Loans Fund	Jersey Reclaim Fund
Tourism Development Fund	Climate Emergency Fund
Channel Islands Lottery (Jersey) Fund	Fiscal Stimulus Fund
Jersey Innovation Fund	Ecology Fund
Housing Development Fund	Fishfarmer Loan Scheme (Dormant)
Criminal Offences Confiscation Fund	
Civil Asset Recovery Fund	Trading Operations
Technology Accelerator Fund	Jersey Car Parking
Strategic Reserve	Jersey Fleet Management
Social Security Funds	
Health Insurance Fund	
Social Security Fund	
Social Security (Reserve) Fund	
Long-Term Care Fund	
Jersey Dental Scheme	
Consolidated Subsidiary Companies	
For further information in regards to the accounting principles behind recognition of these entities are detailed in the accounting policy.	
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)	
For further information in regards to the accounting principles behind recognition of these entities are detailed in the accounting policy.	
Jersey Electricity PLC	
JT Group Limited	
Jersey Waterworks Company Limited	
Jersey Post International Limited	

Core Entities

Whole Group

4.26 Entities within the Accounting Boundary (continued)

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	Jersey Sport Limited
Digital Jersey Limited	Jersey Legal Information Board
Jersey Business limited	Bureau des Iles Anglo-Normandes
Jersey Finance Limited	Channel Islands Brussels Office
Visit Jersey Limited	

4.27 Social Security Funds

Statements of Comprehensive Net Expenditure*

	2022					2021				
	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
Revenue										
Social Security Contributions	(214,081)	(41,111)	-	(38,854)	-	(196,542)	(35,686)	-	(32,357)	-
States Grants to Social Security Funds	-	-	-	(31,802)	-	-	-	-	(30,996)	-
Sales of goods and services	-	-	-	-	-	-	-	-	-	(48)
Investment income	(208)	3,178	157,935	131	(130)	2	(5,506)	(230,471)	76	-
Other revenue	-	-	-	-	-	1	-	-	(4)	(68)
Total Revenue	(214,289)	(37,933)	157,935	(70,525)	(130)	(196,539)	(41,192)	(230,471)	(63,281)	(116)
Expenditure										
Social Benefit Payments	280,379	34,615	-	61,057	-	260,913	37,473	-	57,399	-
Other Operating expenses	5,173	4,116	-	1,094	125	5,232	3,368	(1)	1,364	113
Grants and Subsidies payments	-	-	-	-	-	-	-	-	-	-
Depreciation and Amortisation	581	-	-	10	-	601	-	-	25	-
Impairments	190	41	-	21	-	261	55	-	20	-
Finance costs	-	-	-	-	-	-	-	-	-	1
Total Expenditure	286,323	38,772	-	62,182	125	267,007	40,896	(1)	58,808	114
Net Revenue Expenditure/(Income)	72,034	839	157,935	(8,343)	(5)	70,468	(296)	(230,472)	(4,473)	(2)
Other Comprehensive Income										
Revaluation of Property, Plant and Equipment	-	-	-	-	-	(6,087)	-	-	-	-
Total Other Comprehensive Income	-	-	-	-	-	(6,087)	-	-	-	-
Total Comprehensive Expenditure/(Income)	72,034	839	157,935	(8,343)	(5)	64,381	(296)	(230,472)	(4,473)	(2)

*These are the financial information of Social Security Funds and not the primary statements of States of Jersey.

4.27 Social Security Funds (continued)

Statements of Financial Position*

	2022					2021				
	Social Security Fund £'000	Health Insurance Fund £'000	Social Security (Reserve) Fund £'000	Long Term Care Fund £'000	Jersey Dental Scheme £'000	Social Security Fund £'000	Health Insurance Fund £'000	Social Security (Reserve) Fund £'000	Long Term Care Fund £'000	Jersey Dental Scheme £'000
Non-Current Assets										
Property, Plant and Equipment	6,619	-	-	-	-	6,538	-	-	-	-
Intangible Assets	3,040	-	-	136	-	1,724	-	-	122	-
Investments held at Fair Value through Profit or Loss	-	92,031	2,030,706	16,058	-	-	95,208	2,267,141	16,528	-
Trade and Other Receivables	-	-	-	3,741	-	-	-	-	2,485	-
Total Non-Current Assets	9,659	92,031	2,030,706	19,935	-	8,262	95,208	2,267,141	19,135	-
Current Assets										
Trade and Other Receivables	38,193	2,314	-	15,658	-	58,104	5,366	-	18,617	-
Amounts due from the Consolidated Fund	-	13,087	-	9,852	-	-	8,007	-	-	-
Cash and Cash Equivalents	40,550	-	-	8,211	49	25,129	-	-	17,574	48
Total Current Assets	78,743	15,401	-	33,721	49	83,233	13,373	-	36,191	48
Total Assets	88,402	107,432	2,030,706	53,656	49	91,495	108,581	2,267,141	55,326	48
Current Liabilities										
Trade and Other Payables	-	(2,736)	(26)	(4,281)	(16)	(46)	(6,177)	(29)	(6,566)	(19)
Amounts due to the Consolidated Fund	(18,544)	-	44	-	-	(25,197)	(6,332)	(3,452)	(7,729)	-
Total Current Liabilities	(18,544)	(2,736)	18	(4,281)	(16)	(25,243)	(12,509)	(3,481)	(14,295)	(19)
Assets Less Liabilities	69,858	104,696	2,030,724	49,375	33	66,252	96,072	2,263,660	41,031	29
Taxpayers' Equity										
Accumulated Revenue and Other Reserves	63,132	104,696	2,030,724	49,375	33	60,165	96,072	2,263,660	41,031	29
Revaluation Reserve	6,726	-	-	-	-	6,087	-	-	-	-
Total Taxpayers' Equity	69,858	104,696	2,030,724	49,375	33	66,252	96,072	2,263,660	41,031	29

*These are the financial information of Social Security Funds and not the primary statements of States of Jersey.

4.28 Events after the reporting period

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

Grand Vaux flooding

On 17 January 2023, following significant rainfall, a number of homes owned by Andium Homes in the Grand Vaux area were evacuated due to flooding. The majority of clients were able to move back into their properties the next day, however, 16 homes were significantly affected, with additional refurbishment work required prior to those tenants being able to move back in. This work is ongoing and will be completed shortly.

Camerons Limited and Garenne Construction Group

On 28 February 2023 the building contractor Camerons Limited went into liquidation with its parent company Garenne Construction Group subsequently appointing liquidators in early April. Camerons Limited was the contractor engaged by Andium Homes for the Cyril Le Marquand Court development. Andium immediately appointed another contractor to complete the development. While they were also involved in other government projects, this was either on a design only basis or the projects were complete so there is no direct financial implication.

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 2023, they will be included in the 2023 financial statements.

4.29 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 2022 have been approved by the Minister for Treasury and Resources and were presented to the States for publication and distribution.

Glossary

ACCOUNTING POLICIES

The rules and practices adopted by the States of Jersey that determine how transactions and events are reflected in the accounts.

ACCRUALS

Amounts included in the accounts for income or expenditure in relation to the financial year but not received or paid as at 31 December.

ACTUARIAL GAINS AND LOSSES

In respect of defined benefit pension schemes, these arise where actual events have not coincided with the actuarial assumptions made for the last valuations (known as experience gains and losses) or the actuarial assumptions have been changed.

AMORTISATION

A measure of the cost of economic benefits derived from intangible fixed assets that are consumed during the period.

AVAILABLE-FOR-SALE ASSETS

Non-derivative assets classified as “available for sale” or not classified as any of the other three categories of financial assets.

CAPITAL EXPENDITURE

Payments for the acquisition, construction, enhancement or replacement of tangible fixed assets such as land, buildings, roads, and computer equipment, and intangible assets.

CONTINGENT LIABILITY

A contingent liability is a possible liability arising from past events whose existence will be confirmed only by uncertain future events or it is a present obligation arising from past events that are not recognised because either an outflow of economic benefit is not probable or the amount of the obligation cannot be reliably estimated.

CONTINGENT ASSET

A contingent asset is a possible asset whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the States.

DEFINED CONTRIBUTION PENSION SCHEMES

These are pension schemes where the employer pays fixed amounts into the scheme and has no obligation to pay further amounts if the scheme does not have sufficient assets to pay employee benefits. Examples include the Public Employees Pension Scheme and the Jersey Teachers Superannuation Scheme.

DEFINED BENEFITS PENSION SCHEMES

These are pension schemes where post-employment benefits are determined independently of the investments in the scheme and employers have obligations to make contributions where assets are insufficient to meet employee benefits. Examples include the Public Employees Contributory Retirement Scheme (PECRS), the Jersey Post Office Pension Fund (JPOPF), the Discretionary Pension Scheme (DPS) and the Civil Service Scheme (CSS).

DEPRECIATION

A measure of the cost of the economic benefits of the tangible fixed assets consumed during the period.

DERIVATIVE

A derivative is a financial instrument or other contract within the scope of IAS 32 and IAS 39 with all three of the following characteristics:

- its value changes in response to the change in an underlying variable (e.g. interest rates, equity share prices, exchange rates etc.);
- it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and
- it is settled at a future date.

EVENTS AFTER THE REPORTING DATE

These events, both favourable and unfavourable, occur between the financial year-end (31 December) and the date on which the statement of accounts are signed.

FAIR VALUE

The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

FAIR VALUE THROUGH PROFIT AND LOSS

Financial assets (including derivatives) held for trading or designated as at fair value through profit and loss.

FINANCE LEASE

A lease that substantially transfers the risks and rewards of a fixed asset to the lessee. With a Finance Lease, the present value of the lease payments would equate to the fair value of the leased asset.

FINANCIAL GUARANTEES

These are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified receivable fails to make payments when due, in accordance with the terms of a debt instrument.

FINANCIAL INSTRUMENTS

Financial instruments are contracts giving rise to a financial assets of one entity and a financial liability or equity instrument of another entity.

FIXED ASSETS

Assets that yield benefit to the States of Jersey and the services it provides for a period of more than one year.

GENERAL REVENUE INCOME

This represents the areas of income approved by the States Assembly in the Budget Statement Summary Table A (Government Plan from 2020) to include income tax, GST, Impots, Stamp Duty, Island Rates and other income. Figures in these approvals are generally presented net of direct expenditure.

HERITAGE ASSETS

Heritage assets are tangible assets with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture. They are assets that are intended to be preserved in trust for future generations because of their cultural, environmental or historical associations. They are held by the States of Jersey entity in pursuit of its overall objectives in relation to the maintenance of the heritage of the Island.

IMPAIRMENT

A reduction in the carrying value of a fixed asset below its carrying value (due to obsolescence, damage or an adverse change in the statutory environment).

INTEREST

For defined benefit pension schemes the interest cost is the present value of the liabilities during the year as a result of moving one year closer to being paid.

For all other transactions interest is consideration for the time value of money associated with the principal outstanding during a particular period of time, adjusted for risk and costs where applicable.

INTANGIBLE ASSETS

'Non-financial' fixed assets that do not have physical substance but are identifiable and are controlled by the States of Jersey through custody or legal rights. Purchased intangibles, such as software licences, are capitalised at cost whilst internally developed intangibles are only capitalised where there is a readily ascertainable market value for them.

INTERNATIONAL FINANCIAL REPORTING STANDARDS

International Financial Reporting Standards (IFRS) are a set of accounting standards developed by an independent, not-for-profit organisation called the International Accounting Standards Board (IASB).

LEASES

Leases are agreements whereby the lessor conveys the right to use an asset for an agreed period in return for payments.

LOANS AND RECEIVABLES

Non-derivative assets with fixed at determinable payments that are not traded in an active market.

LONG TERM RECEIVABLES

These debtors represent the capital income still to be received, for example, from the sale of an asset or the granting of a mortgage or a loan.

NEAR CASH

Near Cash Expenditure represents amounts that transacted in cash during the year, or will be shortly after (e.g. departmental income charged that will be collected after the year end). It excludes amounts relating to the use of Fixed Assets, such as depreciation and impairments. Accountable Officers are accountable for Near-Cash expenditure.

NET BOOK VALUE

The amount at which fixed assets are included in the Balance Sheet, i.e. their historical cost or current value, less the cumulative amount provided for depreciation.

NET REALISABLE VALUE

The amount at which an asset could be sold after the deduction of any direct selling costs.

NETWORKED ASSETS

Networked assets comprise assets that form part of an integrated network servicing a significant geographical area. These assets usually display some or all of the following characteristics:

- they are part of a system or network;
- they are specialised in nature and do not have alternative uses;
- they are immovable; and
- they may be subject to constraints on disposal.

Examples include the road network, the foul and surface water network and the Island's sea defence network.

NON-CASH

Other areas of income and expenditure that are reported through the SoCNE that are not included in Near Cash. For example, depreciation, amortisation and impairments.

NON-OPERATIONAL ASSETS

Fixed assets held by the States of Jersey but not directly occupied, used or consumed in the delivery of services. Examples of non-operational assets are investment properties and assets that are surplus to requirements, pending sale or redevelopment.

OPERATING LEASE

A lease other than a finance lease. This is a method of financing assets which allows the States of Jersey to use, but not own the asset and therefore is not capital expenditure. A third party purchases the asset on behalf of the States of Jersey, who then pays the lessor an annual rental charge for the use of the asset.

OPERATIONAL ASSETS

Assets held for their service potential used to deliver either front line services or back officer functions.

PAST SERVICE COST

In relation to defined benefit pension schemes, this is a cost arising from decisions taken in the current year but whose financial effect is derived from years of service earned in earlier years.

PRIOR YEAR ADJUSTMENT

A material adjustment applicable to prior years arising from changes in accounting policies or correction of fundamental errors.

PROJECTED UNIT METHOD – PENSION FUND VALUATION

In relation to defined benefit pension schemes, this is an accrued benefits valuation method in which the scheme liabilities make allowance for projected earnings. An accrued benefits valuation method is a valuation method in which the scheme liabilities at the valuation date relate to:

- the benefits for pensioners and deferred pensioners (i.e. individuals who have ceased to be active members but are entitled to benefits payable at a later date) and their dependents, allowing where appropriate for future increases, and
- the accrued benefits for members in service on the valuation date.

PROVISIONS

A liability that is of uncertain timing or amount which is to be settled by transfer of economic benefits and for which a reasonable estimate can be made of the sum required to settle the obligation.

RELATED PARTIES

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.

RELATED PARTY TRANSACTION

A related party transaction is the transfer of assets or liabilities or the performance of services by, to, or for a related party, irrespective of whether a charge is made. Examples of related party transactions include:

- the purchase, sale, lease, rental or hire of assets between related parties;
- the provision of services to a related party; and
- transactions with individuals who are related parties of the States of Jersey, except those applicable to other members of the community, such as tax, rents and payments of benefits.

RETURN ON PLAN ASSETS

For a defined benefit scheme, this is interest, dividends and other income derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less:

- any costs of managing plan assets; and
- any tax payable by the plan itself, other than tax included in the actuarial assumptions used to measure the present value of the defined benefit obligation.

REVENUE EXPENDITURE

Day to day payments on the running of States services including salaries, wages, contract payments, supplies and capital financing costs.

SOCIAL BENEFIT PAYMENTS

Social benefit payments are statutory entitlements payable to private individuals and households, including the state pension.

STAFF

States Staff are defined as: Persons employed under an employment contract directly with the States of Jersey, Persons holding an office or appointment in the States (by crown appointment or otherwise), and States Members.

Non-States Staff are defined as: Persons who do not qualify as States Staff (defined above), but are acting as employees of the States of Jersey.

STRATEGIC INVESTMENTS

Companies outside the accounting boundary, but in which the States of Jersey has a controlling interest, namely:

- Jersey Telecom Group Limited
- Jersey Post International Limited
- Jersey Electricity PLC; and
- The Jersey New Waterworks Company Limited

Annex
**Government Department
Annual Reports**

Introduction

This section 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:

[Chief Operating Office \(COO\) \(gov.je\)](#)

[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, Housing and Environment \(gov.je\)](#)

[Justice and Home Affairs \(gov.je\)](#)

[Office of the Chief Executive \(gov.je\)](#)

[Strategic Policy, Planning and Performance \(gov.je\)](#)

[Treasury and Exchequer \(gov.je\)](#)

Information on what the Department planned to change and improve, including the service performance measures it used, in 2022 can be found in the [Departmental Operational Business Plans for 2022](#).

This year the [annual Service Performance Measures](#) for each Department are also being published online for the first time.

Chief Operating Office (COO)

John Quinn

Chief Operating Officer to 31 January 2023

Performance against 2022 Key Objectives

Key Objectives for 2022

- Delivery of Integrated Technology Solution (ITS) Programme 2022
- Delivery of Microsoft (MS) Foundations Programme 2022
- Delivery of Cyber Security Programme (CSP) 2022
- Delivery of the People Strategy
- Continuation of Covid Response

Despite ongoing challenges with resourcing and difficult supplier market conditions, the COO has continued to deliver on its key objectives for 2022, whilst experiencing some operational challenges and pressure. The department has made significant progress in the delivery of transformational change for the benefit of the organisation which will improve both the experience and security of Islanders for years to come.

Delivery of Integrated Technology Solution (ITS) Programme 2022

Throughout 2022, the ITS programme team have reviewed and redesigned the processes and technology supporting the core operations of the organisation, Finance management, People management, Commercial management, and Inventory management.

There have been challenges to this delivery and all releases were replanned during 2022.

Release 1 (Connect Finance, Connect Suppliers Ariba, Connect Inventory and the non-payroll impacting elements of Connect People) was replanned to allow for a financial year end switchover and to accommodate additional scope, this went live at the beginning of January 2023. The delivery of Connect Finance will mitigate the technology risk posed through the continued use of the unsupported JD Edwards solution and will transition financial and commercial processes to new ways of working using the new SAP technology.

Release 2 (The remaining elements of Connect People) and subsequent releases are technically dependent upon Release 1 due to the interactive nature of the technology being deployed and as such were also replanned to align with Release 1. Challenges have been encountered, due to the age and complexity of legacy infrastructure and systems, which has led to work taking longer to than originally planned.

The remaining elements of the Programme are however still on target to deliver before the end of 2023 as committed in the approved Business Case.

Delivery of Microsoft (MS) Foundations Programme

In 2022, the MS Foundations Programme implemented the majority of outstanding Office 365 deployments to approximately 7,000 users, including, in addition to original plans, rollout to c. 400 users in the States of Jersey Police, in line with additional Home Office security standards for Police users. This deployment has allowed our people to access Office 365 from anywhere. The platform will be kept safe and secure through active management by Microsoft.

The 'Clinical Working Environment' has delivered both hardware (laptop and desktop computers) and an IT environment which meets the latest standard in security and Microsoft updates which can be readily supported by Modernisation and Digital in line with Government of Jersey to align with the standards implemented across the organisation.

A pilot implementation of the Microsoft Managed Desktop (MMD) was undertaken, to enable simpler ongoing management and maintenance of end-user computer devices.

In addition, an audit and assessment was undertaken of IT systems across Government to establish viability of migration to the cloud in preparation for the implementation of our 'cloud-first' adoption strategy. Migration of departmental unstructured data to SharePoint online also commenced which in future phases of delivery will enable more efficient and secure data management.

Delivery of Cyber Security Programme

The Cyber Security Programme has continued throughout 2022 to deliver changes in terms of security of technology, services, governance, people, and processes. To date, the programme has delivered upon the following key areas of scope:

- Managed Security Services
- Governance Improvements (Pt. 1 and 2)
- Identity and Access Management
- Asset Management
- People Security
- Network Security Services
- End-Point Detection and Response
- Retained Incident Response

These deliverables, which will continue to be built upon in 2023, have reduced the likelihood and impact of a successful breach to our security controls by building foundational capability and driving maturity improvement. The programme has faced challenges with respect to the ability of the organisation to support delivery, with a heavy reliance on already stretched operational teams which has led to timeline delays. Additionally, difficulties have been experienced in securing contracts in a timely manner, resulting in delays to progress. Consequently, formal programme closure has been extended into 2023.

Delivery of Cyber ORI Project

In response to the Russian invasion of Ukraine, in 2022 the Government was put on a heightened state of alert due to the increased risk of cyber-attack from countries/states considered to be 'non-friendly' or sympathetic to the Russian war aims. This led to the prioritisation of a series of short and mid-term initiatives under the broad categories of cyber incident response, public infrastructure, responsiveness, and estate weakness.

Delivery of the People Strategy

Our People Strategy is a plan with a long-term ambition to support the Government of Jersey in developing a world class public service. The People Strategy complements the Government Plan, the Common Strategic Policy, and the COO Departmental Operational Business Plans.

The States Employment Board commissioned the People Strategy and support the need to invest in the skills and people needed for delivering today, but also planning for what the future brings.

In 2022, we have made considerable progress in many aspects of the People Strategy:

Employee Experience: growing our talent through training and development programmes and increasing the number of apprentices employed by the Government year on year.

In 2022, 19 new Apprentices, in 8 different professional areas, joined the organisation, and our first care leaver was placed into a full time Apprenticeship. 41 Jersey degree students took on paid Internships, an increase of 20% on the previous year. We will be looking to increase the numbers of Apprenticeships offered to 50 and increase internship placements next year.

Management capability: a focus on getting the basics right at line management level, including the flagship programme World Class Manager, Espresso sessions and management qualifications.

World Class manager: so far around 300 managers across all departments have graduated from this programme since its launch in January 2021, with 91% reporting that they have been putting their learning into practice

Espresso shot training: Across all departments over 600 managers so far have participated in modules of this programme that cover management essentials and report that their knowledge levels increased between 23% to 66%

Chartered Management Institute qualification (CMI): a further 50 managers across all departments have embarked on two new CMI level 5 qualifications programmes in leadership and management that were launched as pilots in September 2022. These will be evaluated at key stages of the programme and be reviewed before offering more widely.

Business Partnering Training: a new Business Partnering training programme with Roffey Park was piloted during Q4 with a cross section of functional business partners from Finance, HR and Digital. This will be evaluated when concluded and assessed for further roll-out.

Employee led network groups: a suite of Employee Led Network (ELN) groups has been established in 2022 as part of our focus on improving our approach to Diversity, Equity, and Inclusion (DEI) so that the voices of all employees are heard, and we can act on feedback to build an inclusive workplace.

In addition to the I WILL network, we now have the following groups established:

- REACH – membership 57
- LGBTQ+ – membership 161
- Menopause Café – membership 121
- Neurodiversity membership 120
- Disability – membership 32

These groups are supported by a role specialising in Diversity and Inclusion. The role is responsible for taking forward our new Diversity, Equity, and Inclusion Strategy, which is part of the People Strategy, and the Chief Minister's Delivery Plan.

Employee Engagement: being delivered through People and Culture Plans that have been developed in departments.

The Executive Leadership Team (ELT) deferred the planned delivery of the organisation wide Be Heard employee engagement survey from September 2022 as originally planned due to business pressures going into Autumn and Winter 2022. This is now scheduled for delivery in May 2023.

The following departments were supported in undertaking their own follow-up full or pulse survey in the year, based on their priorities.

- Customer and Local Services
- Infrastructure, Housing and Environment (Property Services team and Special Projects Team)
- Justice and Home Affairs – (Prison Service, Customs and Immigration and Core Team)
- Strategic Policy, Planning and Performance
- Law Officers Department

Each area has reported improvements since the initial survey results and the Law Officers Department (LOD) secured accreditation as a '1 Star' organisation by Best Companies Ltd, the supplier who manages the Sunday Times Best Companies to work for index.

The Team Jersey Programme concluded in March 2022 and transitioned into business as usual with integration of the Team Jersey team members and associated training collateral into the Organisational Development team. All learning materials have since been reviewed, refined and an integrated core learning curriculum created.

Performance Management: being delivered through increased engagement with departments to establish a performance culture that is behaviour and contribution driven.

This has included building on the progress made in the use of My Conversations, My Goals during 2021 and the tailoring of bespoke functionality for Schools based colleagues, parts of Justice and Home Affairs (JHA) and Health and Community Services (HCS).

Preparation work for ITS Connect People Release 2 has been completed, with the creation of a new competency framework built on the organisation values. Refined and new training has been commissioned to help build manager confidence in holding performance conversations and 7 core thematic areas have been established that all colleagues across government should be using to set performance objectives in 2023. These are:

- Customer Service,
- Financial
- Risk (including Health and Safety)
- Compliance
- Change / Improvement
- People
- Stakeholder Management

This will enable more effective quality assurance of objective setting, create greater alignment, coupled with focus on key organisational governance and compliance areas, further supporting performance assessment and aid the new calibration approach at year end.

Policies

The Codes of Practice issued by the States Employment Board have also been developed and consulted upon to support the delivery of the People Strategy, the codes are:

- Employee Rights at Work
- Performance and Accountability
- Reward and Benefits
- Engagement
- Talent Management

We have delivered the following policies with supporting toolkits:

- Disciplinary, including a focus on informal resolution and restorative practice
- Whistleblowing
- Dignity and Respect at Work
- Capability
- Job Evaluation
- Parental Leave and Induction
- Health and Safety policy with suite of 27 minimum standards.

Policies and toolkits are now live on gov.je, this was a key deliverable for 2022.

We have continued to develop our working relationship with the Trade Unions, creating a culture which mitigates workplace conflict. A Union Framework has been developed in partnership with our recognised trade unions. Regular quarterly meetings have taken place with the existing States Employment Board and the Chief Executive Officer improving working relationships, gaining trust and positive resolution. These will continue to take place on a quarterly basis in 2023.

A Flexible Working Policy, with supporting toolkits have been developed, supporting our on-going commitment to build a culture of trust to positively impact on employee experience, and supporting our People Strategy, improving job satisfaction and wellbeing.

Standards in Public Service have been developed to set out the expectations of how each public servant conducts themselves. These standards help public servants make informed decisions, promote standards, ethical behaviour and provide clarity about the absolute

standards to which all public servants are held.

Continuation of Covid Response

During 2022, the COO continued to support the Island's COVID-19 response by maintaining, supporting, and developing the Book and Trace System (BATS) platform to provide PCR and Lateral Flow testing, COVID vaccination appointments and COVID Status Certificates.

Whilst the level of development to the platform reduced in 2022, compared to the height of the pandemic, there were still numerous updates required to ensure services were delivered in line with policy. This included the removal of testing at borders, consolidation of PCR testing into one location, additional vaccine boosters, Digital COVID Status Certificates through Apple or Google wallets and automatic recovery certificates following a period of COVID-19 infection.

We responded to changes in COVID-19 policy and supported the de-escalation from emergency response into business-as-usual operations. Towards the end of the year, we have continued business continuity support and prepared for a further de-escalation of measures in early 2023.

Service Performance

Modernisation and Digital

With regards to the Modernisation and Digital performance measures, network service average uptime and average request times have exceeded targets. The resolution of severity P1 issues (where the impact on the business is significant meaning that a system or service is unavailable to the majority of users) was above target (80%) in Q1 but below in the following 3 quarters. There were 8 Severity P1 incidents in Q4 2022. The small number of incidents means that any breach of the 2-hour SLA significantly impacts the performance measure. Resolution of some incidents were dependent on external parties and of a complexity that meant they could not be resolved within SLA.

The average customer satisfaction rate with the IT Service Desk (89%) has increased from previous years but remains below target (95%) for 2022. This is due to temporary staff supporting the business with long term absence, upskilling of new team members and the impact of several project implementations during the year.

People and Corporate Services

With regards to the People and Corporate Services performance measures, sickness absence averaged 9 days per person for 2022, which was above the target of 6.5 days. The most common reasons for absence were Covid (20.8%), closely followed by colds, coughs, and flu (19%).

In terms of actions taken to address this, a new and enhanced contract with AXA Healthcare has been introduced in 2022. AXA provides an Occupational Health service to employees, alongside confidential access to information and resources on a wide range of work related or domestic topics. AXA also provides a greater level of signposting, self-supported health, and access to talking therapies and confidential support lines.

During 2022, there was a reduction in the number of bullying and harassment cases reported, indicating continued progress to improving our culture. Bullying and Harassment and Whistleblowing policies are now embedded, alongside an independent reporting service run by Navex Global, where our employees can report concerns.

Reporting on average turnover commenced in Q2 2022, and the average for the reporting period shows that the turnover (9.2%) is lower than the baseline (10.5%). Several Covid related roles were de-commissioned in 2022 which would also contribute to the turnover figures. Retention of staff is a key priority for the Government especially considering staff shortages in some key front-line services.

Capability cases have remained within baseline for the reporting period. Disciplinary cases have steadily increased over the course of 2022 as the processes are being more proactively managed. We continue to reduce the requirement for compromise agreements.

The introduction of ITS Connect in 2023 will support an increased level of reliable metrics for the P&CS directorate to use to measure performance improvements. In addition, the execution of the BeHeard survey in 2023 will allow for refreshed data with respect to employee engagement.

Children, Young People, Education and Skills (CYPES)

Rob Sainsbury
Chief Officer

Performance against 2022 Key Objectives

Early Years

Early Years workstreams included a pilot of integrated development assessments at three years and increased CPD to the sector, evaluation of the pilot will inform the next steps. Working with colleagues in Health and Community Services, a speech and language therapy pilot was initiated in two schools to inform future support models. These, and other workstreams, were supported by the creation of a delivery board with representation from Every Child Our Future, Family Nursing and Home Care, Jersey Child Care Trust and Jersey Early Years Association.

Education catch up

The focus on Covid catch up continued this year. The Jersey Tutoring Programme supported around 30% of pupils in Government funded schools in 2022. From January to November, 7336 hours of additional individual and small group tuition were delivered. A further 5 teachers are undertaking Reading Recovery training. Social Recovery funding has enabled the 5 teachers who were trained in the previous year to continue in 2023. Ninety-five of the lowest attaining pupils in KS1 accessed the programme in 2022. In the summer term, 100 pupils from Years 5-7 accessed a Reading Fluency intervention and the impact data was positive. Two full Summer School programmes ran at d'Auvergne (28 pupils) and Haute Vallée Schools (98 pupils), with an additional 35 pupils benefitting from smaller scale provisions at Grainville, Samarès and Trinity schools. The Art Project aimed to improve achievement in art and design whilst supporting the wellbeing of pupils and teachers in primary schools. Teachers worked with local artists to deliver enriched lessons that increased pupils' access to experiences unique to Jersey. 6,500 pupils and teachers from Years 1 to 6 in Government of Jersey schools were able to access the project.

Highlands College Social Recovery

In 2022, 62 students attended training in English as an Additional Language (EAL) to support reconnection and reduce economic inequalities by increasing employability skills. A further 127 students studied English as a Second or other Language (ESOL) for Care, Retail, Construction and Hospitality sectors to augment workforce wellbeing with Improve Your Skills, and Functional Skills English and Maths. Highlands College supported EAL family learning at Plat

Douet School. Feedback from this programme led to the development of the Primary School Skills Hub being expanded to St Luke's and Samarés schools, with families being better able to support their children's development. Highlands supported Ukrainian Refugees by providing two courses to 33 students to aid their social reconnection in Jersey. The College also partnered with Les Amis and Brighter Futures to educate Additional Needs Adults in life skills and core literacy/numeracy.

Education Reform

In 2022 there was a significant focus on implementing new provisions for our multilingual learners. This shifts the emphasis to an assessment of proficiency in English to determine how best to support learning. The first transitional stage of the new funding formula (for fully provided government schools) was implemented and, for the first time, published. Significant progress was made in developing the proposed inclusion components of the formula for implementation in 2023.

The Inclusion Service focused on a development plan to address the 50 recommendations of the Independent Review of Inclusive Education and Early Years in Jersey report. A development plan has been established to improve inclusion over the next ten years. Several recommendations were addressed during 2022, significantly improving outcomes for young people. A Virtual School was fully established to ensure that all 'Children Looked After', both on and off Island, have a case worker and termly Personal Education Plans to ensure that the educational offer is meeting their needs and progress is being made, with funding to facilitate a tailored curriculum offer.

Training was established for all Special Educational Needs Coordinators (SENCOs) on Island with the first cohort completing their Nasenco training linked with Winchester University. A full review of our Social, Emotional and Mental Health (SEMH) provision led to the restructure of La Sente and La Passarelle, resulting in the development of a therapeutic educational Primary and Secondary school incorporating both art and music therapy. A review of Additional Resource Centres (ARCs) led to a restructure and the addition of two new Nurture ARCs at both Primary and Secondary.

The funding process for Record of Need (RoN) has been evaluated and a new model developed which enables young people with a RoN to access the required support. A recruitment campaign was launched to encourage people into the role of learning support assistants, the first cohort of 12 practitioners have just started training.

The Anna Freud Centre audited the provision for mental health and wellbeing in schools. This led to the training and development of an identified lead for each school and further support for this area moving in to 2023.

The Inclusion service has expanded to ensure that there is additional support available to schools, this has included the recruitment of two additional educational psychologists (EPs), two assistant EPs, 4 additional teachers for SEMH, a special educational needs lead, transition workers and virtual school practitioners.

Policy development work continued, and in Q4, the Minister received a number of options to consider over 2023/4 including extension to the age of participation and greater collaboration across schools.

Children's Social Care

In 2022 we experienced staffing challenges across our residential care settings. In the latter part of 2022, recruitment into permanent residential roles is moving forward and at end of 2022, all Registered Manager positions were covered and an additional 8 permanent childcare officers joined the service. The challenges have impacted upon the advancement of the Children's Homes Improvement Plan across the non-secure children's homes estate. Achievements have been significant within Oakwell and Eden homes which continue to be recognised as exemplary homes providing high quality care to children with complex needs and disabilities. Throughout 2022, a priority for Children's Social Care has been the improvement of the Greenfields Secure Children's home. Significant progress has been made to improve the provision of secure care at Greenfields and we end the year in a stronger position. Investment in specialist training has increased the skill within the staff group.

The availability of Foster Placements for children requiring care in the Island remains a challenge. The target to recruit eight Intensive Foster Carers in 2022 was not achieved, however a campaign at the end of the year has seen the highest response rate to date of enquiries from Islanders coming forward to be assessed to care for children. This puts us on a strong footing heading into 2023 with several families going through the assessment process.

The sufficiency strategy was launched in 2022 and significant investment has been awarded to increase the care options on-Island for children and young people in the care of the Minister. This will involve expanding the residential offer for children as well as creating a therapeutic children's home which was not achievable in 2022.

The Peer Mentoring Service for children in care and care leavers was launched in 2022 and there are 4 peer mentors undertaking training ready to support children in care and care leavers in 2023.

Mental Health Strategy

The CAMHS redesign was implemented with distinct Duty and Assessment, Early Intervention, Specialist CAMHS, CAMHS Looked after Children, and Quality and Assurance Services launching. Recruitment progressed well, with 65 staff employed by the year end, up from 21 in 2021. The Early Intervention Service has enabled CAMHS to have a presence in schools and to support those with emerging mental health difficulties or difficulties that may not meet CAMHS criteria by offering short pieces of both one to one and group work. In February, CAMHS referrals began to come through the Children and Families Hub, with a CAMHS Nurse based in the Hub, triaging referrals with multi-disciplinary colleagues to provide a strengthened response to children and families.

Right Help at the Right Time

Family and Community Support teams promoted the Jersey's Children First Practice framework throughout the year. The Family and Community Support Service increased staffing from 28 to 37 staff to build early help capacity. This has enabled more families to be offered support and an expanded parenting programme has been offered with more provision for parents of children with neurodevelopmental needs.

During 2022 we launched an Integrated and Intensive Youth Support Service for young people considered to be the most vulnerable, at risk or a risk to others. The service will provide 'wrap around' support, and deliver an effective response which intervenes in the presenting behaviours while responding in a child-centred manner that is inclusive of the family or carers, and is trauma-informed, restorative and underpinned by a systemic approach. During 2022 recruitment has taken place for a Head of Service, four teachers, an Advanced Social Worker and various building works have taken place to develop a hub for this multi-disciplinary team. A soft launch took place in September 2022 with 8 young people being supported through the new services.

Skills and Lifelong Learning

In 2022 Skills Jersey collaborated with Professor Martin Dole to review the current skills system and interview stakeholders, this work went on to form the FE and Skills 37 point Actionable Agenda which aims to move towards a robust skills system for Jersey. Skills also collaborated with Government and industry on the Digital Education Strategy. Both have gained sign off and moved into the delivery stage at year end. The recommendations in the Digital Education Strategy represent significant change for our schools. There are obvious challenges ahead for the teams that will support them with their technology infrastructure, for the development of school staff who deliver in the classroom, and for all stakeholders who will contribute towards the creation of a new learning platform and curriculum framework.

Making children everyone's priority

The re-launch of the Corporate Parenting Board has been a priority for the new administration and the Minister for Children and Education is leading on building a strong identity for children in care and care leavers with a well-attended Corporate Parenting Board with representation from across Government.

In 2022, hundreds of children, young people and professionals helped to co-create the first set of Participation Standards for Jersey. Participation Standards ensure that children and young people, who choose to have a say, are listened to, their views are included, and their contribution is respected and acted upon. In Summer 2022, following the Jersey Care Enquiry, we held our first Children's Day in Jersey, it was an event in partnership with the Independent Survivors' Steering Group and multiple agencies across the Island.

We continue to consider ways in which we respond effectively and efficiently to needs. Our Commissioning Team support transformation and project implementation activity. During 2022 the team continued work on the Children and Young People's Mental Health redesign, working alongside multi-agencies and our partners in CAMHS, this work led to the team being awarded the Our Stars Working in Partnership Award. The team also undertook the delivery of Free Period Products in Schools and the ongoing implementation and delivery of Free School Meals.

We continue to implement recommendations from the Comptroller and Auditor General, amongst others, to support effective and efficient ways of working.

Service Performance

The 2022 Service Performance Measures demonstrate the impact of much of the activity outlined above, and the commitment and dedication of our staff. The Department selected 19 service performance measures for 2022, with end of year performance showing that we haven't made the progress we would have liked for two of these measures, these relating to CAMHS waiting times for the neurodevelopmental pathway, and long term placement stability for children who are looked after.

Education

We are delighted to see real improvements in the Education performance measures in each age group in 2022. This was especially significant with the summer GCSE, A level and other examinations, with 'real' exams returning and Jersey students performing so well. Provisional results reveal that 80.9% of GCSE students achieved a standard pass (grade 4) in English and mathematics, outperforming their counterparts in England. At KS5, the average point score was 40.2, equivalent to a B. A detailed report will be published in the spring on 2022 performance. Significant activity has taken place in schools, nurseries and colleges which contributed to this improved performance.

The "50 things to do before you're 5" app was launched in April. The app has been downloaded on over 1350 devices, and supports families by providing a framework of fun activities that create opportunities for children to grow up healthy and happy. The success of the launch and pop-up events led to the team being awarded a highly commended classification at the Our Stars awards.

The early years inclusion team continued to see their referrals rise in number and complexity and we were unable to support over half of the children referred in a timely manner. Through a successful Government Plan bid we are now able to recruit 4 more staff in this team to enable us to meet the needs of more children in private nurseries, school nurseries and in their homes. The additional investment will support more children in Early Years to achieve the expected level of development.

The School Improvement and Advisory Service (SIAS) worked closely with schools and colleges throughout the year on a range of initiatives, focusing on the transition away from the mitigations and restrictions of the Covid period. 2022 saw the return and publication of formal reviews of schools under the Jersey Schools Review Framework. We also were able to return to using Year 6 curriculum tests to support our moderation of end of Primary school achievement.

In 2022 we appointed permanent headteachers to each school, after successful partnership models ran their course. SIAS launched the new Languages Policy and strategy for multi-lingual learners (MLL). This has been praised academically as the world's first fully inclusive languages policy, backed up by significant funding. Twenty schools have worked together on a "Voice 21" project to support children to articulate ideas, develop understanding and engage with others through spoken language. A number of Curriculum reviews have been advanced, including in PSHE, RE and Physical Literacy, heralding further work and implementation in 2023. The work in PSHE is informed by work of the Youth Parliament. We have worked with Governing Bodies to renew the Governors' Handbook and piloted new arrangements for primary schools' support.

Considerable effort was invested in recruitment for early years and schools. This reflects the well-recognised pressures across these sectors and will continue to be a significant focus in 2023. This work included expanding our on-Island graduate teaching route, with the introduction of paid bursaries to train as a teacher. Continuous professional development remains a priority and offers for the schools' workforce included Master's level accreditation for SENCOs, training to support multilingual learners, and inclusion-based learning and development. There was also considerable support for the early career teacher programme

Skills Jersey

Completion rates for the apprenticeship programme rose to close to pre-pandemic levels, with 94% of apprentices completing the programme in 2022. Skills Jersey supported 80% of students involved in coaching and mentoring programmes to achieve positive destinations, such as further study or employment. This compares with 77% in 2021. Work continues to understand barriers to success and improve the support available to students.

New careers education programmes with Mont à L'Abbé, SJ Traineeship and Highlands Pathways were developed and delivered. To support GoJ departments, bespoke workshops were created and delivered for departments which including CLS and IHE. Relationships with the Island's careers teachers were built on further with 121 meetings to discuss what's worked and how the independent careers guidance team could support them further. Trackers widened the range of industries now serviced by mentoring only to cover agriculture/ horticulture, IT, quantity surveying, bike mechanics and youth and community studies. However, the recruitment process was identified as needing a radical overall. Skills Coach Programmes were created for years 7,8,9 and 10. These were built on common barriers identified from current students accessing the service and workshops were created to tackle or address these barriers in advance. This is in part a response to difficulty in arranging meetings with individual clients in school time.

Jersey Youth Service

Jersey Youth Service returned to pre-pandemic levels of activity with over 34% of 10-16 year olds using Youth Service projects. 2022 saw the launch of a Youth Service improvement programme encompassing Quality Assurance, Systems and Processes, Workforce, Policy reviews and a new Youth Work Curriculum that will be implemented during 2023. Jersey Youth Parliament present on three topics that the young people felt important to them, these being Education, Mental Health and Climate Action, and the Minister responded positively to the comments that young people raised. Following the agreement of the Government Plan for 2022, funds were made available to undertake some research and then establish a project that focused on Portuguese, Romanian and Polish young people and create inclusive opportunities for young people. Within the last quarter of 2022 the service created a Multi-lingual Youth Project that included recruiting staff from the various communities as Sessional Youth Workers and the opening a new club for young people from the various communities.

Family and Community Support

In 2022, the Children and Families Hub has been further developed as the single front door for requests for support. In addition to CAMHS joining the Children and Families Hub, bookings for parenting programmes and short break school holiday schemes are now also being administered through the Hub which responded to contacts relating to 3804 children over the year, a 35% increase from 2021. The increased activity at the Hub has resulted in increased demand for early help support from both partner agencies and the Service's Family Partnership Workers and Family Mentors. The teams have worked with 355 families (18% increase from 2021), undertaking direct work and co-ordinating teams around the child and family to build resilience. The teams report an increasing complexity of need and this is reflected in an increase over the year in the proportion of families being supported with an early help plan who subsequently needed Children's Social Care support (27% of families closed to Early Help in Q4 were referred to Children's Social Care). In the second half of the year, over 80% of families stepping down from Children's Social Care to Early Help successfully transferred between the services. This was slightly improved performance from a baseline of 78.1%. A low percentage of families are re-assessed at Early Help within 12 months (2.7%).

The team delivered 25 group parenting programmes reaching over 200 parents with new programmes introduced to meet the needs of parents of children with autism and ADHD.

As a result of ongoing recruitment, the team has increased from 28 to 37 staff. This is building capacity to respond to the increase in demand. There has been significant investment in professional development with 12 members of the team completing the level 4 qualification in working with children, young people and families and further training completed on the delivery of a range of parenting programmes. This has enabled more families to be offered support and an expanded parenting programme has been offered with more provision for parents of children with neurodevelopmental needs.

Children's Social Care

The re-referral rate for Children's Social Care remains low which is a good indication that the service is supporting families to make sustainable changes. However, in the latter part of the year, demand for services increased and as a result the number of families receiving a statutory child and family assessment and children in need support have increased.

Our long term placement stability (% children who have been looked after for 2.5 years or more and have been in the same placement for 2 years) has decreased throughout the year, falling below our benchmarks in the last quarter of the year due to a small number of children who have been living off-Island returning to Jersey or moving on to more independent care settings. The issue of placement availability for those children who need to come into the care of the Minister remains both a challenge and a priority for 2023.

Throughout 2022 the proportion of care leavers in employment, education or training has increased. Similarly, the number of care leavers in suitable accommodation has increased (95% at the end of the year) and is above baseline (83.2%). Some children reaching 18 have remained with their long-term carers which is a really positive outcome.

There has been significant focus on Social Care workforce development in 2022. The Learning and Development offer for staff has been exceptional. Reflective Supervision Procedures for all Social Care staff were launched in 2022 and a bespoke management development programme for the social care and residential manager's group was designed in collaboration with Research in Practice. This year, all staff received training in Restorative Practice.

In 2022, we welcomed five newly qualified social workers who graduated from the Social Work Degree programme at Highlands College. A further five students are currently completing their final year placements with us. We continue to have a high ratio of agency to permanent staff, however we have over 95% of qualified social worker posts covered and we are seeing agency staff remaining in post for longer time periods. This is providing encouraging signs of increasing stability in our workforce. Recruitment of permanent social workers remains a priority and there will be a continued focus in this area in 2023.

We are embedding our Practice Model of Restorative, Trauma Informed, Rights Based and Strengths Based practice which is an enhancement of the Jersey's Children First Practice Model. This relationship-based approach to working with children and families supports a deeper understanding of the needs of children and families, and includes a focus on understanding the impact of trauma and adverse childhood experiences. We are seeing the impact of some really good pieces of intervention work upon which to build momentum. In 2022 the service received 48 complaints and 91 compliments from families. In 2021 there were 63 complaints and 64 compliments and in 2020 there were 36 complaints and 57 compliments. We also received encouraging feedback from the Court relating to the quality of social work evidence presented within some of our Care Proceedings applications.

Children's Mental Health and Wellbeing (CAMHS)

2022 was a busy year for CAMHS with the increase in referrals post pandemic continuing. CAMHS received 1210 referrals in 2022, compared with 684 in 2020. Despite the significant volume of referrals, initial assessments for non-urgent referrals were completed on average within 25 days of referral in 2022. Whilst the increased demand has caused a longer average wait than our baseline (16.8 days), it falls within the target of 36 days (NHS target). Children with more urgent needs continue to be seen quickly, and are not included in this measure. Requests for neurodevelopmental assessments increased considerably with 351 referrals for ADHD assessments, compared with 51 in 2020; and 217 autism assessment referrals compared with 81 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 26.7 weeks. Plans are in place to develop this area of the service in 2023.

It was positive to see the reduction in inpatient activity, with 5 admissions to Orchard House, compared with 12 in 2021. On Robin Ward, the number of bed nights used by CAMHS inpatients reduced from 336 in 2021 to 103 in 2022.

Customer and Local Services (CLS)

Ian Burns
Chief Officer

Performance against 2022 Key Objectives

Customer Strategy

2022 saw the final year of our 3 year customer strategy with significant achievements during the year. Many of the initiatives continue and now transfer into ongoing business as usual.

Highlights include:

- Customer Feedback for GoJ was rebranded and relaunched Island-wide
- A Customer Experience development programme was designed, developed and rolled out across GoJ
- Significant improvements to complaint handling and quality assurance have been completed as well as system enhancements improving monitoring and reporting.
- A Customer Experience Zone was created to host all Customer Experience (CX) information and resources to support colleagues cross GoJ improve their CX capabilities.
- A Continuous Improvement employee network was launched to nurture a culture of innovation and improvement across GoJ.
- Voice of Customer data capture continued to be expanded across customer facing services (e.g. Sport and IHE). The quantity of customer satisfaction ratings received increased from 5,764 in 2021 to 7,984 for 2022 and the overall customer satisfaction with services rose from 76.6% to 78.7%

Transform

Our Transform team completed the design of detailed future state concepts for CLS's key services during 2022. These included Income Support, Back to Work, Long Term Care and Pensions, utilising the in-depth knowledge and experience of subject matter experts within the department during the design process.

The new service concepts have been created based on customer feedback to provide a fully digital-first approach that will deliver key service features that customers expect as standard, including;

- improved visibility of the status of their interactions with CLS via their online GOJ account
- reuse of data that has already been submitted to CLS/GOJ
- proactive notifications regarding eligibility for services and changes to the status of their benefits

Accessible service pathways will also be built for customers who are unable to interact with us online.

The completed design work provides the foundational requirements for the replacement to CLS's primary IT administration systems. The team has already engaged the IT market to understand the viability of the requirements and completed a detailed procurement strategy. A Pre-Qualifying Questionnaire was issued in December 2022 to identify and narrow down vendors who will be invited to submit tender proposals in 2023.

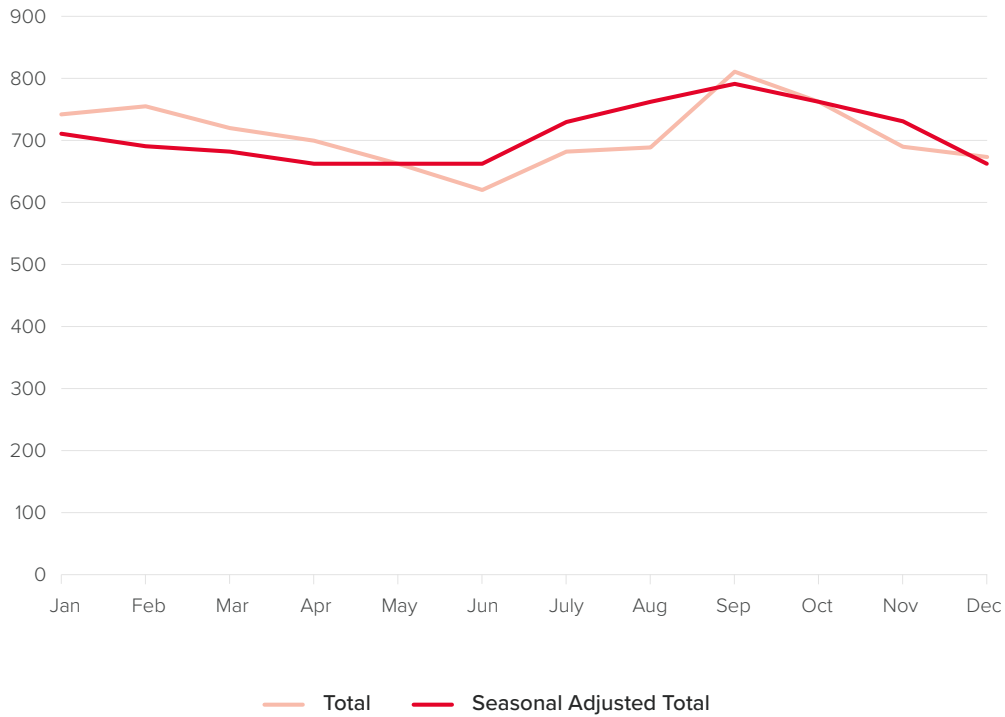
Disability Strategy

The Disability and Inclusion (D&I) team, working with its partners and over 130 active stakeholders, are currently taking forward several initiatives. Their approach utilises working groups and 'safe spaces' to shape proposals to address issues in the disability strategy and current challenges raised.

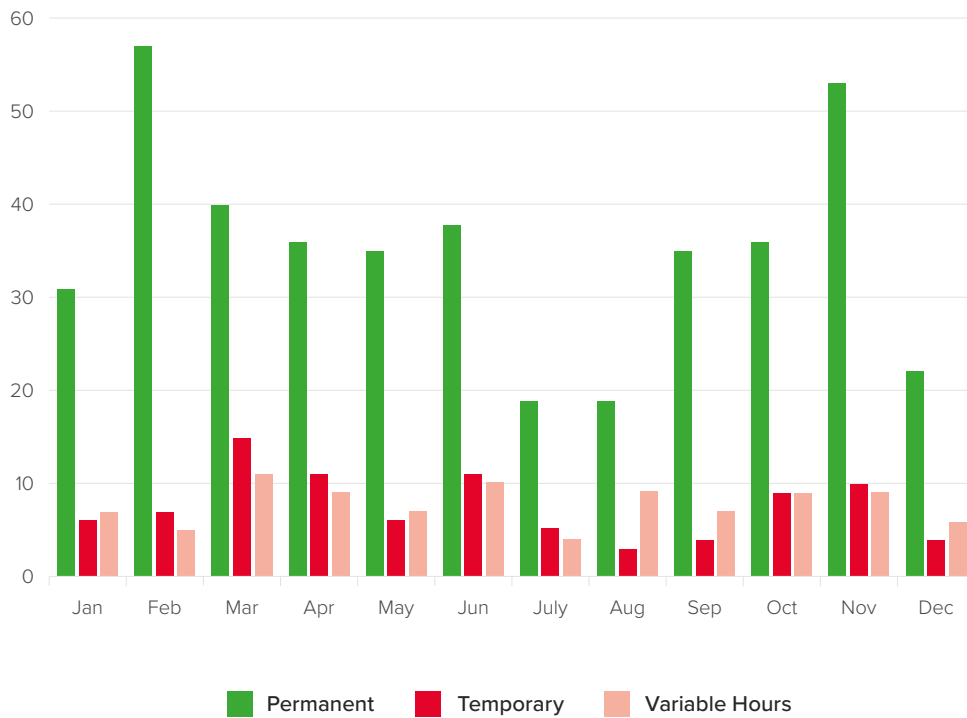
- The Community Transport scheme has undertaken an analysis of the current availability of minibuses owned by a range of organisations and the demand for them. A proposal is in the final stages of negotiation, and we will start a pilot in the Q1 2023
- Accessibility of public buildings. We are proposing a phased approach to ensure a more holistic and joined up way of undertaking audits and addressing accessibility issues in GoJ buildings. A presentation to the GoJ Executive Leadership Team will take place in January 2023 to agree a way forward.
- A Pathway to Adulthood pathway was developed in 2017 for children with disabilities and Special Education Needs. It is currently only offered to children who attend Mont a L'Abbe School and those open to the children's complex needs social work team. A workshop for key stakeholders took place in November 2022 to better understand these issues meetings, to consider the work required to improve transition for young people and work towards identifying a more inclusive approach. A problem statement is being developed utilising the findings from the event.
- Improving the accessibility of GoJ services and encouraging a more inclusive working environment for all. The D&I team have worked with GoJ departments to support reasonable adjustments to be made to services. In addition, the team has supported the setting up and progress of the disability network to encourage wider and diverse participation in decision making processes that affect their working environments.
- Targeting prejudice towards persons with disabilities on the Island. Last year's survey highlighted high levels of prejudice towards persons with disabilities. A second Embrace Our Difference event and campaign took place in 2022, spearheaded by gold medal winning Paralympian Liz Johnson, to encourage organisations and Islanders in general to be more inclusive in their work and play.
- Voting in the 2022 elections. All polling stations were re-visited on election day by Liberate auditors who had undertaken audits earlier in the year. The auditors' biggest positive impression was left by the people met during the audits and on election day who, without exception, were engaged in the process, wanted to do their best to include people and went out of their way to offer help. Candidates were also considerate of voters, enabling clear entrance ways by their positioning alongside the door.

Unemployment

2022 saw the lowest Actively Seeking Work numbers recorded since Back to Work was formed in 2011; the year closed with 670 registered jobseekers. A spike in September was due to the parents who were registered as jobseekers because their youngest child turned four and started nursery, or their youngest child started primary or secondary education and were required to increase their working hours.



Our Back to Work team achieved a total of 605 job starts, 62% of which were fully employed permanent roles and more than half of these in the four main sectors of retail, hospitality, construction and administration.



A total of 111 different training courses were delivered for jobseekers, including Business Administration Industry Training which generated 13 job starts alone.

The team’s ongoing engagement with long-term unemployed people also saw a significant drop of 120 over the year to a new total of 200 at year end.

Covid Recovery

The Coronavirus helpline continued to provide a service to Islanders throughout 2022 providing advice and support in line with the latest Public Health guidance. Demand remained high with peaks in call volumes experienced as covid cases increased or when vaccination boosters were made available to the public. Calls related to PCR test bookings, vaccination bookings, covid vaccination and recovery certificates and general advice and guidance.

Call volumes subsequently dropped as isolation guidance was simplified and demand for PCR tests reduced. Staff levels have been reduced accordingly and work is now ongoing to close the helpline and transition the service into business as usual within CLS at the request of Public Health. PCR Testing for the general population ended on 31 January 2023 and the new BAU service is restricted to provide support only for Islanders who are unable to use online services for vaccine certificates, vaccination bookings and to order Lateral Flow tests.

The team handled over 120,000 calls in 2022, with an average call answer rate of 93%.

The first quarter of 2022 saw the conclusion of the Covid support schemes, with the closure of both the Co-funded Payroll (CFPS) and Visitor Accommodation Support Schemes (VASS). Since then, several audits have taken place which highlighted the need for a number of people to repay monies.

We paid over 27,000 CFPS claims during the scheme lifetime, with payments totalling over £140M. As part of her 100-day plan, the Chief Minister mandated a CFPS appeals process. This came into effect in October 2022; to date we have received 361 appeals. The process ran to the end of December 2022.

For VASS, the audit has been conducted by our audit partners. Over the scheme duration, 61 separate visitor accommodation providers were supported via 567 individual claims, totalling gross £8.75M.

Service Performance

CLS concluded 2022 with a strong set of achievements against its key service measures.

The table below summarises the quantity and value of the top seven benefits we provided during the year.

Benefit	2022 value £M	Quantity	Unit	Time Period
Old Age Pensions	223.8	32,959	claims	at year end
Income Support	69.4	5,249	claims	at year end
Long-term Care	61.1	1,431	claims	at year end
Long-term Incapacity Allowance and Invalidity Benefit	28.4	4,899	claims	at year end
Pharmaceutical Benefit (cost of drugs and dispensing)	23.5	2,282,486	items prescribed	in full year
Short Term Incapacity Allowance	16.3	over 502,000	days paid	in full year
Medical Benefits (payments to GPs, including medical benefit for GP consultations, pathology benefit, JQIF, Health Access Scheme, and various contracts with GP practices)	13.3	over 315,000	consultations	in full year

Customer satisfaction feedback rated 'very satisfied' or 'satisfied' was exactly on target at 80%. A continued focus on initiatives to improve the customer experience is in place to maintain and improve on this position.

During 2022, customer effort scores were consistently on or above target with a year end result of 82% 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.

We consistently met our call answering target, recognising the importance of providing a quick and easy service to our customers who need to contact us and achieving a result of 96% against a 95% target.

The demographics of the jobseekers and the job market have significantly changed since the pandemic resulting in lower than anticipated numbers of jobseekers and therefore fewer numbers to move back into employment. As a result, we achieved 605 job starts against our target of 1,300. Nonetheless, the Back to Work team have continued to engage with all job seekers, achieving a 10-year low number of long-term unemployed people at year end. This has also led to the lowest level of Income Support claims since the scheme began.

In contrast, 81% of full-time permanent contract job starts sustained at least 6 whole months' employment, against our target of 70%. This was in part due to considerable effort supporting the jobseeker into the right role and then ensuring in-work support was also available.

Our Work and Family and Pension and Care Hubs' focus on always ensuring we processed new claims promptly enabled us to exceed our target of 5 days from receipt of all required information. 96.2% of claims met or exceeded this target.

Our Business Hub consistently also exceeded its target for processing business licence applications within published turnaround times. Their overall achievement was 97.6% for January to November, recognising the importance of ensuring that businesses are provided with timely decisions on starting up and/or employing additional staff.

Finally, we successfully delivered our rebalancing target of £575k pa in full in 2022, as well as completing all CAG, PAC and scrutiny recommendations that were open at the start of the year by its end.

Economy (ECON)

Richard Corrigan
Chief Officer

Performance against 2022 Key Objectives

Key Objectives for 2022:

- Protect and diversify our economic interests
- Protect and enhance our financial services industry
- Enhance Jersey's international reputation
- Working in collaboration with CYPES to assist in the provision of a framework for delivering a skilled local workforce
- Continue to strengthen and develop the digital economy

Protect and diversify our economic interests

The Fiscal Policy Panel's 2022 annual report concluded that Jersey's economy had recovered well from the Covid-19 pandemic, as evidenced by data from the labour market and businesses. Recovery was not uniform across all sectors, but only the electricity, gas and water sector shrank, by 5% in real GVA.

The FPP anticipated rising interest rates delivering increased profits to the financial services sector, which would enable Jersey's economy to be somewhat insulated from global forecasts of a weakening economy.

Against this backdrop, the first step was taken towards addressing the underlying economic challenges including an ageing demographic and the need to improve productivity and growth, in order to maintain Jersey's standard of living in the long term. In May, the first milestone of the Future Economy Programme (FEP) was reached with the publication of the Outline Economic Strategy for Jersey. It was based on data analysis collected over the two preceding years and presented an economy-wide direction for the next 20 years.

During 2022, engagement with key stakeholders helped develop the FEP and to add to the vision it set out, for Jersey to become a consistently high performing, environmentally sustainable and technologically advanced small island economy by 2040.

The importance of this programme was reflected in September's ministerial priorities, and the additional resource allocated to it.

Our response to Covid-19 was concluded in 2022 with the publication of a summary of the financial support given to different sectors.

Protect and enhance our financial services industry

The vision, as set out in December 2021 in the Financial Services Policy Framework, has been developed through a programme of legislative development, industry engagement, financial crime strategy co-ordination and risk assessment work.

In 2022, legislative developments enhanced Jersey's funds industry legislative framework, with the update to the Limited Partnership (Jersey) Law; developed the winding up provisions for creditors; and gave greater legal protection to Islanders receiving pension advice.

In June, the Government formally started preparing for the 2023/24 MONEYVAL assessment of Jersey with the formation of a multi-agency preparation group and the progress of the "Combatting Financial Crime Together" outreach and engagement programme which included several industry events and drop-in sessions. In September, the National Strategy for Combatting Money Laundering, Terrorist Financing and Financing of Proliferation of Weapons of Mass Destruction was published, setting a clear four-year vision for combatting financial crime.

Government worked with Jersey Finance Limited to ensure that the governance of their grant expenditure was appropriate and in line with Government objectives. Activity included a soft launch of the Singapore office and a ministerial visit to the United States. Jersey Finance also delivered the 'Jersey for Good' pathway for sustainable finance, as well as industry recommendations that support our sustainable finance ambition for Jersey as an IFC.

Policy continued to be developed around beneficial ownership transparency in line with evolving international standards. As well as participating in revising the international standards at the Financial Action Task Force (FATF), Jersey consulted on access for regulated financial services providers to the Register, to enhance customer due diligence requirements, and the outcome was published in December.

Enhance Jersey's international reputation

We have raised Jersey's profile and communicated our commitment to net zero and the transition of our finance industry, through participation in key international platforms for sustainable finance: International Network of Financial Centres for Sustainability, Network of Central Banks and Supervisors for Greening the Financial System, and Conference of the Parties of the UNFCCC (COP 27).

Jersey continues to be represented in forums in the Organisation for Economic Co-operation and Development (OECD), and at both FATF and the Council of Europe Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL), where the Island continues to actively develop policy and contribute to discussions around international best practice in tax transparency, financial crime and anti-corruption.

In response to the significant increase in the number of sanctions imposed following the Russian invasion of the Ukraine, Jersey's sanctions regime was bolstered to ensure that the Island remained both compliant, and seen to be compliant, with international standards. The freezing of US\$7 billion of assets belonging to Roman Abramovich by Jersey's Royal Court brought international media attention to Jersey's regime.

In the second half of the year, greater efforts were made to develop links with our closest neighbours. In September, the Corn Riots Festival was attended by artists and traders from Normandy, and other initiatives, such as cultural exchanges, were developed. Working with colleagues in External Relations, significant progress was made in reaching an agreement for fishing in the Bay of Granville.

Significant groundwork was completed to enable an export strategy to be published in Q1 2023, in line with ministerial plans.

Working in collaboration with CYPES to assist in the provision of a framework for delivering a skilled local workforce

One of five missions set out in the Future Economy Programme's Outline Economic Strategy (see above) was to develop a skills-led economy where people were the key asset driving competitiveness and socially cohesive growth.

Actions have included the cross-departmental development of a Jersey skills barometer and the establishment of the Labour Shortages Taskforce. In September, the new Council of Ministers allocated greater resource and focus to the challenge, establishing a Population and Skills Ministerial Group to provide oversight for a rapid review of the current workforce. It concluded that the most critical sectors were social care, hospitality and construction, and solutions which provided support for these sectors were prioritised.

Continue to strengthen and develop the digital economy

Jersey's digital infrastructure has been supported through the Cyber Emergency Response Team which, during 2022, became fully established and resourced, and launched a series of engagement initiatives, including a month-long programme of events during Cyber Security Awareness Month in October.

Work on Jersey's telecoms security framework and cyber security strategies progressed during 2022, involving frequent engagement with individual telecommunications providers, the Jersey Competition Regulatory Authority and relevant counterparts in the United Kingdom.

Digital Jersey were appointed as delivery partner for the Technology Accelerator Fund (approved by the States Assembly in May) and work has progressed on developing the terms of reference and framework for the £20 million fund, which will be used to enable technological solutions to the biggest challenges faced in Jersey.

Service Performance

Financial Services Directorate

The majority of the work undertaken in 2022 built on the vision set out in the Financial Services Policy Framework: to create the environment required to enable the continued 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.

The progress was reviewed at the Government keynote event in December, which was attended by 250 industry representatives. Industry engagement rose compared to 2021, with 11,045 members and gatekeepers attending Jersey Finance Limited events, an increase of 37% compared to 2021.

A consultation helped identify the perceived barriers to businesses adopting digital identification systems when meeting customer due diligence requirements, and work has started to reduce or remove those barriers.

Work on the transition to being a leading centre for sustainable finance included aligning the initiative with Jersey's carbon neutral roadmap, international engagement, and work with Jersey Finance and Jersey Financial Services Commission to deliver the two-year industry pathway.

A review of the banking sector was started, and the review of our core product and service laws to ensure they remain fit for purpose and meet industry expectations, continued. Team members increased their engagement with industry and colleagues across government in connection with various topics arising, including initiatives from the OECD and other international bodies.

Consumer protections have been embedded for pension-related product advice and the Financial Services Ombudsman's remit has been enhanced for pension-related complaints. The options available to a creditor of an insolvent company were widened, with the adoption of the adapted creditors' winding up procedure. The initial preparatory work was done to develop a consumer lending legislative and regulatory framework.

Financial Crime Strategy Directorate

Of more than 150 action items listed in the National Financial Crime Workplan, more than 80 were completed during 2022 in preparation for MONEYVAL.

Two key documents - (i) The National Strategy for Combatting Money Laundering, the Financing of Terrorism, and the Financing of Proliferation of Weapons of Mass Destruction, and (ii) The National Statement on Financial Services and Financial Crime: Activities, Risk Appetite and Mitigation – were published. They set out how Jersey will meet its long-term commitment to prevent and detect all forms of financial crime and included an action plan for increasing the effectiveness of the Island's regime. This was accompanied by significant work on risk understanding, with reports being produced and published across thematic areas including

money laundering risk for not-for-profit organisations (NPOs), virtual asset service providers (VASPs) and the Jersey Private Fund.

The Island significantly reformed the legislative structure of the Financial Intelligence Unit (FIU), enabling increased resourcing and effectiveness. The Island also introduced a revised regulatory regime to mitigate the risk of Jersey NPOs being abused to finance terrorism.

The Russian invasion of Ukraine and subsequent imposition of sanctions led to a significant refocusing of resource on meeting international obligations and the formation of a specific cross-Government taskforce. Work was conducted at a strategic level to ensure this could occur rapidly and effectively.

Economic Advisory – Competition and Intellectual Property

Much of 2022 was spent supporting the JCRA following the demerger of CICRA. The JCRA has developed a rolling programme of market studies and research to support Government objectives for competition policy.

Economic Advisory – Economics

In 2022, we set the ambition of putting economics at the heart of Government, building the team and starting to develop a programme of delivery and engagement.

The purpose has been to further develop the understanding of the economic impact of policy decisions by Ministers and officers across Government. That has included contextualising and giving meaning to economic data and statistics, so that policy will be more cohesive and coordinated.

Stakeholder engagement has been through new channels including informal ‘lunch and learn’ sessions and a monthly newsletter, established in October, to provide background explanations to headline data.

In response to concerns about post-Covid cost of living pressures, the Inflation Strategy Group was established, and its work informed the mini budget which was passed by the States Assembly in September.

Economy – HVR

Amid a Ministerially-commissioned review of the future direction of the 2(1)(e) scheme, work continued to attract high value residents to Jersey, but in a more limited capacity. The baseline of 15 applications was exceeded by one and, 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.

Economy – Digital Economy (Telecoms, Cyber, Data Protection)

In the first full year of the Cyber Emergency Response Team, CERT ran a month of cyber security awareness and was involved in supporting several incidents. Progress was made on developing Jersey’s telecoms security framework, although reduced resource limited the progress.

The number of business licenses allocated to digital sector businesses fell from 23 in 2021 to 12 in 2022 and, while Jersey remained within the target of being in the top five jurisdictions for broadband speed, the Island fell from first to second place, as ranked by cable.co.uk.

Economy – Rural and Marine

Policy documents published in April (The Economic Framework for the Marine Environment) and in May (The Economic Framework for the Rural Environment) provided a clear structure within which Government interventions could be directed in a manner which would be accountable, measured, valued and reported.

The Marine Economy Advisory Group was established to bring together the industry's key stakeholders to help achieve the vision: for Jersey to have a vibrant and sustainable marine sector, providing employment and economic opportunity, and maintaining fisheries and aquaculture as an integral part of the Island's cultural identity.

The number of projects supported by the Rural Initiative Scheme increased from 11 in 2021 to 30 in 2022, and the percentage of farmland managed under LEAF / Organic Certification also met targets, increasing very slightly from a baseline of 75% to 76.1%. However, a number of growers left the industry in 2022 in the face of economic pressures, and Government efforts focused on increasing support, while developing a long-term strategic plan to diversify the industry.

Development of the cannabis industry, a cornerstone of diversification, progressed with the bedding in of a licensing and regulatory framework and an industry review by Scrutiny, which led to recommendations, some of which were implemented. The number of licences to grow medicinal cannabis crops reached five, and a British consumer goods company moved its headquarters to Jersey, attracted by the favourable business environment created by amendments to Jersey's Proceeds of Crime Law which enable the legal trade of cannabis related products.

In September, using the Rural Economy Framework, an additional £400,000 of urgent funding was used to help Jersey's dairy and poultry sectors cope with an unprecedented rise in costs as a result of the summer's extreme weather and global supply chain issues.

Economy – Retail and Visitor

Exit surveys indicated that both visitor numbers and visitor spend decreased significantly in 2022. Visitor numbers fell by 38.6% compared to the baseline, to 473,000, and associated spend fell by 17.5% to £231 million.

Businesses in the sector struggled to find staff, and Government took action in March, signing a Memorandum of Understanding which enabled staff from Antigua and Barbuda to work in Jersey during the peak summer season. The scheme resulted in around 50 staff arriving in Jersey in April for the first season of a three-year project. This was regarded as a short-term measure which would be adapted as part of a longer-term strategy.

During the first half of the year, a policy framework for tourism was developed following consultation with the industry. The framework is part of work that is underway to develop a longer-term strategy that aligns with Ministerial priorities. Its publication was delayed ensuring that, post-election, the new Minister would not be committed to a predecessor's strategy. A working group reflecting the interests of the industry was established at the end of 2022.

In September the new Minister prioritised the strategy for the visitor economy over the retail strategy. The interim retail strategy, which was published in 2021, included requirements for data collection in order for there to be a greater understanding of the challenges faced by the sector. That data continued to be collected during 2022.

Economy – Aviation and Maritime

Jersey Aircraft Registry closed after it was concluded that the further investment required could not be justified. An analysis of the future potential of Jersey's aviation sector was produced and is being considered by the Minister.

Work was also completed on amendments to shipping legislation to bring Jersey into line with international obligations.

The Ports Policy Group was revitalised with new Terms of Reference ahead of programme of meetings in 2023.

Economy – Growth and Trade

The Island's first export strategy progressed, with a Green Paper, public consultation, business survey, and stakeholder engagement all being undertaken, and the strategy remains on track for publication in Q1 2023, as outlined in the Ministerial Priorities. An inward investment strategy draft was completed before the 2022 election and has since been further refined to reflect the Common Strategic Priorities of a new Council of Ministers.

Two funding rounds for the Productivity Support Scheme were concluded although the level of interest, as seen by the number of applications and resultant award of funds, was low. We continue to fund - and work with - Jersey Business in this important area and are reviewing, with the Chief Economic Advisor, further potential measures.

One-to-one advisory support to businesses increased in 2022 to 872 clients, an increase of 22.8% compared to 2021. Direct business support also increased by 5%.

Economy – Arts, Culture, Heritage and Sport

This was the first year in which the Government's commitment to devoting 1% of annual expenditure to arts, heritage and culture took effect. Engagement with both residents and visitors was above the target of 205,000, reaching a total of 221,537 visits. The number of school visits and student visits outside of schools surpassed the ambition by 2,078 indicating that our heritage is still seen as important by Jersey's young people.

During the year, that investment enabled arts and culture organisations to move from a short-term strategy to long-term sustainable partnership. In March, the arts strategy was published, setting out the long-term ambitions and the priority themes (workstreams). It also included a vision of art in Jersey being at the heart of Jersey as a place of sustainable wellbeing which prioritises excellence and innovation in the arts to support a healthy and happy population, an enriching environment and a productive and balanced economy.

Alongside the strategy, the Creative Island Partnership was established in March as a forum for direct engagement with Government. Approximately 100 arts and cultural industry leaders and enthusiasts have joined, and workstreams for the practical delivery of the strategy have been established. Through summer and autumn, around 50 events were delivered at

various locations under the Creative Spaces initiative. The Corn Riots Festival was run for the second year in 2022, and enabled international cultural relations to be developed, as well as celebrating Jersey's heritage and culture.

In May Jersey's first Heritage Strategy was published. As well as presenting a vision: to inspire a virtuous circle of understanding, valuing, caring and enjoyment of Jersey's heritage, the strategy set out a performance framework and a summary of the programmes scheduled for 2022 to 2025 which would support the vision. During the strategy's development, the Heritage Advisory Partnership was established, itself a recommendation of the strategy, bringing together the three main heritage organisations: Jersey Heritage Trust, National Trust for Jersey, and Société Jersiaise, and Economy officers to advise the Minister on heritage matters.

Jersey Opera House remained closed throughout 2022, but the money allocated to its restoration as part of the post-Covid Economic Recovery Fund was successfully supplemented by additional funds in recognition of the importance of the building to Jersey's heritage and arts sector. The building will remain closed for restoration until at least the end of 2024. A design team was appointed and a planning application for the restoration of the works submitted,

During 2022, the Elizabeth Castle refurbishment project continued, with completion of the survey works, and tendering and appointment of a preferred supplier.

The mission for Jersey to increase physical activity by 10% by 2030 has continued via Jersey Sport and the grants they receive from Economy and other areas of Government. As with other arms-length bodies, Jersey Sport reports on their key performance indicators within an annual report and accounts.

External Relations (ER)

Kate Nutt
Chief Officer

Performance against 2022 Key Objectives

Protect and promote Jersey's interests through enhanced international engagement.

Throughout 2022 the Ministry of External Relations has continued to represent the interests of the Government, Islanders, and businesses with partner jurisdictions globally.

The function moved from the Office of the Chief Executive (OCE) to form an independent department in May 2022, while maintaining the budget, structure and objectives established in the OCE Departmental Operational Business Plan.

To fulfil our 2022 objectives, departmental actions have included:

- Agreeing a revised Common Policy for External Relations approved by the new Council of Ministers following an in-committee States Assembly debate;
- Providing additional resource to ensure the full implementation of a wide range of new international sanctions in response to Russia's invasion of Ukraine, and to support preparatory work in advance of the MONEYVAL assessment in 2023;
- Facilitating Jersey's inclusion in two new UK trading agreements;
- Coordinating a policy review to understand how, and to what extent, Jersey can comply with the services aspects of the UK's Free Trade Agreements;
- Establishing the first cross-government France working group, and strengthening Jersey's relationship with regional partners in Brittany and Normandy;
- Negotiating international agreements like Double Taxation Agreements (DTAs), Bilateral Investment Treaties (BITs), and Asset Recovery Agreements (ARAs);
- Supporting Ministerial engagement at multilateral fora including COP27, and leading Jersey's delegation to the Commonwealth Heads of Government Meeting (CHOGM).

The department has delivered strongly against the performance metrics set for the year, having more than doubled the targeted media coverage of external relations engagement in the national and local press, and almost doubled targeted participation in external multilateral events. In addition, 762 meaningful interactions have taken place with key decision-makers, including Ministers, Parliamentarians, and senior government officers.

Service Performance

Global Relations

Across 2022, the Global Relations team has delivered a successful programme of engagement in pursuit of Jersey's objectives with international partners across all priority regions: Africa; Asia; the Middle East; and North America. The team has also worked closely with the full range of government departments and with arms-length organisations such as Jersey Overseas Aid, Jersey Business, Digital Jersey and Jersey Finance Ltd to support their international objectives.

New initiatives were developed in priority sectors, such as through the commencement of the Jersey and US student exchange programme, and the Hospitality Partnership between Jersey and Antigua and Barbuda – delivering on the ambition in the new Common Policy on External Relations to broaden Jersey's international engagement in new areas of activity. These initiatives, alongside other achievements, have seen 359 pieces of international and local media coverage in 2022, against a target of 150.

The team organised inward visits to Jersey by the Ambassador of Thailand to the United Kingdom, His Excellency Pisanu Suvanajata; the High Commissioner of Antigua and Barbuda to the United Kingdom, Her Excellency Karen-Mae Hill; and inward working-level visits to Jersey by delegations from the Republic of Ghana and the Republic of Rwanda.

The external visit programme included the United States (New Jersey and Washington DC) by the Minister for External Relations and the Minister for Treasury and Resources; attendance at the 2022 Commonwealth Games and multilateral fora by the Chief Minister, Minister for External Relations and Assistant Minister for Sport; and officials-level visits to Singapore, Thailand and Malaysia, and Qatar among others.

External Relations officials led Jersey's delegation to the Commonwealth Heads of Government Meeting (CHOGM) and Commonwealth Trade and Investment Summit (CTIS), and were invited to present on Jersey's positive track record at the United Nations Office on Drugs and Crime (UNODC) International Expert Meeting on asset return. These were just some of the 57 multilateral events the Department participated in during 2022, against a target of 30.

In March 2022, Jersey and Kenya signed an historic Asset Recovery Agreement in London which facilitated the return of £3 million of confiscated funds to support Kenya's ongoing response to the COVID-19 pandemic, specifically Virology laboratory testing equipment. External Relations also led a busy programme of treaty negotiations in 2022, making progress on two new agreements with Ghana (Bilateral Investment Treaty and Double Taxation Agreement – latter finalised) and securing commitments from new jurisdictions (such as Kuwait) for new agreements.

Financial Sanctions

The Financial Sanctions Implementation Unit (“FSIU”) supports the Minister in implementing an effective sanctions regime and ensuring a whole-Island approach in accordance with Financial Actions Task Force (“FATF”) standards. In April 2022, the States Assembly adopted the Sanctions and Asset-Freezing (Amendment No. 2) (Jersey) Law 2022, which made important changes to Jersey’s sanctions legislation in line with FATF recommendations as preparation for the Island’s MONEYVAL assessment.

The FSIU have also coordinated the full implementation of sanctions made under the Russia (Sanctions) (EU Exit) Regulations 2019 (the “UK Russia Regulations”) in Jersey following Russia’s invasion of Ukraine. In response to the resulting unprecedented surge in sanctions work, the FSIU expanded to provide additional resource to the team, ensuring the full implementation of Russia sanctions and at the same time preparatory work in advance of the MONEYVAL assessment in 2023 continued apace. This has maintained Jersey’s reputation as a responsible international actor and enhanced links with UK equivalent bodies, such as OFSI.

International Trade Unit (ITU)

ITU focussed on embedding new ways of working post-Brexit into business-as-usual for trade implementing requirements, such as World Trade Organisation (WTO) notifications and committee involvement. ITU also harnessed a greater understanding of UK ambitions and progress in trade negotiations as a newly independent trading nation – and has used this to monitor and establish better ways to protect and promote Jersey’s interests in the negotiations.

The ITU dedicated significant resource in 2022 to coordinate a policy review to understand how, and to what extent, Jersey can comply with the wider services aspects of Free Trade Agreements (FTAs). This work is ongoing and, as the UK seeks to make progress with further FTAs in 2023, it will form a greater focus of Jersey’s trade policy activity in the year ahead. The ITU is working closely with the governments of the Crown Dependencies, and with the UK, to establish the best way to achieve Jersey’s ambition of services participation in FTAs where it is deemed in the Island’s interests.

The ITU has facilitated Jersey’s inclusion in two new UK trading agreements. Participation in the UK’s FTA with New Zealand has delivered security of preferential tariff rates for Jersey goods and secured incorporation in rules of origin and other customs facilitation chapters, ensuring smooth and efficient trade processes for Jersey exporters of goods. This is supported by the inclusion of an extension mechanism for other parts of the agreement, particularly services chapters which have the potential to offer not only greater market access but enhanced protections for businesses over time.

The ITU has also successfully secured a unilateral extension mechanism for Jersey within the UK-Singapore Digital Economic Agreement, which represents a first for the Island in terms of wider inclusion within UK trade agreements beyond goods. Importantly, as the extension mechanism is unilateral, this means that when Jersey is ready - and if assessment to be in Jersey’s interests to extend the agreement – this can be achieved automatically through the UK solely. This agreement is an enhanced ‘bolt-on’ to the current UK-Singapore FTA, in which Jersey participates for goods, so the extension represents a potential future opportunity, particularly for Jersey’s digital trade offering.

UK Engagement

For some years, the UK political context has been fast-moving, and this was especially so in 2022, the year of three UK Prime Ministers. Such turnover can pose a risk to Jersey, given the Island's established networks of political contacts. In response, the UK Affairs Team supported rapid work to build links with new Ministerial teams under first Rt Hon Liz Truss MP, then Rt Hon Rishi Sunak MP.

This complemented routine political engagement, including Ministerial attendance at UK Party Conferences. As for inbound travel, Minister Mike Freer MP, lead Minister for the Crown Dependencies at the Ministry of Justice, undertook a two-day visit to Jersey in Autumn 2022. Key topics of discussion included the constitutional relationship, fisheries, and post-Brexit trade. In addition to these governmental interactions, the UK Affairs Team supported a continued programme of cross-party engagement, including with the Labour Party, ahead of the UK General Election expected to take place in 2024. The Department engaged in 762 meaningful engagements with such key decision makers during the year, against a target of 400.

The British-Irish Council (BIC) continues to act as a valuable forum to progress shared interests across the political jurisdictions making up the British Isles. During 2022, the UK Affairs Team supported attendance by Jersey Ministers at BIC Summits in Guernsey and in Blackpool. Summits provide a valuable opportunity for bilateral discussions, and in Blackpool Chief Minister Deputy Moore engaged with the new UK Prime Minister, Rt Hon Rishi Sunak MP. Towards the end of 2022, the UK Affairs team began preparations for the BIC Summit in Summer 2023, which will be hosted by Jersey.

Further afield, the UK Affairs Team supported attendance by Deputy Jeune at the COP27 climate summit in Sharm El-Sheikh, Egypt, following the extension of the UK's membership of the Paris Agreement to Jersey in 2021. Deputy Jeune met a range of Ministers from the UK and from across the world and was able to showcase Jersey's carbon reduction ambitions and climate finance activities.

European Engagement

In December 2022, the European Affairs team hosted the first Jersey diplomatic dinner in London since 2019. Attended by 22 Ambassadors and representatives it built key personal relationships and increased positive visibility and understanding of Jersey in Europe post-Brexit, across all policy portfolios.

France has been a priority and the Department has established the first cross-government France working group. Successful Ministerial engagement with French partners included the Embassy in London and newly elected French government in Paris, with inward visits from the French Naval Attaché and French Cultural Counsellor. The European Engagement team has continued to develop their relationship with the British Embassy in Paris, laying the foundation for an increased officer presence from 2023.

On Island we worked to support our European Honorary Consuls, including an inward visit by the Romanian Consul General. Other inward visits included a very successful visit by the Polish Ambassador, with a delegation of Polish business representatives, and an informal visit by the Irish Ambassador. The team has also advised on the political handling in relation to European countries of contentious issues such as fisheries and supported policy colleagues deliver in areas such as Cultural Diplomacy and Climate Diplomacy.

Face to face engagement has been key in facilitating many of these achievements, along with cooperating closely with our overseas offices (CIBO and BIAN) and with Guernsey where appropriate. Regular bilateral engagements and the diplomatic dinner resulted in an increased understanding of Jersey's unique position amongst many European partners, better access to decision-makers, and less negative media coverage of the Island.

French Regional Engagement

In 2022, the Bureau des Iles Anglo-Normandes (BIAN) continued to be a valuable platform for information and communication with French regions within the second phase of fishing discussions. Reporting and understanding concerns from all perspectives helped to foster better relations with the drafting of the Extent and Nature policy. Facilitating communication and acting as a "cultural translator" was BIAN's motto on this matter.

In terms of regional cooperation, BIAN managed an important "tour of French regions" in October which allowed the new Minister for External Relations, alongside the Minister for EDTSC, to introduce himself and share Jersey's intention to develop more links with Brittany and Normandy in terms of transport, culture, tourism, emergency planning, energy and marine resources. This included regional media interviews to support the department's objectives around raising Jersey's visibility in France and achieve the key performance indicators on media coverage.

BIAN also coordinated an inward visit from the President of la Manche in summer 2022 to revive cultural and economic cooperation with Jersey in a post-Covid world. More specifically, in relation to emergency planning, BIAN was instrumental in creating new relevant contacts with French regional authorities when dealing with emergency procedures, exercises, and surveys around French nuclear sites.

EU Engagement

In 2022 the Channel Islands Brussels Office (CIBO) helped ensure that Jersey retained their "whitelist" status following reviews of the EU non-cooperative jurisdictions (NCJ) list by EU Finance Ministers (ECOFIN) in February and October 2022.

Supporting the Islands' implementation of the TCA, CIBO has supported the Island's individual discussions with the Commission and France on the implementation of Extent and Nature conditions in respect of fisheries licences, and maintained working relationships with UKMis, Defra and Commission officials. CIBO secured and helped preparations ahead of two joint (Jersey/Guernsey) Ministerial meetings with EU Commissioner for Oceans, Environment and Fisheries, Virginijus Sinkevicius in November and December 2022.

CIBO contributed to Island's handling of the proposed review by the Code of Conduct Group (CoCG) into the possible application of economic substance to trusts and fiduciaries, monitored and provided up to date information on CoCG thinking in relation to this and organised a meeting between the Crown Dependencies and DG TAXUD in May 2022. CIBO also provided preparation and analysis support ahead of the visit of the FISC (tax) Subcommittee of the European Parliament in June 2023.

CIBO tracked progress on the implementation of the EU project to interconnect registers of beneficial ownership information (BOI); and provided monitoring and feedback on Member State's reactions to the CJEU ruling on BOI. We monitored EU reactions to the Pandora Papers,

reported instances when the Island was unhelpfully referenced, and engaged with European Parliament policy advisors to ensure through lobbying that Jersey was not referenced in the recent report on the Pandora papers.

We continued to track developments in UK/EU relations in Financial Services regulation and maintained good contact with UKMis Financial Services leads. Supported a Financial Services-focussed visit out to Brussels and Luxembourg in October 2022 to meet the European Investment Fund to support ongoing positive cooperation, along with the European Funds and Asset Management Association, the UK Mission Financial Services leads, and the City of London.

CIBO delivered the first joint Ministerial externally-focussed visit to Brussels since before the pandemic in November 2022, and supported Ministers to reengage with Brussels' based stakeholders, including the EU Commission, Czech Presidency, Permanent Representations and Third Country Missions.

International Treaties

In May 2022, Jersey signed a Memorandum of Understanding with the UK and Guernsey for the implementation of the UK-France Maritime Security Agreement (the "Agreement") in Channel Island waters, also allowing for the UK to ratify the Agreement. Negotiations of the Memorandum of Understanding were coordinated by International Compliance and included stakeholders from across government, the Law Officers' Department, the States of Jersey Police, and the Ports of Jersey.

Civil Aviation (non-commercial)

During 2022, a new joint Channel Island Director of Civil Aviation (DCA) was recruited. The new DCA took office in September 2022 and has been working with External Relations officers in conjunction with Guernsey colleagues to create a joint Office of the DCA, where subject matter experts employed in both Islands can be deployed in either Jersey and Guernsey, thus increasing efficiency and reducing duplication.

Health and Community Services (HCS)

Caroline Landon

Chief Officer to 31 March 2023

Performance against 2022 Key Objectives

2022 was a challenging year for the HCS Department. In addition to managing the continued impact of COVID on its service and focusing on the delivery of the eight ambitious objectives set out below, the Department had to step up a response to a review of its clinical governance arrangements, which set out sixty-one recommendations for change (The Hugo Mascie-Taylor, HMT, report).

It is thanks to the dedication and hard work of HCS' staff, that the Department continued to deliver care and support to Islanders whilst also working to deal with challenges and bring about improvements across many services.

The eight objectives for 2022, identified at the end of 2021 were:

1. we will provide high quality care, and continuously improve health and care standards,
2. we will continuously improve customer experience and ensure Islanders are actively engaged in planning health and care services,
3. we will make HCS an outstanding place to work, where staff feel valued and are supported to reach their potential,
4. we will continue to strengthen our relationships with partners on and off-Island,
5. we will, in partnership with other Government departments, delivering the milestones set for the Jersey Care Model Project in 2022,
6. we will, in partnership with other Government departments, delivering the milestones set for the Our Hospital Project in 2022,
7. we will deliver services within the HCS financial envelope,
8. We will, in partnership with the Modernisation and Digital team, continue the implementation of the Digital Health Strategy.

These objectives have not been fully delivered but there have been notable achievements.

Waiting times

Whilst several waiting lists remain over target, there have been significant improvements in waiting times across many specialities, including community health dental services, physiotherapy, general surgery and neurology. Overall outpatients waiting times reduced as the year progressed, however the target of less than 25% of patients waiting more than 90 days has not yet been met and needs continued focus.

Waiting times for adult mental health services also decreased, driven in part by some innovative work involving service users and carers in the redesign of adult community mental health services, including:

- recruitment of a Peer Support worker, whose lived experience is key to the support they provide to peers,
- establishment of an “Equals by Experience’ forum, enabling those with lived experience to shape services.

Although more needs to be done to bring waiting times down across all other adult mental health services, it is anticipated that the Minister’s proposed new mental health strategy, to be developed during 2023, will be instrumental in achieving reduced waiting times.

During 2023, the Department will continue to reduce waiting lists in those areas which are not improving quickly enough; work enabled by the £5M waiting list recovery monies allocated in the 2023 Government Plan.

Patient experience

In addition to reducing waiting times, HCS also focused on delivering an improved patient experience across all its services. The Patient Advisory and Liaison Service (PALS) reduced its backlog of unresolved customer complaints during the course of the year. During 2023, PALS will build on this progress through the introduction of an improved complaints handling process and associated training for staff.

Whilst it is acknowledged that much still needs to be done to improve patient experience for everyone, an independent patient experience survey, conducted during 2022, found that the Department is getting it right for most, with the majority of survey respondents (over 1,300 people in total) rating their overall care experience as positive (i.e. at least 7 out of 10). This includes:

- 85% of people who used urgent and emergency care services,
- 83% of people treated as a hospital inpatient,
- 79% of recent mothers who used maternity services,
- 66% of people who used community mental health services.

Whilst encouraging, the survey nevertheless highlights differences between services and identified key areas for improvement, including the need to ensure all patients are involved in decisions about their care. The Minister has committed to the development of other initiatives which will further improve patient and service user experience, including development of a Patient User Panel, a Citizen Engagement Strategy and Service Excellence Standard.

Staff experience

Patient experience is inextricably linked to staff experience, with work being undertaken during the course of the year to help improve the working culture and enhance employee wellbeing, including:

- support and well-being initiatives for staff including personal counselling sessions, mindfulness sessions, and response to incidents with a Trauma Risk Management approach (TRiM),
- recognising and rewarding individuals and team achievements, through a range of activities including the dedicated Our Stars awards
- HCS' second Wellbeing week, providing opportunities for staff to take part in a range of wellbeing activities designed by and for them
- a dedicated staff group focusing on understanding challenges and identifying actions to improve culture change, engagement, and wellbeing across the department.

It will take time to create a positive culture, one in which all staff feel heard, respected, and able to do their best work. We will continue to focus on this in 2023.

On-Island training

Throughout the year, the Department continued to experience recruitment difficulties. In response to challenges associated with recruiting on-Island Nurses, HCS partnered with the Robert Gordon University, which has enabled HCS to continue to offer on-Island nursing programmes for adult nursing, mental health, children, and midwifery. Social work degree courses also continued to be provided on-Island during 2022, with the first cohort that started the course in 2019, now in employment within HCS.

Off-Island health and care services

Off-Island acute care for tertiary pathways continued to be commissioned with a variety of NHS Trusts to ensure access for both emergency and planned care services. 1,727 Islanders received care off-Island, via 6,316 appointments. Work continues to evaluate care pathways in 2023, to ensure patients are receiving the highest quality health and care services when not delivered on Island.

Partnerships

An innovative partnership arrangement was made in radiology, where a new tele-radiology service was established with off-Island partners, which ensures that on Island patients are covered with out-of-hours radiology services.

A key partnership development was made in 2022 via the establishment of the Mental Health Strategic System Partnership Board, to oversee and develop a whole system and effective partnerships in mental health, which includes membership across Public Health, CYPES, equals by experience, local providers of mental health services and HCS. The adult mental health service introduced a nurse role dedicated to coordinating, reviewing and monitoring the quality of all off-Island mental health placements, ensuring smooth transition on return to Jersey.

A dedicated Commissioning and Partnership team within HCS, continues developing services through partnerships with on-Island health and care providers, ensuring Islanders can receive the right care, in the right place.

Delivery of community service initiatives

In Q1 and Q2 2022, work progressed on delivery of community service initiatives including:

- replacing the out-of-date Community Alarm System with new devices that will better supporting independent living,
- reduction in hospital admissions achieved through new health services for vulnerable adults, including homeless people, an improved referral system enabling health professionals to refer patients and clients to the right service at the right time and additional overnight community care.

Roll out of other community initiatives was paused in Q3 and Q4 to allow the Minister to conduct a review of that activity but, subject to confirmation of budgetary matters, much of the work will continue in 2023.

Hospital facilities

The new Minister for Infrastructure led a review of the proposed single site hospital, concluding that a multi-site / hybrid solution would be better deliver appropriate and affordable health care facilities, with activity to progress this multi-site option being a key area of activity in 2023 (See section on 'Key Theme: Hospital Facilities'). In the meantime, work commenced to convert the former Les Quennevais School into a modern, fit for purpose outpatient facility in which to decant services during the development of the new facilities.

Review of clinical governance

In response to the review of clinical governance (HMT report), the Department established a programme of work, focusing on addressing the recommendations set out in the report. A new Turnaround Team was established in the last quarter and they will provide additional expertise and capacity needed to deliver change through 2023.

Digital Health Strategy and Electronic Patient Record projects

In relation to other projects, clinical and technical support from HCS was provided to progress the implementation of the Digital Health Strategy projects. The Electronic Patient Record project progressed well, however the portfolio was, at the end of year, in amber status due to several projects reporting delays due to resource and technical constraints.

Funding

During 2022, additional revenue funding totalling £17.94 million was allocated to HCS, over and above that agreed in the Government Plan for 2022, for a range of financial pressures resulting from increases in healthcare demand, morbidities, long term care and continued rising inflation. Furthermore, this additional funding ensured the Department remained in compliance with the Public Finance Manual (PFM) and legal requirements in regard to Public Finance Law.

The MHSS announced in Q3 that she wished to review the approach to the Jersey Care Model and this work continues. As at the end of 2022, the Jersey Care Model budget reported an underspend of £3.05 million and, funding of £8.04 million for COVID19 was made available. Funding for both allocations was ringfenced and therefore not available for repurpose to offset in-year pressures.

2022 Capital expenditure was as follows:

- Major Projects (including Our Hospital) £21.3 million
- Estates £4.99 million
- Replacement Assets £0.37 million

At the time of writing, the 2022 position is subject to the external financial audit of States of Jersey Annual Report and Accounts for 2022 with a contractual date for the closure of the audit of 31 March 2023 when figures will be confirmed as appropriate.

During 2023, the Department team will need to regroup around its future financial position; ensuring that it can demonstrate it has a robust understanding of the drivers of those financial challenges, as well as a good grip on financial management and VFM across its services. To this end, a Financial Recovery Plan will be established early in 2023 to drive focus and progress in addressing the underlying overspend position.

Whilst much was achieved in 2022 against the priorities, there have been many factors that have impacted the delivery which means there remains further room for improvement across areas such as patient and staff experience, governance arrangements and waiting lists.

Service Performance

Adult Mental Health

- Following the external review of adult mental health services in 2021, 2022 commenced by redesigning the leadership, management, and governance arrangements across services, and identifying key priority areas for the year. These have mostly been delivered as follows:
- review and redesign of community mental health services model has been completed and implemented - creating improved access, a more consistent timely response, improved response to crisis (within 4 hours) and the introduction of the Care and Recovery Framework. In December 2022, 75% of crisis referrals had been seen within 4 hours and 88% of referrals to community services were seen within the 10 day target,
- implementation of a programme of physical health checks and interventions for people with serious mental illness,
- introduction of a Mental Health Legislation and Capacity Oversight Group, to monitor and support the implementation of mental health and capacity law and develop our systems,
- development of a new multi-agency perinatal team model for women with mental health needs associated with pregnancy and childbirth,
- improving service user and carer involvement and feedback, including the development of peer support and carer support roles and a new monthly service user and carer forum with the Director of Mental Health and Adult Social Care.
- Access to psychological therapies and specialist diagnostic services (such as Autism, ADHD, and Dementia) remain a key challenge with significant waiting lists in these areas, which is a priority for 2023. Although 150 people were waiting at the end of December to be seen by Jersey Talking Therapies, the service was still achieving the target of seeing most people referred for an assessment within 90 days (98% in December). A key challenge in these areas is the availability of specialist workforce, which we aim to address through some workforce redesign in 2023 and the implementation of new roles, which has contributed towards a yearly average of 50.5% of patients waiting over 18 weeks for treatment, against a target of 5%.
- Bed occupancy within the inpatient service remained high in 2022 (full year average of 92.3% against a target of <88%). This is particularly affected by the high number of people waiting in hospital beyond the point that this is required, because of lack of appropriate community placements. This will remain a key focus for 2023, alongside a review of our inpatient care models (“Inpatient Excellence Programme”).

Adult Social Care

- A new reviewing process was introduced, with the dual aim of ensuring timely reviews of both social care placements and learning disability physical health reviews.
- The percentage of needs assessments closed within 30 days increased throughout the year: Q1 72% to Q4 94%. The annual average was 84.2% against a >80% target.
- The target of 4% of cases being reopened within 90 days was not achieved (18% at year-end) although this was due several administrative issues and the way the target is measured; this will change in 2023 to more accurately reflect our aim.
- A learning disability website was co-produced and developed to improve and enhance communication with clients, their carers, and members of the public.
- The Day Services staff and Learning Disability Nurses supported the COVID19 vaccination programme for all adults with learning disabilities on the Island.
- The Safeguarding Adults Team experienced considerable operational pressures during the year, which was combined with increased volume of referrals. This is a priority area for review and development in 2023.
- There were successful Jersey Care Commission inspections, under the Regulation of Care Law (Jersey) 2014, for Adult Social Care's eight care home, home care and day care provisions. All reports are available in the public domain via the Jersey Care Commission (JCC) website – look under HCS.

Improvement and Innovation

- The Improvement and Innovation team support strategic and operational areas across HCS, which, for example, contributed to:
- enhanced partnership working with private, voluntary, and charitable partners which led to the production and delivery of new services,
- implementation of the Jersey Commissioning Strategy,
- transfer of inpatient rehabilitation services from JGH back to Samarès Ward at Overdale,
- development of a central data hub for clinicians to access operational performance data,
- improved services through the provision of analytics and data insights,
- improved services in the Adult Mental Health Community Service's redesign,
- a Discharge service process review and pilot,
- successful community FIT mask testing,
- provision of a wellbeing week for staff,
- better understanding of processes of ward rounds and the early escalation of deteriorating patients,
- development and coordination of strategic plans and reports,
- coordination and provision of information for ministerial requests

Demand for support from the team was higher than capacity. The aim is to focus on development and deployment of Service Improvement tools and training in 2023 to empower and upskill clinical and support staff to take forward their improvement initiatives.

Medical and Un-Scheduled Care

- There was a 14% year-on-year increase in ED attendances in 2022 however, the percentage of patients admitted into the hospital from ED throughout the year (15.7%) remained below baseline of 18%, albeit above the <15% target. The percentage of patients who had treatment commence within 60 minutes was 61.3% which is below the target of >90%. The average time a patient spent in ED during 2022 was 177 minutes, which stays within the performance metric standard (<=240 minutes).
- The move of rehabilitation services from Plémont Ward back to Samarès Ward was facilitated, which allowed for the rehabilitation of patients within a bespoke facility outside of JGH.
- The PCR Laboratory was fully operational, providing 119,411 PCR tests (excluding combined Flu and COVID19 tests and urgent COVID19 tests).
- Patient safety has been improved through the implementation of a new Acute Medicine model which sees Consultant medical cover provided 12 hours a day, 7 days a week and, additional expertise from Advanced Clinical Practitioner roles in Haematology and Cardiology, a Nurse Consultant in Cardiology and an Emergency Nurse Practitioner in ED.
- Challenges included staffing capacity throughout the year, particularly in the Acute Assessment Unit (AAU), the Emergency Department and in the Stroke speciality.

Non-Clinical Support Services and Estates

- The team strengthened their management and governance structure to provide efficient and effective support services within HCS, including: admin and clerical teams, porters, estates, catering, laundry, domestic services, medical supplies, and health and safety.
- Key successes include:
 - opening of Thyme Out Express (café) in the Gwyneth Huelin wing
 - completion of Medical Records infrastructure project for space and cost efficiency
 - significant improvement in H&S compliance and training
 - transition from COVID related processes/services to BAU
 - estates projects including refurbishment of Maternity and Samarès Ward
- Continuing operational challenges in Medical Records will remain a focus for improvement. Some progress was made in aligning administrative services to enable positive patient experience attending elective care but, more work is required to mitigate avoidable errors and streamlining interactions.

Primary Care, Prevention, Therapies and Community Dental

- Improvements in therapy services commenced, with the team successfully reducing their physiotherapy outpatient waiting list to target by year end.
- The Faecal Immunochemical Test (FIT) programme was commenced and as a result the bowel screening waiting list backlog has been eliminated as cohorts who should have been screened in 2020, 2021 and 2022 have now been offered FIT bowel screening which is a non-invasive procedure and can be done at home.

- The breast screening waiting list backlog has been reduced, from a peak of 3 years and 2 months to currently 2 years and 8 months, recovery will continue throughout 2023.
- The Child Health and Immunisation team transitioned successfully to Public Health as planned.
- The care group has grown to include Adult Therapies and Community Dental. Q4 saw the launch of the commissioned community dental covid recovery scheme, with 403 <18-year-olds receiving primary dental care by the end of the year.
- The merger of the care group only happened in Q4 and therefore changes still need embedding.

Surgical and Scheduled Care

- Elective theatre list utilisation remained under the target for the year, with a yearly average of 72.4% against a 72% baseline, and >85% target. Initiatives to improve this position were started during the year, which continue into 2023:
 - Theatre Direct – enables Clinicians to see patients in one place thus providing a better patient experience and reducing waiting times before an operation,
 - A different booking methodology will increase the up-take of appointment slots available at short notice, to ensure appropriate and quality theatre bookings.
- Several metrics showed improved performance in Q4 compared to previous quarters but remained below the target for the entire year:
 - % of patients waiting over 90 days for elective admission. 50% vs <25% target,
 - % patients waiting over 90 days for diagnostic procedure. 53.6% vs <25% target. Q1 was 68.25%, reducing to 50.51% in Q4,
 - out-patient follow up rate. 2.81 days vs <=2 days target.
- A lack of inpatient beds, COVID19 cancellations and recruitment issues continue to challenge the Care Group. Initiatives such as an increase in day case surgery and the introduction of improved patient will work towards overcoming these challenges.
- A safe and effective emergency surgical strategy was implemented, with most deliverables being achieved in support of this objective. These included:
 - Consultant delivered Emergency surgical service,
 - dual-accredited Critical Care Consultant,
 - defined NCEPOD and TRAUMA operating lists.
- Improvements were made through the provision of a comprehensive Radiological Diagnostic and Interventional Service, through the development of a live Patient tracking list for all modalities and the appointment of a substantive Radiology Manager.
- Three clinical Consultant Service Leads were appointed to support the clinical oversight of the departments. A Junior Doctor Rota Coordinator was also recruited who began work to improve service performance, which enabled the Care Group to become compliant with the British Medical Association's recommendations for Junior Doctor working.

Quality and Safety

- Improved incident reporting and analysis of the trends of reported incidents and serious incidents resulted in the Recognise, Escalate and Rescue (RER) Programme which resulted in strengthening our clinical governance and improving outcomes for patients.
- The number of investigations into Serious Incidents (SI's) increased in 2022. It is important that SIs are being reported and learning takes place to avoid similar errors in future. The focus in 2023 will be to ensure that we have processes in place to continue to learn from previous investigations and actions are directed into learning and embedding the changes into practice across HCS.
- The team started recruitment to new posts to ensure that HCS learns from incidents, serious incidents and deaths, and are able to join the National Audit Programme in 2023 - increasing the Clinical Audit and Effectiveness Team.
- Risks ownership and review times have significantly improved in 2022. This helps to keep patients and staff safe and provide service continuity / identify opportunities for improvements.
- Twelve deep dives into high-risk areas were completed in 2022, in addition to two HCS High risks focus reviews since Q3 2022. The number of overdue risks has more than halved since January 2022.
- The recommendations of the Hugo Mascie-Taylor report are being taken forward through the Turnaround Team, the 2023 priorities and via the Be- Our-Best, HCS wide programme.

Women, Children and Families

- Maternity services continue to participate in national clinical audits to capture women's and their babies' outcomes, in particular MBRRACE, UKOSS and Small for Gestational Age (SGA) babies. HCS came 6th out of 192 organisations for their detection rate of SGA babies.
- Maternity services have streamlined services by working closely with the diabetes centre in the care and management of gestational diabetes mothers.
- Maternity services have since achieved a stage one accreditation from the Baby Friendly Initiative.
- In 2022, the long-awaited refurbishment of maternity and neonatal facilities and environment commenced. SCBU was rebranded as Jersey Neonatal Unit and has been relocated to a larger area.
- Following a proof-of-concept initiative, the team have successfully appointed a Paediatric Epilepsy Nurse. This role has been a great addition to the team in supporting our families when their child has a new diagnosis of epilepsy.
- The care group supported the successful award and subsequent investment into paediatric neurodevelopmental resources. This has allowed for continued development of a clearer neuro pathway and recruitment into CAMHS Medical posts, Community Paediatric posts and Allied Health Care Professional paediatric posts.
- There was a focus on initiating the Women's Health Strategy, to drive positive change in these areas.
- The recommendations of the review of Maternity Services as still being implemented. This will be a significant focus for 2023.

Infrastructure, Housing and Environment (IHE)

Andy Scate
Chief Officer

Performance against 2022 Key Objectives

Capital Projects

2022 has been another challenging but productive year for IHE. 2022 delivery 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 across all areas.

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.

There was significant success in the Our Hospital Project in the first half of 2022, in securing planning consent for the project. Delivery momentum was however tempered by the significantly changing economic landscape. The project was then successfully reviewed within the 100-day plan of the new government, and a new direction was secured by year end, with new capital budget approvals.

The new Government Office project has successfully continued into delivery, with the achievement of planning consent and the completion of the development agreement with the developer. The project has commenced construction and remains on track for delivery in the summer of 2024. This has been a significant milestone in the Government rationalising its office space within St Helier.

Within 2022, the Fort Regent project continued its direction to decant the Public Sport facilities into new premises. The type and scope of the regeneration programme is being reconsidered due to the need for review following the changing economic climate and the need for the new Government to signal future direction. The project remains live, and it is anticipated that decisions will be made in early 2023 to inform future work.

The Sewage Treatment works project is a significant success for IHE within 2022. Following the collapse of the previous principal contractor, the department stepped in to take this role and engage directly with both local and UK contractors. The project has had a very positive internal audit review and positive response from the Public Accounts Committee. It remains on track for delivery by the end of 2023 and within budget.

Inspiring Active Places has had a positive year in the delivery of ground improvements at Springfield Stadium, delivery of the Springfield sports centre refurbishment, near completion of the new skatepark facility, and securing planning consent of Oakfield Sports Centre. Work on a new sports centre at Le Rocquier is being reconsidered to deliver an affordable proposal which will meet needs.

Capital delivery across the rest of the department remains strong, especially in the infrastructure area, and the department has delivered circa £50M of capital spend, with the remaining c.£20M awaiting client department direction.

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 over 70 new members of staff to address the vacancy levels of the department. 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 sessions. Of note is a focus on diversity and inclusion, mental health, and the roll out of a resilience programme within the department. The department ended the year with the drainage operations team winning the “star of stars” award at the Government of Jersey’s Our Stars event.

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 is well prepared for go live in 2023.

The RIDA project continues in its discovery and has re-orientated for delivery in 2023, following a successful period of optioneering and market assessment.

The Vehicle Registration System has successfully gone live and continues into its next phase of further online services for the public.

Estates Strategy

The strategy continues into delivery. The Corporate Asset Management board is now embedded into corporate processes, and the corporate landlord model continues to evolve. New Service Level Agreements between Corporate Landlord and tenant departments have been developed, along with more robust health and safety spend prioritisation. In addition, transfer of property resources from departments to JPH continues to take place, as does the development of asset management planning across service departments.

Climate Change

Positive joint working continues across Government of Jersey as part of the Carbon Neutral Roadmap. Of particular note in IHE, 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.

Service Performance

The department has had a challenging year in maintaining service levels for the Island. It has faced significant recruitment pressures which at times, in certain areas, have reached thirty percent vacancies - but on average remains in double digits across the department. 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.

Resilience

The department has responded very well to a number of high-profile incidents facing the Island. Emergency response and contingency planning has held up well and the response teams have been a credit to the Island.

Despite this, core services have been maintained. The Island's critical national infrastructure in both solid and liquid waste has continued to successfully operate with reactive maintenance slightly below target, but with planned maintenance resulting in no waste spillages due to either asset or mechanical failure. An increase in waste recycling from construction, excavation and demolition of 5.5% in 2022 is as a result of a drop in materials being disposed of at IHE La Collette Landfill.

Roads and buses

The Islands structures and highways have continued to successfully operate, with road works conducted during peak hours exceeding targets. The Road Safety team oversee 5,000 utility roadworks and 3rd party roadworks each year. We have seen a 41% increase in bus passenger demand from 2021 to 2022, which is still suppressed following the pandemic. However, demand from young persons using bus travel has increased during 2022 following a political decision to offer unlimited free access to the bus network to all Islanders 18 years old or under for an annual charge of £20 to cover the administration costs.

Capital projects

Of specific note has been the work to successfully complete a number of capital projects, and the continued maintenance of over £2Bn worth of assets and infrastructure. Funding against these assets is however a significant pressure and further resources should increase to maintain life, or to prevent failures.

Return to 'business as usual'

The department has been able to return to 'business as usual' following a long impact tail from the COVID-19 pandemic, and make significant strides forward in our people plan, recruitment, diversity and health and wellbeing.

Health and Safety

The Health and Safety framework continues to improve, with risk and performance measurement focusing on the health and safety and welfare for all staff, service users, members of the public, contractors, and for achieving legal compliance.

Property estate and decarbonisation

The Government of Jersey property estate comprises a total of 867 sites, with a total site area of 9.8 square kilometres, which represents 12% of the total Island area (120 sqm). The last valuation of the estate was conducted in 2022 and was valued at £1,006,231,150 an increase of +4% on previous valuation in 2020 (nb input factors have changed since 2020).

The development of the Corporate Landlord Model will enable the Government to utilise its assets to deliver better, more efficient service, as does the work to decarbonise the Government's property and fleet with more than 300t of CO₂e reduced from vehicle emissions in 2022.

Natural Environment and Regulation

Both Natural Environment and Regulation directorates have been beset with recruitment pressures but have had new investment in 2022. The consistently high standards of registered food businesses reflect the proactive visits and training provided with industry representatives.

The work the department continues to do in the post-Brexit landscape is good, and both Natural Environment and Regulation are delivering well in this space. Work to progress a new Food Law has been a real positive in 2022.

It is acknowledged that performance in planning and building is not at the desired level, with application approvals below the 80% target for the year and significantly under the target time for completion. This has been a combination of process, system, and staffing. A new review in 2023 will address these issues.

The effects of climate change are seen across all department services, and of specific note, the continued work of Natural Environment in terms of weather/climate and environmental messaging, with biosecurity and animal health should be appreciated, along with the work of the operations team who are always on call to respond to severe weather events.

The department is focusing on better performance indicators in 2023 which are more reflective of the breadth of work undertaken in IHE for the Island. Of note are indicators related to maintenance of infrastructure, where it will be critical for appropriate funding to remain to enable the drainage system and pumping stations to be as effective as possible.

Justice and Home Affairs (JHA)

Kate Briden
Chief Officer

Performance against 2022 Key Objectives

We will deliver the people model and the computer aided despatch system for the Combined Control Room to improve integrated service delivery across our emergency services.

The original combined control room project has been converted into a programme incorporating four projects. This has enabled more effective governance, a smoother delivery path and provides cross-project oversight to ensure the right elements within the projects are delivered at the right time, so that benefits are realised as early as possible. The conversion to a programme followed a discovery and feasibility review since there was a significant pivot from delivering a tri-service control room with a tri-service computer aided dispatch solution. In 2022 we consulted on and delivered a new people model. In addition, the four projects are delivering operational improvements aligned to the programme benefits; namely Improve Speed and Accuracy, Improve Resilience and Improve Compliance. The renamed Emergency Services Control Centre (ESSC) Programme now includes the Telephony, Technology, People and Process and Emergency Call Handling Discovery Projects.

We will focus on delivering the JHA vision as part of our commitment to making sure that Islanders are safe and protected at home, work and in public. Specific activity will include 'high rise fire response', 'national operational guidance for the Fire and Rescue service' and 'reviewing, updating and creating operational and clinical guidance for clinicians and staff within the Ambulance Service'.

Following significant work throughout the Fire and Rescue Service, including an independent peer review to validate various findings of the Service Leadership Team and the finalisation of a business case, the Minister, Council of Ministers and States Assembly all approved investment funding in the Government plan 2023-2026 to build the capacity to address a range of strategic risks, including High Rise firefighting. The Service's very limited capacity was exacerbated by numerous vacancies throughout 2022 and, as a result, very limited progress was made on key operational objectives. However, it is expected that progress will be made in 2023.

Significant progress has been made towards the updating of Ambulance Service policies and procedures and the creation of new ones throughout 2022, with nine new operational policies introduced, one updated and a further three in production. Clinical guidelines have now been moved to electronic format, after the Service invested in the JRCALC plus app. This now

allows clinicians to access up to date, live clinical guidance at the patients side, whilst allowing new guidance to be put out regularly, ensuring it's all located in one place and allowing us to monitor when new guidance has been read. This brings the Service in line with national standards.

We will address concerns about rising demands on the Ambulance service by conducting a safe staffing review and working with HCS on the Jersey Care Model, developing a proof of concept for a specialist paramedic team that is capable of responding to less critical calls and trained to treat patients on-site.

An external Demand and Capacity review was undertaken in 2022, led by the Association of Ambulance Chief Executives to ensure its independence. The final report is due by the 31 January 2023 and will set out the requirements to ensure the service has the capacity to meet its predicted demands over the next three years. A business case was accepted through the Government Plan process which sets out the Services staffing and budget requirement to meet the Demand and Capacity review recommendations. As it was not known at the time exactly what the Demand and Capacity review would recommend, the business case was caveated as subject to change within the same financial envelope. The business case includes two specialist paramedic roles in 2023 to enable the Service to develop this role.

We will develop and embed people and culture plans and a diversity and inclusion plan across the department and all services in line with the GOJ people strategy. Specifically focusing on workforce planning, recruitment and retention and talent management and succession.

Equity, Diversity and Inclusion (EDI) - Monthly meetings across JHA, started in February 2022 with all JHA services well represented by a 'core group' of 8-10 people supported by People and Corporate Services.

In March 2022 we invited staff to suggest a name for our group which became 'Shoulder to Shoulder'. The launch event took place on 23rd November 2022 with more than 50 colleagues attending. The evening was opened by our Chief Officer who welcomed everyone and expressed her support for the initiative. The Prison Governor introduced guest speaker John Abel, Technical Director within the Office of the CTO at Google Cloud.

Following John's talk, the Prison Governor explained how colleagues can do something meaningful to support the EDI aims and asked that they commit to the following pledges:

- Equity: I pledge to actively ask colleagues about their perceptions of equity in the workplace and to make time to properly listen to their lived experience if they describe perceived lack of equity.
- Diversity: I pledge to lead or engage with a celebration of 'difference' within my organisation in 2023

In 2023 we look forward to building on our success and raising the profile of 'Shoulder to Shoulder' with more organised events and speakers.

People and Culture - The JHA People and Culture group was refreshed in 2022 with a new Terms of Reference and board. The group met throughout the year to drive forward initiatives on the areas detailed below:

- Communications
- Collaborative working across JHA
- Talent and Succession planning
- Our Culture
- EDI (see more as above)
- Wellbeing

Detailed action plans for Police, Fire and Rescue, Ambulance, Customs and Immigration, and the Prison were presented to JHA's change board in Q3 and Q4 and are owned by the services.

This work is now being connected further by aligning it with the overarching JHA Strategic Workforce Plan due to be published in Q1 of 2023.

We will collaborate with CYPES to deliver a programme of preventative intervention sessions to protect and support children and young people.

To replace the gap left after Prison Me No Way, in 2022 JHA have identified and scoped a gap within preventative education within schools and a desire from CYPES to maintain engagement with key services to provide an education platform for children and young people (JHA Schools Engagement Programme). This will become intrinsic part of the BASC strategy where 'Jersey experiences low levels of crime' and 'All children in Jersey grow up safely.'

During 2022 JHA have engaged and collaborated with CYPES as well as key JHA stakeholders, SPPP, Probation service and the charity sector to scope how a new schools programme can be designed to maintain a service within schools. The workshops will be education sessions with the aim of protecting and empowering children and young people to become safe and responsible citizens. The focus of these sessions will be on prevention from a range of risks.

As well as a focus on key stakeholders we intend that the programme will include a voice for primary and secondary head teachers and importantly children themselves. This will allow their input on issues they may be seeing amongst their peers or identifying gaps for topics that should be covered, working with CYPES and the Youth Service to ensure appropriate representation.

It has been agreed the programme will initially commence with school years 7 for pilot sessions to be rolled out in early 2023, JHA are currently working with CYPES to secure dates within schools.

To make it easy for parents, teachers and young people to access a consolidated set of resources that are up to date and relevant to their needs. This will be web content on gov.je or a similar platform and could potentially be well coordinated with the existing 'Learn at Home' resources maintained by CYPES.

It has been identified that as the programme evolves and develops there is a need for JHA to recruit for a coordinator to ensure levels of communication across the services remain robust and the programme can adapt to trends. This includes ensuring the programme meets current government and ministerial strategies and remains aligned into the wider BASC strategy in a collaborative manner. Recruitment for this role (a Building a Safer Community - Support Officer) commence in late January 2023 and has been successful.

Customs and Immigration (JCIS) will work across government, in collaboration with relevant UK departments and local industry to adhere to the principles of the future border Immigration system and the UK Crown dependencies Customs Union. Strategic consideration to bespoke Island needs such as the supply chain and local workforce (e.g. hospitality and agriculture) will be key considerations to ensure Island economic wellbeing.

JCIS continued to operate within the UK Crown Dependencies Customs Union to develop Customs policy and address the Island's bespoke needs including the supply chain.

JCIS is a key stakeholder in a Government Labour Shortage Taskforce, with specific focus on the development of immigration and work permit policy, ensuring where critical shortages occur, that employers can access overseas labour markets. There is an increasing focus on compliance, to make certain that employers are affording overseas workers suitable wages and conditions of service.

The States of Jersey Prison Service, in collaboration with the Jersey Probation and After Care Service will baseline existing data and use innovation and partnership working to deliver an enhanced programme of activity in support of rehabilitating offenders, ultimately contributing towards reducing reoffending

The Prison Governor and Chief of Probation meet regularly to ensure that priorities for treatment programs and reducing reoffending are aligned. There has been an increase from one to two probation officer working in the Prison and a manager tasked with specific responsibility for working collaboratively with the prison. There is a new monthly reducing reoffending meeting which is structured around the seven pathways proven to reduce reoffending. Behind this are seven separate pathway meetings, each of which have nominated representatives from both prison service and probation service, and a representative from other relevant departments in government. This is to ensure that interventions are done in a joined-up way and are responsive to the criminogenic needs of prisoners.

A review of staffing in the reducing reoffending department in the prison has taken place. This was done collaboratively with representatives from prison and probation management and is included in the design of the new prison operating model. The prison is currently creating job descriptions for the new roles that have been identified. These are due to be evaluated and we expect to be able to recruit to by the end of March 2023.

Service Performance

Justice and Home Affairs

Department Summary

2022 has been a year of significant achievement for the Department in terms of the key objectives set out above. We have also laid good foundations for 2023, with significant investment secured for the Ambulance and Fire and Rescue Services, which was an immediate priority for the new Minister on her appointment.

The achievements of all of the Services are set out below, giving a comprehensive picture across the Department for 2022 and showing the depth and breadth of our work.

We have reacted quickly and decisively to changes and challenges which came our way, including the war in Ukraine, and we were all deeply saddened to end the year with the response to the Haut du Mont incident. JHA teams responded immediately and continue to do so. I am proud of everything they do and have achieved.

Kate Briden

Chief Officer, Justice and Home Affairs

Jersey Customs and Immigration Service

Activity at the borders returned towards pre-pandemic levels with increased sea and air services and passenger numbers. The effect of this was exhibited in several ways including a sharp decrease in excise receipts for tobacco goods (£25m in 2020 and 2021, down to £14m in 2022) resulting principally from increased duty-free purchases, which resulted in duties collected being slightly lower than anticipated. (£75.8 vs £78.5m). Significant increases in passport applications were also seen, causing processing backlogs of up to 10 weeks at their peak, most notably in Quarter 3, although this issue was evident in countries across the world and additional resources were drafted in to ensure that disruption to the travelling public was minimised.

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. 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 permit (400 in 2020, 1700 in 2022) and visa applications (400 in 2020, 1000 in 2022).

The UK / Crown Dependencies Customs Union successfully operated for the second year and over 3.7m goods consignments and 0.2m goods declarations were processed through the customs declaration systems 'CAESAR' (so 3.9m compared to the 2020 baseline of 2.9m). Development work, undertaken in 2022, on the public interface with CAESAR is due to go live in February 2023 which will significantly improve customer experience and reduce administrative burden. Preparations were also made for the reduction in the GST 'de minimis' from £135 to £60 on 1st July 2023.

Business cases were approved for additional funding and resources to be allocated to the Service to manage all the above additional work.

The Service continued to focus efforts to identify and prosecute those responsible for trafficking drugs and laundering the proceeds of crime.

States of Jersey Prison Service

2022 has seen significant progress in the new operating model for the prison, securing a structure that makes each Head of Function accountable for performance and finance within it. This has enabled us to shift in focus on to ensuring that the prison is complying with the expectations of Her Majesty's Inspectorate of Prisons and can be confident of success on future inspections and addresses historic repeat recommendations.

As a result of this work, existing key performance indicators have been reviewed and revised for 2023 to include remand prisoners as well as sentenced prisoners. This will ensure that a reliable measure is reported on that is consistent with national standards. The measures have also been aligned with the new operating model which has set the prison up to deliver effectively against these performance indicators.

As with 2021, in 2022 there was a significant impact on staffing. This was due to:

- changes to parental leave (and the backdating of that allowance)
- COVID-19 and subsequent staff absence
- having a child in the prison meaning a requirement to run and staff an additional unit
- a backlog of recruitment

This resulted in a reduction in hours out of cell of 5.44 hrs per prisoner per day in 2022 against the baseline of 8 hrs and purposeful activity 'Prisoners engaged in learning / employment programmes' where the baseline is 2 hrs 30 min per prisoner per day being 2 hours 19 minutes.

However, despite these challenges a highlight was that, although the target for prisoners with pre-release plan in place was missed by 1% (97% vs 98%), in Q2-Q4, 100% was achieved due to the issue being addressed early in the year.

Another positive is that as of January 2023, we have a full complement of staff for the first time since before the COVID-19 pandemic and so we anticipate really good delivery in all areas in 2023.

States of Jersey Ambulance Service

Having received the report from our independent peer review, undertaken in late 2021, a delivery and implementation plan was compiled to track progress against actions and objectives set from the report and for our business plan 2022/25. The peer review was based on similar, but localised lines of enquiry, as used by the Care Quality Commission in the UK.

There were 18 areas identified for improvement in the peer review document, each of these areas containing specific actions required to meet the level of improvement required.

- Staffing Levels
- Advanced or specialist paramedic model
- Financial envelope
- Triage and despatch methodology
- No clinicians based within the CCR
- Workforce planning
- Other workforce issues
- Linkages to Health and Community Services (HCS)
- The role of the Medical Director
- Flagging system
- Information Governance
- Clinical Guidelines
- Endotracheal Intubation
- Workforce policies and procedures
- Emergency preparedness for the Island
- Business Continuity Plans
- Estates
- Mentoring system

Of these, work on only two have not yet started, four have been completed in full, and the remainder are at various stages of progress and are regularly monitored.

The Service successfully implemented the Joint Royal Colleges Ambulance Liaison Committee guidance in electronic format through an App that allows clinicians to access clinical guidelines at the side of the patient. This allows access to the most up to date guidance, increasing patient safety, and allows audit to ensure staff have familiarised themselves with the changes.

The Ambulance Response Programme (ARP) was successfully implemented following the review to ensure that patients with life-threatening conditions receive an ambulance in the quickest possible timeframes. 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.

Medical call volumes continue to increase. In 2022 there were 11,666 '999' calls against a baseline of 9,957 (2020). A successful business case within the 2023 to 2026 Government Plan means that a fourth emergency ambulance crew is now being provided to help manage demand.

Despite the significant increase in calls 'Red 1 Mean Average response times', at 7:28 minutes, were only marginally off the target of 7 minutes. 'Red 2 Mean average response times', at 9:42 min, were well within the 18-minute target.

Continued increase in demand for ambulances is being seen across the UK year on year. It is worth noting that, although response times in Jersey are not quite hitting the target for Red 1 calls, the situation in England is very different - response times being nowhere near targets in many local authorities.

States of Jersey Fire and Rescue Service

The States of Jersey Fire and Rescue Service experienced a year of contrast. It was significantly challenging with a high departure rate, notable unfilled vacancies and, most importantly and impactfully, the tragic incident, involving an explosion at Pier Road in December

The Pier Road major incident, very sadly, is the reason that the number of fatal fire injuries was 11 against a target of nil and number of reportable injuries to firefighters was two against a target of nil.

Overall, there were elevated levels of demand across all areas - 1,245 emergencies in 2022 against baseline of 907 in 2020, so a 37% increase over that period. With limited capacity and challenges in recruiting and retaining people, service levels fell and outcomes are inevitably affected. The impact on ‘% of emergency response within target’ was that the annual figure was 35% and so 16 percentage points below the target of 51%.

The number of safe and well visits undertaken in 2022 at ‘199’ was significantly higher than the target of ‘99’.

We had planned to inspect 59 care homes (high-risk premises) in 2022 and inspected 75% of those so also fared well against our baseline of 18%

Equally, important work and discussion has progressed at a more strategic level in securing Ministerial and wider political support within the 2023 to 2026 Government Plan for investment in the Service’s operational and fire safety capacity, all of which was independently validated through a peer challenge and review process.

Health and Safety Inspectorate

2022 was a challenging year for the HSI, primarily due to an inability to recruit to 2 vacant Inspector posts following retirements mid-year. The situation was exacerbated due to the planned retirement of another Inspector on 31 December 2022, resulting in a 75% Inspector vacancy rate at year end. This had a significant impact on the ability to undertake proactive inspections of high-risk workplaces in the latter half of the year, although the total annual number appears balanced at year end due to an above target number conducted in the first 6 months with 256 achieved in 2022 against a baseline of 268 that we wanted to exceed, (5% within target despite the challenges).

A revision of the Safe Use of Rider Operated Lift Trucks Approved Code of Practice (ACoP) came into force on 1 November 2022 following an extensive stakeholder and public consultation. An ACoP, which has a special legal status, providing duty holders with practical guidance on how to comply with the law.

The ACoP for Gas Safety was updated to include a requirement, with effect from 1 January 2022, for all gas engineers working in Jersey to be registered with the Gas Safe Register. This aligns with the requirements for gas engineers working in the UK, Isle of Man and Guernsey.

The tragic explosion at Pier Road in December 2022 had an immediate impact on the very limited resources of the HSI, with the subsequent, and on-going, joint investigation into the incident being undertaken with the States of Jersey Police. Technical and regulatory resource has been provided by the UK Health and Safety Executive but this investigation will undoubtedly have a significant impact on the Inspectorate for some time.

Business Support Unit

In 2022 the unit supported and / or coordinated numerous programmes, events, initiatives, and incidents across JHA services.

These included:

- Major incidents (Operation Spire / Nectar) – loggist, logistics, travel and wellbeing support
- Health and Safety minimum standards audits and adoption, Facilities management
- People and Culture Plan - Shoulder to Shoulder (EDI) / JHA Wellbeing Week / Staff awards / surveys
- 'Connect' system changes and adoption (People, Finance, Assets and Procurement)
- Building a Safer Community including the JHA School Engagement Programme
- Customer Strategy and Customer Feedback management
- Information Security / Data Privacy Framework / Records Transformation Programme
- Learning and Development

The unit also led on risk management, governance and administration and ensured that the departments risk register was maintained, meetings across JHA were organised and actions and decisions from those meetings were recorded and managed.

Office of the Chief Executive (OCE)

Catherine Madden
Chief of Staff

Performance against 2022 Key Objectives

Working collaboratively across all departments, manage the transition between the interim Chief Executive and new Chief Executive.

In 2022, the Office of the Chief Executive worked to enable an efficient handover from the interim Chief Executive leaving post and the new Chief Executive starting in post. The Office provided extensive briefing information about States of Jersey and government organisational arrangements, which allowed the incoming Chief Executive to understand the political and operational priorities and issues requiring her attention from the start of her tenure. A comprehensive induction programme saw the incoming Chief Executive meet Ministers and States Assembly Members, as well as undertake site visits to all government departments

Coordinate the transition between the outgoing Council of Ministers and new Council of Ministers

In early 2022, the Ministerial Office supported the development of guidance related to the appropriate conduct of Ministers and government officials during the pre-election period.

In anticipation of a new Council of Ministers, the Office of the Chief Executive worked with colleagues across all departments to prepare induction material, to ensure that the incoming Council was fully briefed about policy and operational challenges with the least delay possible. The Council of Ministers received briefings on governance and operational arrangements for the Government of Jersey, the most up to date financial position, and the strategic delivery framework, with a focus on improving the sustainable wellbeing of Islanders.

The Council of Ministers' immediate priorities for improving Island outcomes, particularly in the context of a cost-of-living crisis, were then communicated by the Chief Minister in her 100-day plan. The 100-day plan was delivered successfully in line with the Chief Minister's mandate.

As part of the 100-day plan, the creation of a Cabinet Office was announced, to integrate closer working arrangements between the Office of the Chief Executive, Strategic Policy, Planning and Performance and the Chief Operating Office. The purpose of the Cabinet Office is to improve coordination of the work of government and strengthen collective decision making. In

order to meet this objective, a Delivery Unit has been set up to address strategic and complex organisational challenges, such as recruitment and retention. Detailed arrangements for the operating model for the Cabinet Office continue to be developed.

In addition to supporting the Council of Ministers to deliver its near-term priorities, the Office of the Chief Executive supported the Council to develop its longer-term vision as part of the Government Programme. This involved the development of a new Common Strategic Policy, Government Plan 2023-2026 and Ministerial Plans for 2023, which established an annual cycle of publishing Ministerial priorities and reporting.

Strengthen and consolidate governance arrangements across the Government of Jersey to support a culture of continuous improvement and high performance.

In 2022, the Office of the Chief Executive undertook a mapping exercise to assess the Jersey's public service governance-related activity against its corporate governance framework. The assessment concluded that the organisation had made significant progress in improving its governance arrangements over recent years, and that systems of governance in the public service compared favourably to arrangements in other places. However, the work recognised that the Government of Jersey is a complex organisation and that in some circumstances, prioritisation with respect to organisational risk and clarity of governance arrangements needed improving.

In response, the government has placed greater emphasis on developing a positive governance culture, which is illustrated by improvements in risk management maturity and the embedding of the Comptroller and Auditor General, Public Accounts Committee and Scrutiny Tracker in business as usual. In this way departments focus their activity on responding to risk and are focused on continuous corporate improvement, sharing lessons learned where relevant.

Build on current investment in automation to improve the quality and alignment of data intelligence across the Government of Jersey.

In accordance with the Office of the Chief Executive business plan 2022, dashboards based upon the C&AG, PAC and Scrutiny Tracker have been developed. This allows officers within departments to access a visual representation of open recommendations from these sources of challenge, and determine the extent to which progress has been made in line with published action plans. Providing a meaningful interpretation of governance and performance data to support the Executive Leadership Team in the strategic management of the organisation remains a priority, and will continue to feature in Cabinet Office work plans in 2023.

The 2022 OCE business plan outlined an intention to improve the Freedom of Information Service through the implementation of automated solutions. However, due to staff vacancies this activity was deferred to focus on delivering the core business of responding to information requests from the public. However, the improvement intention remains and will be considered as part of 2023 objectives subject to available resources.

Service Performance

The Office of the Chief Executive continues to play a leadership role in the coordination of key Government initiatives. Significant contributions include:

- Coordinating the Government response to the major incidents at the end of 2022, particularly to ensure that there was appropriate support to the families of the deceased and other community members impacted by the events.
- Coordinating the overall Government response to the Covid-19 pandemic as we transition to a more normal way of life alongside the virus.
- Driving through the delivery of the Council of Ministers' 100 Day Plan, consisting of actions to improve government decision-making, increase transparency and engagement, and address some immediate concerns of Islanders, including the cost of living and housing. The 100 Day Plan included 18 actions, all of which were completed, or significant progress was made, during that initial period following taking office.
- Creation of the Cabinet Office, as a key 100 Day Action, and beginning the integration of constituent functions, which continues in 2023.

As part of business as usual, the Chief Executive leads the Executive Leadership Team, which provides oversight of the organisation's financial performance, and seeks to identify strategic and operational implications of new schemes and policy initiatives being developed by officers on behalf of the Council of Ministers, as well as providing a senior leadership role in the delivery of major strategic projects. Throughout 2022, the Chief Executive has also coordinated business support for addressing cross-cutting issues on behalf of the Council of Ministers. One such example is developing the scope and setting up the Future Places group, which focuses on better place-making and regeneration for Jersey.

In addition, the Chief Executive leads officer support to the States Employment Board (SEB). Relative to this, in 2022, some key responsibilities of the Chief Executive include leading the delivery of the People Strategy, and working to make improvements to performance management processes at Chief Officer level, which will continue into 2023.

Governance

The Chief of Staff area has focused on continuously reviewing and improving the organisation's governance arrangements, particularly through the schedule of regular briefings with the Public Accounts Committee, and managing these key relationships with the PAC and Comptroller and Auditor General.

The use of the PAC, C&AG and Scrutiny Tracker has been embedded across the organisation and in 2022 there has been a drive to progress implementation of recommendations recorded in the Tracker. In total, over 300 recommendations have been closed this year – around half of which are in respect of recommendations recorded prior to 2022 that have either been implemented or superseded. This represents 63.7% of the recommendations which were recorded in the Tracker before the start of 2022, against a communicated target of 80%. Whilst it was communicated in 2022 Departmental Operational Business Plans that there was an intention to publish performance information against this target at a departmental level, a decision has been taken by the Executive Leadership Team to report at a corporate level only. This is due to reporting challenges arising from recommendations being updated to reflect changes in lead departments from one department to another. This is a challenge that is planned to be addressed as part of improvement work to the Tracker system.

This indicator was always anticipated to be a 'stretch' target, and the closures achieved illustrate significant progress in embedding ways of working across the organisation and an increasing focus on improving corporate governance arrangements. These statistics do not take account of the scale of work required to implement some requirements, as this differs between recommendations: some require small process changes, whilst others require large-scale system change.

We consider that this ongoing activity, alongside risk management and internal audit processes, demonstrates the corporate commitment to continuous improvement. Indeed, improvements have been observed by the C&AG in the maturity of the public service's risk management arrangements, supporting the organisation to take a greater risk-based approach in planning activity and service design.

In 2022, the Office of the Chief Executive area has also coordinated the delivery of the Jersey Independent Covid-19 Review and the Our Hospital Review from a Government of Jersey perspective, and led the cross-departmental initiative to deliver an improved framework of management processes for Arm's Length Bodies.

Freedom of Information

With respect to the Central Freedom of Information Unit, 2022 saw 883 valid requests, 22% lower than 2021 (1130). Health treatment and services continues to be the most requested topic, with other key themes including public sector staffing and costs, policing, crime, courts and prison, and Government administration. Indeed, HCS received the highest number of requests in 2022. Repeat individuals submitted 48% of overall requests. The percentage of responses within 20 working days is 75% against our published target of 95% - which may be due to resource challenges within departments, and this will need to be addressed in 2023. Where an applicant is not satisfied with the response provided, an Internal Review is conducted by officers independent to the response preparation. The percentage of Internal Reviews was 2% and there is currently one Appeal being considered by the Office of the Information Commissioner.

Transition to a new Government

In 2022, the Ministerial Office focused on the transition to a new Government. This included supporting the previous government on completing outstanding work and appropriate processes around their exit as Ministers; the management of the election period from a government side; the induction and support of new Ministers; and aiding the development and approval of the core strategic products – Common Strategic Policy and Government Plan. The Ministerial Office performed well during this transitional year, including changes in Ministers – and a rotation within the ministerial support team and their roles, and the development of new products, such as the new ministerial code. The challenge in 2023 is to now focus on delivery of the agenda for the new government, and continuing improvements in support.

Ministerial Office

The primary performance measure for the Ministerial Office relates to the timeliness of lodgings with the States Assembly, and in that area, the percentage on time increased from 74% in 2021 to 89% in 2022 (comprised of 97% of Propositions on time, and 69% of Comments). In 2023 internal performance measures will be extended to the timeliness of correspondence, and quantitative measures around satisfaction.

Communications Directorate

In 2022 the Communications Directorate built on the lessons learnt during the COVID-19 pandemic and subsequent Review to improve the effectiveness, reach, and organisation of Government communications, particularly during major incidents.

An internal review was undertaken to improve and clarify internal processes and procedures, including the approvals process for media statements through Ministers, making sure the press receives quick and effective responses. This has been reflected in a progressive increase in the positive sentiment for government in the Jersey media sentiment tracker; 41% positive for 2022 compared to baseline of 32%. The Communications Directorate managed the communications period of sensitivity during the 2022 election, providing Arm's Length Organisations with proactive communications advice, and supported the Council of Ministers with both internal and external communications support during their induction. It should be noted that the number of Ministerial interviews was, by necessity, reduced during this period, leading to a reduction against the target number.

A series of emergency scenario planning exercises was undertaken and the overarching Major Incident Communications Plan and sub-plans were reviewed and updated. One of these sub-plans was implemented when the Communications Directorate successfully managed the communications process for the death of Her late Majesty Queen Elizabeth II, working in partnership with the Bailiff's Chambers. The overarching plan was implemented in the two major events at the end of the year (the L'Ecume II and Haut du Mont incidents), when the Directorate managed a 24/7 communications response which attracted both local, national, and international media attention. Building on the lessons learned from the pandemic, the Press Office and Parade Studio provided upgraded facilities for streaming and press interviews for major international broadcasters.

Under the new Council of Ministers, the Communications Directorate supported the development and dissemination of the 100 Day Plan, Common Strategic Priorities and Mini-Budget, as well as undertaking business-as-usual support for departmental campaigns and public information campaigns, including ongoing Public Health messaging surrounding winter illnesses. Across the year improvements were made to the Parade Studio, including bringing previously outsourced services and technology in-house, allowing more cost-effective solutions for the entire States of Jersey. The Director of Communications also authored the Engagement and Information Improvement Report alongside the Director of Statistics, providing 37 proposed actions to improve how the Government provides information to Islanders and actively listens to their views during the policy development process.

Strategic Policy, Planning and Performance (SPPP)

Tom Walker
Chief Officer

Performance against 2022 Key Objectives

Leading the transition from COVID-19 Emergency Pandemic Status to the management of COVID-19 on a non-emergency basis, including the modernisation of health protection functions, stepping down of emergency governance and operations, research to understand the effects of the pandemic, and implementation of post-pandemic learning and recovery, whilst delivering world-leading COVID-19 operational services including testing, tracing, Covid Safe support to businesses, and our vaccination programme.

The process of transition from a pandemic emergency to non-emergency basis has been ongoing throughout 2022, and is expected to be complete before Q2 2023.

The main changes have included reducing and then removing the need for individual contact tracing, reducing the need to provide support for clusters and outbreaks in occupational settings as organisations are aware of the required measures, and embedding outbreak support for care homes and other residential settings into ongoing health protection work. PPE provision continued to be provided for care homes and vulnerable settings free of charge.

Measures around travel have been de-escalated, and now there is no mass testing or proof of vaccination requirements for passenger arrivals.

The uptake of the drive thru testing facility has been declining and is expected to come to an end during Q1 2023. Lateral Flow Tests continue to be available for Islanders, delivered to their homes, and peer swabbing in higher risk enclosed settings such as hospital and care homes has continued; both of these will be reviewed during 2023, with health protection policy amended as risks change.

COVID vaccination has remained throughout 2022 as a key public health measure to help protect Islanders from serious illness and will continue in 2023 in line with the guidance from the UK Joint Committee on Vaccination and Immunisation.

Throughout 2023, Public Health will continue to monitor for new variants of concern and, based on the emerging situation, will respond as appropriate.

Strengthening the public health directorate so that it can cover the full range of public health policy and delivery functions: improving health and tackling inequality, protecting health, healthcare public health and public health intelligence, as well as continuing Medical Officer of Health functions.

The Public Health directorate has been strengthened throughout 2022. There was successful recruitment to three senior positions, which completes the leadership team.

As part of the COVID transition and in line with a recently completed health protection review, the COVID Response Team has become a dedicated health protection team, expanding to take on the remit of supporting both infectious diseases and environmental hazards.

In May, the health promotion team moved across from HCS, which has enabled joined-up health promotion activities between the two teams.

The COVID Health Recovery Fund enabled the temporary recruitment of qualitative analysts to better understand the health and wellbeing implications of the pandemic. Through the Big Health and Wellbeing Conversation, Public Health talked with over 1,000 Islanders to understand Islanders' perceptions of their own health and wellbeing.

The directorate has developed a strategy for improving population health, which will guide activities for future years and a new public health law will be prepared for lodging in 2024, which will support the continued strengthening of the team, and embedding of population health into the business of the whole of Government.

Supporting ministers to publish key policies and legislation in the first quarter of 2022, including key changes to population and migration policy, the Strategic Housing Action Plan, children and family law reforms.

The Council of Ministers received regular updates on the progress of the overall Government Legislative Programme, which allowed Ministers to set the priorities for the final States Assembly sessions in early 2022. Policy officers supported Ministers to lodge the final pieces of key legislation and assisted with the briefings required for productive Scrutiny and Assembly debate. This included significant reforms such as:

- Civil Partnership (Amendment) (Jersey) Law and Marriage and Civil Status (Amendment No.5) (Jersey) Law
- Children (Convention Rights) (Jersey) Law;
- Control of Housing and Work (Amendment) (Jersey) Law;
- Police (Complaints and Conduct) (Jersey) Law.

This process involved Ministers prioritising legislation, including consideration of what could be drafted within the remaining time available. Therefore, there were examples of priority work which was not ready for lodging and which was carried forward ready for the new Council of Ministers to consider, such as a Public Sector Ombudsperson and the Children and Civil Status Law.

Deliver key long-term strategies for debate and decision in the States Assembly, including the Bridging Island Plan, Carbon Neutral Roadmap and transport and housing plans.

The States Assembly debated and agreed a number of key strategic documents and the new Government has embedded these in the Common Strategic Policy and Ministerial Plans

The Bridging Island Plan (P.36/2021) was unanimously approved, as amended, after two weeks of debate by the States Assembly, on Friday 25 March 2022, and came into immediate effect. Since the election of the new Government, the Minister for the Environment has been developing supplementary planning guidance in accordance with the requirements of the plan. Two guidance notes have been issued for consultation during 2022 and will be considered for adoption in early 2023, with others to follow.

The new Minister for Infrastructure has committed to delivery of a Preferred Strategy for Transport early in 2023 to identify his priorities for the transport system over this term, which will include delivery of a Cycling and Walking Infrastructure Investment Strategy, bus provision development programme and parking policy delivery plan. Policies within the Carbon Neutral Roadmap will also be delivered in collaboration with the Minister for Environment and Council of Ministers.

The Carbon Neutral Roadmap (P.74/2022) was debated and approved as amended in April and the UK's signatory to the Paris Agreement was extended to Jersey in early May.

Work has commenced with the new Government in delivering the implementation schedule of the Carbon Neutral Roadmap, with key notable deliverables in 2022 including the Sustainable Construction Summit, the establishment of the Decarbonising Government of Jersey unit, low-carbon lifestyles campaign, the COP26 Education Pledge, the development of a commercial energy performance certificate system and extensive preparation work ahead of the launch of a low carbon heating incentive and electric vehicle incentive in 2023. In addition, proposals for the Establishment of a Climate Council (P.117/2022) were lodged on 22 December and are due to be debated in February 2023.

The Minister for Housing and Communities continued the implementation of actions set out in "Creating better homes: an action plan for housing in Jersey" (R.98/2021) and since the arrival of the new Government, housing policy priorities have been re-established in the published Ministerial Plans for 2023. The Action on Vacant Properties plan was published 30 November 2022 for implementation throughout 2023.

Preparing for the new Council of Ministers after June 2022, and supporting the development of a new Common Strategic Policy, with its consequential effect on the Government Plan and Government's Legislative Programme.

Working closely with the Office of the Chief Executive and Treasury and Exchequer, plans were developed for supporting the new Council of Ministers as it took office, and specifically to assist with the development of the Common Strategic Policy and Government Plan in accordance with statutory deadlines. The change in election date put pressure on an already very tight timeline to develop and lodge these documents.

In addition, the new Council of Ministers was also supported with the delivery of the 100 Day Actions and, as part of the new Government Programme, with the development of Ministerial Plans and Delivery Plans, replacing the previous Departmental Operational Business Plans with a new Ministerially focussed approach to planning activity during 2023. A new Delivery Unit was also created to help drive delivery on key priorities, as described in the report from the Office of the Chief Executive.

In spite of these additional expectations, the Common Strategic Policy and Government Plan were lodged with the States Assembly in accordance with statutory deadlines, the 100 Day Actions were delivered or significantly progressed within the first 100 days, and the Ministerial Plans were published alongside the Common Strategic Policy and Government Plan. The Delivery Plans are on track to be published early in 2023.

For the first time, the Council of Ministers also set out its proposed Legislative Programme for the calendar year 2023. This involved close working across all the government policy teams, with Legislative Drafting Office and the Law Officers' Department. The Cabinet Office has led the coordination of this work and maintains a grip on its delivery through a new single data tracker, monthly senior official group and quarterly reporting back to Council of Ministers.

Publish high quality Statistics Jersey outputs according to the pre-announced release dates, including 2021 Census results, and initial income distribution analyses in time for the Common Strategic Policy process. Work with departments to improve Departmental Service Performance Measures for 2022; ensure publication to an agreed timetable. Improve procedures so that Island Outcomes and Indicators are kept up to date.

Statistics Jersey published 100% of official statistics according to the pre-announced release dates during 2022. The first three census bulletins were published before the election, as was the income distribution analyses of the curtailed 2019/20 Living Costs and Household Income Survey. The remaining three census bulletins were published in July, with the final 2021 Census Report published in December 2022.

Statistics and Analytics worked with departments during 2022 to improve the service performance measures and to make them more relevant to users – these will apply from 2023 onwards.

The currency of Island Outcome Indicators has been improved, and further work will continue during 2023 to seek to make them more relevant to users. A number of Island Outcome Indicators were identified and have been included in the new Government's Common Strategic Policy to monitor progress.

Service Performance

Statistics and Analytics

Statistics Jersey pre-announce the release date of all their statistics. During 2022 100% of releases were published at 10.00 on the pre-announced date.

Statistics and Analytics collate and publish the service performance measure data for government of Jersey departments – it was not possible to publish 100% of the data on time due to some data not being provided by departments.

The Island Outcome Indicators are updated at the end of each quarter with the latest available data. Q2 data was not updated because this was still during the Election Period when only official statistics could be published. For other quarters around 85% of data was updated by the end of the quarter because of the unavailability of various departmental data.

Public Health

We have three Public Health Consultants (senior professionals in public health), and additional staff registered across the team. Internal training sessions have been run by Public Health for the team to help develop their broader knowledge within a wide field. Four topics have been covered so far, with another 8 planned for 2023. Each topic covered twice to maximise attendance, and an average of 27 colleagues have attended each topic.

In 2022, the proportion of cremations processed at least 48 hours before the cremation ranged from 20%-45%. During periods of demand and holiday leave such as in Q3, the proportion of cremations approved at least 48 hours before the event declines. This decline is the result of many factors external to SPPP. However, the risk will be partially mitigated in 2023 by introducing holiday cover for the medical examiner role. More significantly, legislative change is needed to improve performance. Proposals for this are currently being actively pursued. No cremations have been delayed due to these challenges.

The Health and Wellbeing Framework programme was superseded by the Public Health Strategy during 2022, so the measures are no longer relevant. The strategy is on track to be reviewed by the States Assembly in Q1 2023 and published thereafter.

The Public Health directorate have an annual publication schedule, and 100% of reports were published on the pre-announced date.

Public Health have undertaken three engagement events with the public, including a major engagement event in October where we spoke with over 1,000 Islanders called the Big Health and Wellbeing Conversation. The feedback we received has informed the forthcoming Public Health strategy.

Five behavioural science reviews have been conducted and have been improving public health interventions particularly around COVID (vaccination, testing and isolation policy, non-compliance of masks in healthcare settings, and ventilation) and school food projects to help to improve public health outcomes. This exceeds the target of two for 2022.

90% of SPPP C&AG, PAC and Scrutiny recommendations outstanding at the start of the year were implemented during the year.

Treasury and Exchequer (T&E)

Richard Bell
Chief Officer

Performance against 2022 Key Objectives

Government Plan

The Financial Planning team worked with colleagues across the department, in SPPP and the wider Government to support the newly formed Council of Ministers to develop their own Common Strategic Policy, and prepare and lodge the 2023-2026 Government Plan to a much tighter timetable than usual due to the elections. The Department then supported the Government and States Members through to the approval of the Plan by the Assembly.

Mini-budget

As part of the Chief Ministers' 100-day plan, to address the cost-of-living crisis, a mini-budget was proposed and passed by the States. Revenue Jersey teams worked with colleagues across government to create a package which puts almost £15 million back into Islanders' pockets in 2022 and almost £42 million in 2023.

Revenue Jersey Policy programme

During 2022, Revenue Jersey continued work to a busy tax policy implementation programme, most notably:

- Independent Taxation became the default in January 2022 for new Jersey taxpayers and those marrying after 31 December 2021. A number of existing married taxpayers opted to move to Independent Taxation voluntarily in 2022 and 2023, and additional legislation was adopted in December 2022 to allow further voluntary opt-ins from 2024. The legislation to introduce the proposed mandatory phase from 2025, including a compensatory allowance, is due to be lodged by the end of April 2023 for Assembly approval.
- The extension of GST registration to offshore (online) retailers from 2023 was deferred to 1 July 2023. This was in response to a request from a group of businesses impacted by the new rules to allow them time for necessary systems changes.
- After public consultation, Economic Substance Law was extended to business partnerships. From 2023, they will file one combined notification each year, containing information relating to the partnership's economic substance and income tax position, where relevant. General partnerships will cease to file joint assessments from 2023.

- A review of the tax-appeals process included an initial public consultation was conducted at the end of 2022. The programme will now move to form a working group and consider the detail of legislative and other changes required.
- A wider review of the Stamp Duty regime is expected to commence during 2023, taking account of the new Government's strategic priorities for housing. This follows prioritisation in 2022 of legislation to implement a higher Stamp Duty rate for 'Buy to Let' investment properties, second homes and holiday homes, which was implemented from 1 January 2023.
- Further progress was made on tax policy to support long-term climate action including a replacement for fuel duty. Vehicle Emissions Duties for 2023 were increased as part of the Climate Neutral Roadmap and 9p per litre of fuel duty continues to be added to the Climate Emergency Fund.
- We continue to monitor the international roll out of the OECD global tax rules: ensuring that we preserve our commitment to global tax standards and maintaining our international tax competitiveness.

Revenue Jersey operational implementations in 2022 also included:

- The Combined Employer Return was introduced at the start of the year and employers have been getting used to it and upgrading their systems.
- The development and testing work to move Social Security Contributions from the aging legacy system to the new Revenue Management System has progressed well and is on course to be completed in 2023. Clearing this major piece of work will allow resources to focus on the development and rollout of online services. A digital strategy is being initiated to ensure future services are aligned to global best practice and wider government initiatives.

Integrated Technology Solution

Delivery of the Integrated Technology Solution was led by the Chief Operating Office (COO, see page 3) and T&E were the key clients for release 1. There were challenges to the delivery and all releases were replanned during 2022, and our work focussed on addressing these challenges, this included inputting to the design, user acceptance testing, supplier on-boarding, assisting with preparation of training for finance staff, requisitioners, suppliers and budget holders and new process design. The decision to go-live was made at the end of 2022 and the system went live (Release 1) in January 2023. Support for budget holders and requisitioners in the new system, as well as suppliers will continue throughout 2023 as the new system and processes are introduced as part of BAU. The Department will also be heavily involved in future releases throughout the year. From February 2023 lead responsibilities for ITS have transferred to the Treasurer following the departure of the Chief Operating Officer.

Commercial Services Transition

The transition of Commercial Services into Treasury and Exchequer and the continued work on the Integrated Technology Solution has enabled the complete procure to pay process reviews. Commercial changes within the Public Finances Manual are being embedded through training across the organisation, enhancing understanding of roles and responsibilities, alongside improved toolkits, which will enable enhanced compliance.

This integration will continue through 2023, this includes the establishment of a Procure to Pay (P2P) hub working collaboratively across T&E supporting our stakeholders both internally and externally to the organisation.

New Hospital funding

A financing solution was proposed in line with the previous States Decision to approve borrowing as the funding method for Our Hospital. This is outlined in the Government's debt strategy with the costs of servicing the debt due to be met through future gains made on the Strategic Reserve.

On 1st November 2022 the Minister for Infrastructure published R.154/2022: A Review of the Our Hospital Project, this report concluded that "*...it would no longer seem prudent to expend such a large sum on one project in such uncertain times.*" As a result, the approved Government Plan 2023-26 has significantly reduced the level of borrowing approval to align to the new approach for improvements to the Island's healthcare facilities.

Dedicated finance business partnering and commercial support has been provided to the Our Hospital programme during 2022.

Past Service Pension fund liability

The Treasury team led the issuance of a sovereign bond of £500m in May 2022 primarily to refinance existing employee past service pension liabilities. The lower effective interest rate means that Government can pay the interest on the bond and build a sinking fund for its eventual repayment in 2052, whilst saving £700 million of taxpayers money over the life of the bond.

Service Performance

The Treasury and Exchequer service measures for 2022 demonstrate the journey we are on as a department and how we are transforming our taxation, finance and commercial functions and the service we provide to our internal and external customers. An obvious example is the online tax form where online filing rates increased from 42% in 2021 to 47% in 2022 and 80% of people received their tax assessments within 30 days. We can also see that we pay the vast majority (99%) of invoices electronically and receive most income via digital channels (89%).

Revenue Jersey, supported by additional resources, has maintained service levels, whilst supporting Islanders' queries on Prior Year Basis and Independent Taxation. Email backlogs have been fully cleared and a new online enquiry form offers a 5-day turnaround for most personal tax queries. Taxpayer enquiries via telephone were answered on average under 5 minutes. The personal team tax help desk at La Motte Street re-opened for walk-in enquiries in July. Revenue Jersey piloted a mobile community helpdesk service jointly with colleagues in Modernisation and Digital, which achieved a customer satisfaction score of 92%.

The quantity of customer feedback gathered increased after the customer satisfaction survey was added to Revenue Jersey's phone call management system and online enquiry form. The overall 2022 rating increased by 1.5% to 67.5% on the previous year. However, the final quarter, achieved 71%, despite the seasonal spike in tax payment and ITIS rate enquiries.

The Comptroller and Auditor General recommended that Treasury should distribute the financial monitor to the Government of Jersey Extended Leadership Team within 10 working days of each month end. We have worked to reach the target of 100% of reports being submitted within 10 working days, however some Q1 reports were delayed due to work on the Annual Report and Accounts and to ensure quality standards were met (82%). Performance against this target was enabled by an increased speed of month end departmental finance report production which now only takes 8 days after ledger close – a reduction of 1 day from 2021.

2022 saw the total Common Investment Fund return a net loss of 6.5% (1 year Rate of Return) though longer term returns remain positive with an annualised rate of return over three years equalling 3.7% and 7.3% over ten years. Losses in 2022 have stemmed from a number of factors including the war on Ukraine and the ongoing impact of Covid on supply chains, particularly in China. These shocks have fed through to a rapid rise in inflation and strong central bank responses in the form of rapidly rising interest rates. This combination of events have resulted in a broad market sell off impacting both fixed income and equity markets.

The Investment portfolio has underperformed market benchmarks by around 3.5% over the course of 2022, which has fed through to longer term performance metrics. Underperformance versus the market is expected from time to time as the CIF follows an active approach taking positions away from the benchmark with the aim of delivering outperformance over the long term. The independent Treasury Advisory Panel remains confident in the positioning of our portfolio and its ability to meet our long term aims.

A recent review of our Government credit rating demonstrated continued market confidence in the Island's finances.

This year has seen an increase in maturity in Commercial Services' data capture, manipulation and reporting to better deliver insight-led decision making, improved ways of working, and steer transformation. We have seen changing behaviours across government in registering and storing contracts in a central repository, significantly aiding contract management and improving governance and risk management.

The increased number of commercial exemptions received suggests an improved understanding of guidance as well as better compliance with policy. Transformation will be critical to address business needs for upskilling commercial capability and easy to use guidance and toolkits for end users.

We have exceeded our target for additional tax revenues assessed – increasing the additional amount to £24.2 million in 2022 (2021: £12.9m). This service measure reflects improvements to compliance activities and building the Revenue Jersey team and Revenue Management System. Revenue Jersey has continued to enhance its capabilities with improvements in staff training and the bedding in of the target operating model. Revenue Jersey published its second annual programme for compliance activities in accordance with the Revenue Compliance Strategy.