

**WRITTEN QUESTION TO THE MINISTER FOR HEALTH AND SOCIAL SERVICES
BY DEPUTY J. RENOUF OF ST. BRELADE
QUESTION SUBMITTED ON MONDAY 19th MAY 2025
ANSWER TO BE TABLED ON TUESDAY 27th MAY 2025**

Question

“Given the reported overspends in his department since 2022, will the Minister provide a costed list of where the overspends have occurred in each year, along with the steps being taken to reduce such overspends in the future?”

Answer

The following tables present the costed lists of where overspends have occurred each year since 2022:

| | 2022 | 2023 | 2024 | 2025 | |
|--|---------------|---------------|---------------|---------------|--------------------------------------|
| | £ '000 | £ '000 | £ '000 | £ '000 | Comments |
| Government Plan Budget (Opening) | 226,290 | 249,032 | 286,235 | 322,065 | |
| Budget Closing | 246,931 | 302,324 | 333,363 | 332,792 | 2025 budget current as at May |
| Deficit Funding allocated to balance position (2022-2024) * | 15,916 | 32,022 | 28,812 | | |
| Current Year Forecast Overspend | | | | 18,280 | 2025 forecast as per April reporting |

| Rationale of overspend | |
|---|---------------|
| 2022 | £ '000 |
| Placements- Mental Health & Social Care | 2,800 |
| Care Commission Preparation | 130 |
| Rehab Services Samares | 583 |
| Special Payment (Employment Legal Case) | 375 |
| Rebalancing Target 2022 | 6,250 |
| Hugo Mascie-Taylor Response | 136 |
| Les Amis additional payments | 48 |
| Surgical Income Deficit | 2,800 |
| Tertiary Care and Ward Managers | 2,794 |
| | 15,916 |

| Rationale of overspend | | |
|---|--------|--|
| 2023 (Deficit Funding allocated £32.0m) | £ '000 | |
| Staff Costs overspend | 11,300 | Key overspends Medical Services £10.3m, Surgical Services £4.1m, WACS £1.7m, offset by vacancy savings elsewhere |
| Non Pay- Opening Budget Pressure | 9,200 | |
| Non Pay- Mental Health and Social Care | 4,900 | Domiciliary Care Packages, Off-Island Placements and on-Island support packages |

| | | |
|--|---------------|---|
| Non-Pay- Surgical Services | 2,200 | Consumables spending from additional public work, charter flight contract, previous years costs due to accounts payable system issues |
| Non Pay- Tertiary Care | 1,300 | Demand pressures, high cost treatments, and price inflation above general inflation |
| Non Pay- Chief Nurse | 1,200 | Accommodation Service additional costs, partly offset in income over-recovery |
| Non Pay- Non-Clinical Support Services | 900 | Patient travel and accommodation costs related to increased activity |
| Non Pay- Estates | 600 | Maintenance works due to an increasingly ageing estate |
| Non Pay- Jersey Care Model Initiatives | 500 | |
| Non Pay- Medical Director | 200 | |
| Income overachievement | -300 | |
| | 32,000 | |
| Rationale of overspend | | |
| 2024 (Deficit Funding allocated £28.8m) | | |
| | £ '000 | |
| Staff costs overspend | 6,196 | Key overspends in Medical Services £4.5m, Surgical Services £2.1m, and WACS £1.8m, offset by vacancy savings elsewhere |
| Non Pay- Medical Services | 5,000 | Consumables/medical supplies and drugs |
| Non Pay- Social Care | 4,800 | Domiciliary Care Packages |
| Non Pay- Mental Health | 2,700 | Off-Island Placements and on-Island support packages |
| Non Pay- Tertiary Care | 2,400 | Demand pressures, high cost treatments, and price inflation above general inflation |
| Non Pay- Medical Director | 1,800 | Costs of investigations and insurance costs including settlements |
| Non Pay- Chief Officer's Dept | 1,300 | Included £1.7m opening budget pressure |
| Non Pay- Estates & Hard FM | 1,400 | |
| Non Pay- Surgical Services | 1,000 | |
| Non Pay - Patient Access | 700 | Patient Travel costs |
| Income underachievement | 1,516 | Surgical Services PP income under-achievement £3.8m, offset by over-recovery in Medical Director (HEE income) and Medical Services |
| | 28,812 | |

The accepted benchmark for sustainable recurrent level of savings delivery in the NHS is between 2%-3% year-on-year. The now well-established FRP Programme has delivered savings of £3.2m vs £3m plan in FY23, £8.9m (2.9% of budget, 2.7% against outturn) (recurrent £6.75m) vs £5m plan in FY24, and has planned savings target of £17.1m (5.4% of budget) in FY25 vs £8m plan.

In terms of the steps being taken to reduce such overspends in the future, in 2025:

- Efforts are being redoubled to recruit too hard to fill clinical vacancies currently covered by locums, and to replace locums with substantive employees.
- Job planning is well advanced to help improve efficiency and value across the medical workforce.
- Patient flow improvements are being identified, with interventions needed to divert admissions and reduce demand on A&E whilst addressing actions needed to reduce Delayed Transfer of Care (DTOC). This will support a winter plan for 2025.
- A monthly meeting between the Private Patient Strategy group and care groups to review delivery of income forecasts.
- Developing a centralised buying and purchasing function to deliver more efficiencies.

- Developing a prioritisation policy to support clinicians in decisions over which treatments to provide and which might be de-prioritised.
- Investing in infrastructure resources to implement firm grip and control and demand management processes.
- Developing strategic partnerships with UK providers to stabilise the clinical model, workforce, and generate income opportunities, and the work on new hospital facilities.

Longer term work is also being undertaken to assess additional financial requirements for two essential areas of work -

- 5 year plan to assist in delivering preventative healthcare to reduce eventual secondary care cost growth
- 5 year plan to digitise entire Health Service