



Deputy Sam Mézec
Chair, Corporate Services Scrutiny Panel

By email: s.mezec@gov.je

6 November 2023

Dear Deputy Mézec

Corporate Services Scrutiny Panel - Government Plan Review 2024 - 2027

Thank you for your letter dated 13 October 2023. You requested:

- any observations on the Terms of Reference of the Panel's review of the Government Plan 2024 -2027, the wider Plan and the spending commitments within the Plan; and
- any comments and views in relation to specific matters set out in your letter.

My role

You will appreciate that my responsibilities stem from legislation, in particular the Comptroller and Auditor General (Jersey) Law 2014. I am responsible for providing the States Assembly with independent assurance that the public finances of Jersey are being regulated, controlled, supervised and accounted for in accordance with the Public Finances (Jersey) Law 2019 and other specified legislation and reporting to the States Assembly in relation to:

- a) general corporate governance arrangements
- b) the effectiveness of internal controls, and of the internal auditing of those controls
- c) whether resources are being used economically, efficiently and effectively; and
- d) actions needed to bring about improvement, where improvement is needed.

LYNN PAMMENT

Comptroller and Auditor General

Jersey Audit Office, de Carteret House, 7 Castle Street, St Helier, Jersey JE2 3BT
T: +44 1534 716800 E: enquiries@jerseyauditoffice.je W: www.jerseyauditoffice.je

My primary focus is on implementation rather than policy and is backward-looking rather than forward-looking.

My main point of liaison is with the Public Accounts Committee, which I have a statutory duty to attend, rather than with Scrutiny Panels.

However, the Code of Audit Practice that I have prepared and published provides that, where requested by a Scrutiny Panel, I shall consider whether to provide evidence to a Panel where if, in my opinion, doing so would assist the Panel and not compromise the discharge of my functions.

In that context, I am happy to provide observations in response to your request. In doing so I have taken the Government Plan Priorities as a basis for aligning 'open' recommendations (as shown on the Government of Jersey C&AG recommendations tracker in April 2023) and linked to the Panel's review objectives. The Appendix to this letter contains details of my analysis and observations.

I trust that you will find this response to be of assistance to your review. If you would like to discuss further, please do not hesitate to contact me.

Yours sincerely



Lynn Pamment
Comptroller and Auditor General

Appendix - Analysis of Government Plan in respect of 'open' C&AG recommendations

First, specifically relevant to the Government Plan, a recommendation from the **Risk Management follow up (October 2022)**

Recommendation	Evaluation
Review the Managing Risk section in future Government Plans to ensure that it reflects high level risks of delivering the priorities in the Government Plan rather than a small sample of risks taken from the Corporate Register.	Reference to risk is contained throughout the Government Plan. There are clearer links between risks, priorities and the corresponding response of the Government Plan, especially in the overarching 'sustainable wellbeing' section.

Government Plan objectives	Relevant 'open' C&AG recommendations	Panel focus
Investing now		
<p>Supporting Islanders through Cost-of-Living crisis:</p> <ul style="list-style-type: none"> • Keeping money in Islanders' pockets through increased support and allowances • Balancing alcohol duty • [] increase road fuel duties with inflation supporting Carbon Neutral objectives • Continuing to subsidise GP fees through funding from the Health Insurance Fund 	<p>Economic, Social and Health-related Recovery from the COVID-19 pandemic (September 2023)</p> <p>Review the lessons learnt from the implementation of all COVID-19 support schemes when considering the design of future benefits and other schemes established by Government to support businesses and individuals.</p>	<p>Whether the revenue expenditure growth, capital and other projects are appropriate and likely to have a positive impact on</p>

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<p>Improving access to housing:</p> <ul style="list-style-type: none"> • Renovating Assisted Purchase Home Ownership scheme • Recognising the housing needs identified in the Bridging Island Plan [] investing in the Island's surface water and foul sewage drainage network • Proposing to increase the first-time buyer stamp duty threshold to £700k • Improving standards of rental properties through the new landlord licensing scheme. 	<p>Enhance procedures to ensure that the existence of potential conflicts of interest and the mitigation actions taken are recorded in minutes of all oversight and decision making groups.</p>	<p>Islanders and Island life.</p>
<p>Providing good quality healthcare for the future:</p> <ul style="list-style-type: none"> • Significant additional investment in the Island's healthcare system (HCS budget from £249m to £287m) • In addition to inflation, a £8m pa provided to maintain health & community care standards. • As part of turnaround of HCS a financial recovery plan has been developed and will deliver £25m in efficiencies per year by 2025. • Financial recovery plan has developed over 50 schemes [] including improved recruitment and retention of frontline staff in health. • Recovery plan identified £15m structural deficit in financing of HCS. Government Plan has provided for legacy underfunding 	<p>SEB follow up (October 2022)</p> <p>Produce a consolidated report on progress against the People Strategy for consideration by the SEB on a regular basis.</p> <p>Ensure that establishment data held by Treasury and Exchequer and by People and Corporate Services is reconciled on a regular basis.</p> <p>Update the protocol for the operation of the People Hub and monitor performance against the agreed protocol.</p> <p>Deployment of staff resources in HCS: (January 2023)</p> <p>Enhance the engagement at specialty level in the development of the HCS Workforce Strategy. In doing so, ensure that there is an agreed way forward for future clinical operating models and medical staffing models at specialty level.</p>	<p>The impact of the Government Plan proposals on departmental budgets, savings and staffing levels.</p> <p>How the proposed revenue expenditure growth, capital and other projects align with the Common Strategic Policy to deliver on the priorities, and with the objectives of the Ministerial Plans.</p>

Government Plan objectives	Relevant 'open' C&AG recommendations	Panel focus
<p>plus £6m in 2024 while the financial turnaround is delivered.</p> <ul style="list-style-type: none"> • Covid-19 has shown need for greater resilience and support for public health function [so] plan provides £3m (ongoing) 	<p>Clarify the planning assumptions that should underpin the HCS Workforce Strategy in respect of the future care model and the Our Hospital programme. Continue to review these planning assumptions as decisions are made with respect to the future care model and the Our Hospital programme.</p> <p>Ensure that the wider HR service, which is currently spread across three teams, is co-ordinated and that there is sufficient specialist HR and finance support within the team developing the HCS Workforce Strategy.</p> <p>Implement a specific Organisational Development programme to improve the current variable levels of medical staff engagement. In doing so, consider whether the programme would benefit from external facilitation and ensure that the programme includes senior clinicians as well as senior managers.</p>	
<p>Delivering public services:</p> <ul style="list-style-type: none"> • This Government Plan funds the provision of affordable public services, supporting the sustainable wellbeing of Islanders whilst protecting services from the worst impacts of inflation. • This includes [] education, healthcare and ensuring public safety through our blue light services and the justice system. • [] continue to invest in public services for islanders, by providing an additional £24m per year. • [] £113m capital programme in 2024 including infrastructure and public estate developments. 	<p>Handling and Learning from Complaints - Follow Up (August 2023)</p> <p>Develop an overarching, coherent, prioritised and resourced action plan to deliver on the stated duty to ensure all customers can easily provide feedback on publicly funded services.</p> <p>Long Term Care Fund (February 2022):</p> <p>Re-evaluate the basis for the grant contribution from the States to the LTCF</p> <p>Carry out a full review of the management charge to the LTCF and ensure that the charge is an accurate representation of the costs of managing the fund.</p> <p>Complete the proposed review of the asset disregard level included in the LTCS during 2022, to</p> <ul style="list-style-type: none"> • consider whether a revised level is more appropriate to meet the objectives of the scheme; and • provide a basis for future reviews. 	<p>The impact of the Government Plan proposals on departmental budgets, savings and staffing levels.</p> <p>Whether the resources allocated to revenue expenditure growth and capital and other projects are sufficient, ensure value for money and demonstrate best use of public funds.</p> <p>Whether the revenue expenditure growth, capital and other</p>

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	<p>Undertake a formal analysis of care costs to inform the 2022 review of the following variables within the LTCS:</p> <ul style="list-style-type: none"> • standard care cost at each level • standard co-payment • standard personal allowance; and • standard care cost cap - single and couple. <p>Review and update existing framework agreements with all care providers. Ensure that the update includes a clear articulation of the data and quality standards required from care providers</p> <p>Efficiency Savings (March 2023)</p> <p>Review the current efficiency savings plans and develop a clearly articulated strategic approach to delivering efficiency, innovation and improvement, that:</p> <p>(i) is closely linked to the States' wider strategic objectives for service improvement and organisational development</p> <p>(ii) analyses service performance in terms of resource input, service output and service outcome to identify the greatest opportunities for efficiency savings; and</p> <p>(iii) focusses on long term sustainability gains and service improvement, alongside shorter-term savings.</p> <p>Assess the impact of the reductions in budgets on service performance and the sustainability of the reductions in relation to service objectives both in the short and the long term.</p> <p>Ensure that benefits realisation strategies are documented at the outset of all major and strategic projects.</p> <p>Ensure that benefits realisation strategies are implemented, monitored and reported on all major and strategic projects.</p>	<p>projects are appropriate and likely to have a positive impact on Islanders and Island life</p>

Government Plan objectives	Relevant 'open' C&AG recommendations	Panel focus
	<p>Estate Management follow up (2021)</p> <p>The Corporate Asset Management Board should, as a matter of urgency, develop a 5-year asset management plan, which would describe the tactical elements, that is, the intent for any property, drawing from the Common Strategic Policy and/or the Government Plan and other initiatives such as 'Putting Children First' and the Wellbeing programme, where progress against the Estate Strategy would be monitored on an annual basis.</p> <p>Greater emphasis should be placed on advancing the Estate Management implementation plan including completion of all Asset Management Plans for all States-owned properties.</p> <p>Any future asset management system should be fully utilised, to ensure value for money and aid a co-ordinated approach to property management and maintenance.</p> <p>A detailed plan to ensure all States owned properties comply with disability legislation should be put in place and shared with stakeholders and property users clarifying needs and priorities along with associated implementation plans and anticipated costs and timing</p> <p>The designated 'responsible' team should produce an up-to-date, coherent and cohesive Property Management and Maintenance programme to include a programme/schedule of works on all buildings in the States Estate, linked to the Estate Management Strategy with regard to short-term/medium term and long-term plans for each property.</p>	

Government Plan objectives	Relevant 'open' C&AG recommendations	Panel focus
Investing in our future		
<p>Helping children & families:</p> <ul style="list-style-type: none"> • Raising childcare allowances • Increasing investment in facilities, including [] secondary school and [] youth club. Investing £1.7m in specialist children's homes [and] £2.6m in frontline services to support pandemic recovery (children / young people). • [] creating an innovative and inclusive education system • Investment in Education Reform and Inclusion Programme, Early Years and Children's Social Care • Expanding free primary school meals project. 	<p>Handling and Learning from Complaints - Follow Up (August 2023)</p> <p>Develop an overarching, coherent, prioritised and resourced action plan to deliver on the stated duty to ensure all customers can easily provide feedback on publicly funded services.</p> <p>Require schools to provide information to CYPES on numbers, themes and outcomes of complaints they receive which:</p> <ul style="list-style-type: none"> • are resolved at Stage 1; and • are managed by the Head Teacher or the school's Board of Governors at Stage 2 and Stage 3. <p>Work planned that should be prioritised: Establish a process and timeframe for periodic review of decisions about:</p> <ul style="list-style-type: none"> • what data about those who provide feedback is captured; and • how captured data is evaluated and reported in support of wider Government of Jersey objectives. <p>CAMHS (September 2022)</p> <p>Strengthen:</p> <ul style="list-style-type: none"> • the use of Jersey specific risk data and wider determinants of health in forecasting demand for children's mental health services (both capacity and services needed); and • cross-departmental measures of the impact of interventions, including as part of the Jersey Performance Framework. <p>Ensure improvements to on-Island inpatient care for children and young people are implemented, including by setting and monitoring Key Performance Indicators (KPIs) to demonstrate improved service user experience.</p>	<p>The impact of the Government Plan proposals on departmental budgets, savings and staffing levels.</p> <p>Whether the revenue expenditure growth, capital and other projects are appropriate and likely to have a positive impact on Islanders and Island life</p>

Government Plan objectives	Relevant 'open' C&AG recommendations	Panel focus
	<p>Also:</p> <p>Recommendations as above for Efficiency Savings and Estates Management</p>	
<p>Delivering new healthcare facilities:</p> <ul style="list-style-type: none"> • [] a phased approach to delivering New Healthcare Facilities [through] multiple projects over a longer period • [] flexibility to proceed with these projects once confident they are affordable • £52m in 2024 for the development of design and planning work [providing] a proposition for States Assembly to debate summer 2024 • [] estimates that the total additional funding to deliver an acute facility at Overdale to be a maximum of £675m and a further £35m to make meaningful progress on development of the plans for future phases over this Government plan period 	<p>Learning from Previous Hospital Projects - Follow Up (May 2023)</p> <p>Ensure that effective mechanisms are put in place to review and, where appropriate, update the Functional Brief for key strategies which should inform capacity requirements as they are finalised</p> <p>Establish clear and robust criteria to underpin decision making for the New Healthcare Facilities Programme. Document targets and tolerances and any weighting against the criteria</p> <p>Clearly set out reasons for any deviation from the agreed criteria, the thresholds or the weighting and what has been done to mitigate the risks of the changes made</p> <p>While recognising that risks and opportunities in health care constantly evolve, ensure that criteria for evaluation at any point in time fairly and reasonably represent a sustainable value for money position.</p>	<p>Whether the resources allocated to revenue expenditure growth and capital and other projects are sufficient, ensure value for money and demonstrate best use of public funds.</p> <p>Whether the revenue expenditure growth, capital and other projects are appropriate and likely to have a positive impact on Islanders and Island life</p>
<p>Developing our economy and skills:</p> <ul style="list-style-type: none"> • Supporting our farmers and fishers with £1.2m investment in rural and marine sectors. • Investing in innovation and enterprise technology through the Impact Jersey scheme. • £450,000 in tax incentives to grow Jersey's economy including: 	<p>Economic, Social and Health-related Recovery from the COVID-19 pandemic (September 2023)</p> <p>Review the lessons learnt from the implementation of all COVID-19 support schemes when considering the design of future benefits and other schemes established by Government to support businesses and individuals.</p> <p>Enhance procedures to ensure that the existence of potential conflicts of interest and the mitigation actions taken are recorded in minutes of all oversight and decision making groups.</p>	<p>Whether the resources allocated to revenue expenditure growth and capital and other projects are sufficient, ensure value for money and demonstrate best use of public funds.</p>

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<ul style="list-style-type: none"> • 150% tax super-deduction for RegTech investment. • 60-day tax exemption period for short-term business visitors. • Credit-based relief for foreign tax on employment income 	<p>Integrated Technology Solution - Follow Up (April 2023)</p> <p>Finalise and publish the Technology Strategy.</p> <p>Prepare and publish six-monthly update reports on progress in implementing the Technology Strategy.</p> <p>Produce annual reports on benefits realisation from closed programmes to allow transparent reporting on long-term benefit realisation.</p> <p>Ensure that the key strategic risks associated with programmes are identified, recorded and managed</p> <p>Ensure business readiness checklists for future releases include a service-related dimension which provides evidence that each significant service area across the States of Jersey is satisfied that the functionality has been tested and signed off as meeting business needs.</p> <p>Also: Recommendations as above for Efficiency Savings and Estates Management</p>	<p>Whether the revenue expenditure growth, capital and other projects are appropriate and likely to have a positive impact on Islanders and Island life</p>
<p>Creating a more inclusive and vibrant community:</p> <ul style="list-style-type: none"> • Partnering with charities and community groups to deliver activities that improve Islanders' wellbeing through the community compass scheme. • Maintaining 1% of government spending to Arts, Heritage, and Culture. • Continuing to progress the redevelopment of Fort Regent. • Investing a total of £11.7m for renovating the Jersey Opera House. 	<p>Grants and subsidies (December 2017)</p> <p>Undertake a corporate review of grants and other support to identify the total level of support to individual bodies and whether that is in line with organisational objectives.</p> <p>Review the range of existing governance arrangements for individual grants and grant schemes and justify differences by reference to business need.</p> <p>Develop an overall States-wide framework for grants.</p> <p>At Corporate Management Board level, develop a corporate action plan to address the recurring weaknesses in the management of grants and monitor its implementation.</p>	<p>The impact of the Government Plan proposals on departmental budgets, savings and staffing levels.</p>

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	<p data-bbox="719 264 1671 296">Handling and Learning from Complaints - Follow Up (August 2023)</p> <p data-bbox="719 331 1816 437">Develop an overarching, coherent, prioritised and resourced action plan to deliver on the stated duty to ensure all customers can easily provide feedback on publicly funded services.</p> <p data-bbox="719 472 1805 612">Work planned that should be prioritised: Develop and implement a 'checklist' to support departments in ensuring contractor arrangements on managing complaints dovetail with the requirements of the Government's Customer Feedback Policy.</p> <p data-bbox="719 647 1789 718">Work planned that should be prioritised: Establish a process and timeframe for periodic review of decisions about:</p> <ul data-bbox="719 737 1800 858" style="list-style-type: none"> • what data about those who provide feedback is captured; and • how captured data is evaluated and reported in support of wider Government of Jersey objectives. <p data-bbox="719 893 1800 963">Economic, Social and Health-related Recovery from the COVID-19 pandemic (September 2023)</p> <p data-bbox="719 999 1744 1104">Review the lessons learnt from the implementation of all COVID-19 support schemes when considering the design of future benefits and other schemes established by Government to support businesses and individuals.</p>	