

Le Bas Centre,  
St. Saviour's Road,  
St. Helier,  
Jersey JE2 4RP

t: 01534 443600  
f: 01534 443699  
e: enquiries@fnhc.org.je  
w: fnhc.org.je

Mark Egan  
Greffier of the States  
States Greffe  
Mourier House  
Halkett Place  
St Helier  
JE1 1DD

6<sup>th</sup> April 2017

Dear Mr Egan

### **Health and Social Security Scrutiny Panel - Service Users of Home Care Report**

I am writing to you in respect of the Health & Social Security Scrutiny Panel report entitled Service Users of Home Care that was published on 27<sup>th</sup> February 2017.

Having had the opportunity to review and discuss the full report, only once it was published, the Family Nursing & Home Committee would like to make what it sees as very important observations. It feels strongly about these due to the potential for misrepresentation to our supporters and the public of Jersey who we provide care for in many ways.

The content of parts of the report are, in our opinion, factually incorrect and are potentially harmful to FNHC as an organisation, to our Committee of Trustees, our Senior Management and to the process of consultation we are in the midst of with our employees, most notably those in our Home Care division.

By way of background, [REDACTED] passed Section 4 of the report by Adrian Blampied and Julie Gafoor prior to the report being issued. This was a welcomed process as there were some points of clarification that were required. It is unfortunate that we were not party to a complete draft of the report prior to its release.

I will address the points in chronological order of the final report:

- 1) In the third paragraph of the Executive Summary on page 4, it states *"As a result, the minister for [HSSD] has extended the funding arrangement with FNHC until January 2018 in order to allow for a smoother transition"*.

This implies that there is no change to our funding which is incorrect.

Prior to 2017, funds were paid to FNHC under a contract for commissioned services, which included Home Care, District Nursing, Health Visiting, School Nursing and Children's Community Nursing (the latter three being collectively known as Child & Family Services) and latterly MECSH and Rapid Response & Reablement. The following points do not include the funding figures for Rapid Response & Reablement or MECSH as these were new services and including them would not allow a like for like comparison:

- 2015 funding was £6.4m;
- 2016 funding was £5.97m (FNHC only notified of reduction seven months in to 2016);
- From 2017 Home Care is no longer commissioned and the remaining commissioned services have funding of £5.6m;
- The funding mechanism for commissioned services changed in 2017 to be that of a more comprehensive funding model;
- For 2017 only, HSSD are paying £9 per hour for FNHC clients, not yet on Long Term Care, that were also clients as at 31 December 2016;
- The total funds HSSD have allocated to this is £240k and will reduce as and when those existing clients transfer to LTC;
- The smooth transition that the minister was referring to is for the client only and has no bearing on the necessary revision of terms and conditions of employment;
- Clients were, up to 2016, being charged £11 per hour. From 2017 the rate goes up to £22 per hour. The HSSD subsidy of £9 means those clients will only have to pay £13 per hour for 2017.

It is damaging to the staff consultation process we are having to navigate and also confusing to our clients as this message implies there is no change in funding so therefore why would we still need to increase charges and review terms and conditions.

- 2) Finding 1 states that “[HSSD] and FNHC appear to have operated for years without the full knowledge of the costs attributable to home care”.

This is simply not true and implies that neither our Committee nor Senior Management, understand the cost of the home care service. We have complete knowledge of the costs of Home Care and indeed all other areas of FNHC's business, whether commissioned or not. Furthermore our accounts are compliant with the UK Charities SORP, independently audited and published each year.

What we assume was meant is that there was no understanding of the cost of Home Care from HSSD's perspective, i.e. what HSSD was specifically paying for the individual commissioned services of Home Care, District Nursing and Child & Family Services. HSSD only knew what it was paying for the collective contract.

There may have been, prior to 2016, no formalised (between HSSD and FNHC) breakdown of how revenue from HSSD was apportioned to the individual commissioned services of our contract (District Nursing, Child & Family and Home



Care). There was no obligation under the terms of the contract to apportion funds received and as such it was accounted for at a contract level. Toward the end of 2014, whilst under Derek Hodinott's tenure of Deputy Commissioner, apportionments were proposed by FNHC and that appears to have been the catalyst of the memo Mr Hodinott sent to Rachel Williams and Jason Turner, which was never shared with FNHC. I will address this memo later in points 3) and 7).

The costs of the underlying services however have always been transparent and fully understood. All funds received were utilised toward fulfilment of the contractual obligations. The way the finding is currently worded causes considerable damage to FNHCs reputation making it appear that we are unprofessional whereas financial control is taken very seriously.

### 3) Finding 2

The report states that "on the part of FNHC there was a seeming reluctance to accept and engage with the changes."

We would argue that it was the opposite and that it was our determination to get some joined up policy for the benefit of the elderly in our community and, equally important, a strategy/ policy which had either been approved by the Minister or through the States processes including Scrutiny, and which had been communicated to us clearly in writing.

Throughout the process, there seemed to be a reluctance on the part of HSSD officers to put anything in writing, or, indeed, the Minister, who I advised to make a Statement to the States as this was a change of some significance.

Managing a change on this scale, essentially the privatisation of home care, the decommissioning of a service affecting many vulnerable elderly, potential redundancy of large numbers of staff and relocation of many vulnerable elderly clients to new providers, the introduction of a new care component to the Income Support System etc, requires full political support and clear action plans, all of which, it seemed to us, were studiously avoided. From all the evidence now available, we see that things were going on behind the scene. We still have no idea why the papers were not shared with FNHC staff, the FNHC Committee was never advised in writing and at what stage they were approved by the Minister.

This finding also makes no mention of the fact that HSSD had clear intentions to decommission FNHC Home Care, as set out in Derek Hodinott's memo to Jason Turner and Rachel Williams in November 2014, and that those intentions were not communicated to FNHC despite that being a recommendation of the memo. See also point 7) below.

You say it was a "seeming reluctance to accept and engage with the changes" that "led to FNHC's announcement in September 2016 with regards to their staff terms and conditions."

The delay between May and September 2016 was actually for two reasons. Firstly, having written to the Minister in May 2016 to request that he make a Statement in the States and we would coordinate an announcement to staff and customers at the same time, we waited to no avail until money was being withdrawn and it was clear that no announcement would be made. We still do not understand why it was left to FNHC to make a public statement on a States policy of this importance, especially one that had not been previously brought to the Members' attention.

Secondly, we had three new members appointed to the Committee in May 2016 who were not convinced with the previous members' decision to set up a not for profit business instead of stopping the service and making all staff redundant. They took the view, not unreasonably, that this was a very high risk strategy. It took those members, and staff effort in refining the business case, a few months to be convinced it was a risk worth taking. It should also be noted that the Committee had constantly striven to get a steer on the political view of our continued involvement in the market when the drive seemed to be get us out of the market and let the private sector provide.

- 4) Finding 3 is not clear that the letters inviting FNHC's clients to be assessed for the Long Term Care Scheme was from HSSD and not FNHC. In fact HSSD are not mentioned in the finding at all leaving it open to interpretation that it was FNHC who hadn't given sufficient notice to those in our care.
- 5) Issues for Further Consideration on page 12.

The first bullet point alludes to "potential risk" from our remodelling of terms and conditions, working hours and benefits. Our remodelling is to enable effective operation in a commercial sector, a sector that has been stimulated by HSSD and Social Security. We are trying our utmost to ensure terms and conditions are as good as they can be in the given environment, i.e. one that is funded by a ceiling rate of £18.18 per hour. If the Panel feel there are risks associated to this then comment should really be more specific in relation to concerns for the sector as a whole.

One could question whether it is right that a sector that operates under a States of Jersey Approved Provider framework, which stipulates the level of carer qualifications, training and working practices, is unable to pay their employees the same as similarly qualified employees of the States of Jersey.

- 6) The last line of the conclusion "*...prior to the removal of the home care funding in January 2018*"

This again is misleading and potentially damaging to our consultation process. It implies that Home Care is being funded until January 2018 which it is not. Please refer to point 1) above.

- 7) Appendix 2 provides the reader with details of "*...correspondence between [HSSD] and FNHC.*"



The second document referred to in Appendix 2 is a “Note from Derek Hodinott to Rachel Williams/Jason Turner - Recommendations.”

Firstly, this is not correspondence between HSSD and FNHC and implying so makes it look like we were aware of the detail set out within the document (as briefly summarised in the key points column).

Secondly, it should be clearly pointed out that FNHC never had sight of this memo and that HSSD did not disclose it to Scrutiny – it only coming to light as a result of a FOI request.

Thirdly, the key points summarising the document also omit the fact that the recommendation of this memo was to formally communicate the intentions to FNHC, something which was not done.

Throughout this whole sorry business, and I say that with nearly 40 years’ experience working in the public sector, the Committee has always acted in the interest of the vulnerable elderly. Our Constitution encourages us to speak out on matters of concern on their behalf. This should not be taken as reluctance to change but a desire for a clear strategy, policy and action plan, which has been through the scrutiny process, which enhances the current system and ensures that everyone is able to afford the right levels of care. You only need to look at what FNHC has achieved over recent years in taking on new services and decommissioning the domestic service, again, at short notice. The leadership has been of very high quality and I pay tribute to Julie Gafoor, Adrian Blampied and the senior management team in delivering all this change and safeguarding the interests of our clients.

I am not sure what the process is now but this is a serious difference of opinion, involving reputational risk which needs to be resolved. If I can be of further assistance, let me know.

Yours sincerely,

*Ann Esterson*

**Ann Esterson**  
**Chair**

cc Deputy Richard Renouf, Chair, Health & Social Security Scrutiny Panel  
([r.renouf@gov.ie](mailto:r.renouf@gov.ie))

cc Deputy Geoff Southern, Vice Chair, Health & Social Security Scrutiny Panel  
([g.southern@gov.ie](mailto:g.southern@gov.ie))