

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 funds
- Ensure the provision of modern and highly valued services for the public.

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Performance Report



Senator John Le Fondré
Chief Minister

Chief Minister's Foreword

2021 continued to present a difficult challenge for the Government of Jersey, as we maintained our multi-faceted response to the Covid-19 pandemic while also maintaining business as usual. We worked hard to protect the community by mobilising the funds, systems, and staff needed to successfully develop life-saving public health guidance, a flexible border testing scheme, and a successful vaccination programme.

Our vaccination programme began on 13 December 2020 and continued throughout 2021. By the beginning of August, there was an 80% take-up for both primary doses in adults and the booster programme began in September. By the end of 2021, more than 200,000 doses of the Coronavirus vaccine had been administered to Islanders.

We maintained a comprehensive programme of financial support for the businesses and individuals most affected by the pandemic, engaging with local businesses and employees and continuing to benefit from Jersey's expertise through the Economic Council.

This Annual Report and Accounts reflects the significant work that has been undertaken by the Government as part of its response to the Covid-19 pandemic, and also highlights the progress which has been made on the Government's longstanding commitments to Islanders.

Covid-19 continued to have a significant impact on the performance of the public sector as colleagues were redeployed and public demand for services changed as their lives were affected by both the pandemic and the Government's response to it.

Despite this, we continued to tackle our strategic priorities. The Children and Young People's Emotional Wellbeing and Mental Health Strategy was developed in 2021 and runs until 2025. It funds a wider range of community and Government services to prevent and treat mental health problems, and to provide intensive support for more complex cases.

We have introduced family-friendly reforms giving new parents increased leave and support to care for their children.

A new Family Support Team was established to improve parenting and family stability, to reduce the number of children coming into care and to reunify families as their children leave care. We have created a new Intensive Fostering Service and funded a pilot scheme providing school meals in five primary schools.

Care leavers now receive financial support from a £1.67 million Corporate Parenting Package to move on to independent living and into suitable employment.

A new Health Access Scheme provides free GP visits for children up to 17 years old who are living in an income support household.

We have developed the Jersey Care Model – charting a future for healthcare in our Island that focuses on prevention and a patient-centred approach. We have invested in, and improved access to, mental health services, and we have established an on-Island Mental Health nursing degree. We have also opened the Listening Lounge, passed a new Mental Health Law and undertaken a £7.3 million project to build a dedicated acute mental health facility.

We have allocated £1.58 million to secure the provision of an Air Ambulance Service until 2024, provided £411,000 towards an adaptive surf centre run by Healing Waves and extended the rollout of HPV vaccines to boys aged 12 and 13 for the first time.

We have made important progress on several major capital projects, including the new Government headquarters, a new hospital and Fort Regent.

We have maintained Jersey's AA- S&P credit rating, despite the financial impact of Covid-19. We have established a Digital Academy and supported both the Island's growing digital sector and the emerging medicinal cannabis sector.

We have delivered long term projects such as the Migration Control Policy, approving seasonal work permits for the agriculture industry and creating 150 seasonal work permits for the hospitality industry.

We have launched an annual income and spending survey and established the Business Licensing Skills fund. We have provided £160,000 in funding for Art House Jersey and ensured that 1% of the Government's budget is devoted to arts and culture.

Our External Relations team has represented Jersey's interests in the post-Brexit negotiations between the UK and EU, working to increase Jersey's visibility, improve access to decision-makers and facilitate business flows with priority global markets around the world. Our new sanctions and asset-freezing law has been brought into focus by the prompt action taken alongside the UK in response to the Russian invasion of Ukraine.

As part of our commitment to reduce income inequality, we have subsidised GP fees for up to 12,000 Islanders on Income Support or Pension Plus. We committed the Government to being a Living Wage employer and have increased the minimum wage three times by a total rise of 5.6% since April 2019.

We froze Andium rents for 2021, capped social housing rent increases, and set new minimum standards for rental properties. We also increased the Community Cost Bonus - leading caps by 13.8% and started to provide free bus travel for Jersey residents with long-term disabilities.

As part of our commitment to protecting our environment we have presented both a Climate Neutrality and Sustainable Transport Policy to the States Assembly, established a Climate Emergency Fund and run a Citizens' Assembly on Climate Change. We have also delivered a Shoreline Management Plan to protect our coast for the next 100 years, and we have passed a new Wildlife Law which will protect 46 types of animals and birds.

We have published a countryside access map and launched the Tiny Forest planting partnership; and extended free parking for electric and hybrid vehicles.

We have invested in the modernisation of the Government's record keeping and digital programmes, which assisted with the shift to home working and allowed the States Assembly to become the first parliament in the Commonwealth to meet digitally. We have also achieved a significant reform to Jersey's taxation system by moving all taxpayers onto a Current Year Basis.

We have also taken steps to re-finance our existing pension liabilities which will deliver significant long-term savings, even after allowing for inflation, of more than £700 million (£3.6 billion in cash terms). Of course, much of these savings will be delivered over the long term, but even over the next three decades or so, our plan will save the taxpayer around £300 million. This is equivalent to more than five times the cost of the new Les Quennevais School.

We have also been successful in our rebalancing programme which has achieved savings of £56 million for the taxpayer since 2020, with a further £20 million identified in the Government Plan for 2022. A total of £76 million annual recurring savings. This allows for additional resources to be invested into the priorities of Islanders while delivering effective public services.

I would like to thank the Treasury Minister and her department for their work in preparing this Annual Report and Accounts. The results speak for themselves: lower than expected spending, higher than expected income, a strong balance sheet, with assets increasing by £481 million to £8.1 billion; and consistently healthy investment performance, with gains of £348 million in 2021.

I would also like to recognise the hard work of colleagues across the public sector for their commitment to protecting the health and wellbeing of Islanders and providing the best possible services in difficult circumstances. Their flexible and resilient approach has enabled us to keep up with business-as-usual while also dealing promptly and effectively with the impact of a global health crisis.

To them and all our community, I want to say a huge thank you for your support and resilience during what have been some of the most challenging times that this Island has seen for many decades.

This is the final Annual Report and Accounts published during the term of this Council of Ministers and so I want to close by thanking every one of those officers who have worked so tirelessly to deliver the priorities of Ministers over the last four years. It has been a privilege to lead this Government and I believe, as these accounts show, despite the historic challenges we have faced, the Government retains strong reserves, a positive balance sheet and has achieved significant savings for Islanders, both in the short and the long term.



Senator John Le Fondré
Chief Minister

Date: 31 March 2022



Suzanne Wylie
Chief Executive

Chief Executive's Report

I am pleased to be presenting this Annual Report on behalf of the Government of Jersey, my first as the new Chief Executive and Head of the Public Service. The 2021 report shows that we have emerged from 2021 with our finances in better shape than expected and at the same time as continuing to support Islanders during a continued pandemic, the Government also moved forward with many of its priorities.

The report clearly demonstrates the breadth of the work undertaken by the Island's public sector. In particular, it shows how colleagues across Government have continued to adapt to deliver everyday services, protect the health of Islanders, provide ongoing support to those most impacted by the pandemic and also ensure that the Island remained resilient from an economic perspective.

The pandemic has, in my view, highlighted a growing agility, with teams reacting rapidly to ensure continuity of services. Services like Test, Track and Trace, Border Testing, the Covid-19 helpline, and Personal Protective Equipment Hub were quickly expanded or contracted as required and financial support packages were maintained for businesses and individuals. The organisation continued to pull together, with colleagues redeployed to where they were most needed, and officials working closely with business and community organisations to provide support and advice in a timely manner.

The range of business support packages, implemented by the Economy Department were extremely well received by those businesses and sole traders most impacted, which included the Visitor Attraction and Events Support Scheme, Fixed Costs Support Scheme, Visitor Accommodation Support Scheme, etc.

Also of note, was progress with new technology implementation, which included upgraded hardware and software to help colleagues across Government with more effective service delivery during the pandemic as well as enhancements to the online PCR test booking system, the introduction of an online system for booking vaccination appointments and the launch of the digital COVID status certificate.

In 2021, spending in response to Covid-19 was £109 million, compared to £190 million in 2020. By early April 2021, we had approved nearly £30 million, under the Fiscal Stimulus Fund, for projects that were timely, targeted and temporary and could accelerate economic recovery. Eleven projects were completed by the end of the year, with the remainder due to be finished by June 2022. There has been some rescheduling of major infrastructure projects due to the impact of Covid, with most of the unspent funding being transferred to 2022 to continue to move these projects forward. Progress continued with the Our Hospital

Project with the submission of the Planning Application in November 2021. The Corporate Portfolio Management Office and Commercial Services is also actively improving oversight of projects and capital spending programmes to secure better value for money and assurance on delivery.

In respect of our financial position, 2021 saw higher than anticipated earnings/income and economic activity, and less expenditure than budgeted. We were prudent in the face of the uncertainties of Covid-19, and fortunate that the impact was less severe than feared. We have a strong balance sheet, we have needed to borrow less than anticipated, and we have a good platform to build upon in 2022.

Whilst progress has been made against agreed targets for the Efficiencies and Rebalancing Programme, which was established in the 2020 Government Plan to support the modernisation agenda, departments encountered some challenges in the face of the pandemic. The efficiencies delivered in 2020 through one-off measures, of some £15m, have been carried forward to 2021, increasing the target for recurring savings measures to £35 million. It is pleasing to see that departments across Government have continued to rise to the challenge and delivered a further £32.9 million in this financial year, taking us close to the cumulative target of £60m across 2020 and 2021. In 2022, the Government will continue to strive towards the cumulative efficiency targets.

The Finance Transformation Programme to drive value for money and robust financial control, also continues to make good progress with for example, the roll out of Zero-Based Budgeting reviews and a more consistent approach to business cases. Substantial efforts have gone into preparing for the implementation of Connect, which as part of the Integrated Technology Solution, will join up finance, human resources and procurement systems, and provide the foundation for a shift in the way Government operates.

Turning to other achievements, External Relations established new cross-government structures to ensure we can input effectively into the UK Government's new programme of trade negotiations, and that the Trade and Cooperation Agreement is implemented in line with Jersey's interests.

The Minister for International Development, Deputy Carolyn Labey, launched a consultation on Island Identity, which will help foster a shared understanding of Island citizenship and belonging. This saw a programme of work to ensure that the Island's distinctive qualities can be recognised afresh, protected and celebrated, including the production of accessible resources for teaching and demonstrating our unique identity, commissioning key pieces of research, and understanding related issues that matter to Islanders.

The Island Public Estate Strategy 2021-35 was published and sets the framework for the management of all Government operational land and buildings under a single Corporate Landlord Model. It provides an assessment of our existing assets and defines the vision, aims and objectives for the Estates Strategy in the context of the current economic and financial environment, while balancing future needs and aspirations of the Island.

Another key milestone, achieved during the first half of 2021, was the contractual agreement on the development of a consolidated office that will bring together colleagues from across the public service to reduce our overall office estate and reduce the number of leases.

Across the public service, we continue to address long-standing issues of recruitment and

retention, creating opportunities for development and progression. Our People Strategy is already refocusing our efforts to develop on-island talent and skills. Last year, we welcomed our first cohort of interns and launched our World Class Manager programme to improve the quality of management across the public sector. As an employer, we are leading the way by being a Jersey Living Wage Employer and introducing a sector-leading approach to parental leave.

We have also built on the Jersey Performance Framework, which was introduced in January 2020, to measure how we are performing against a set of service performance measures defined in the 2021 Departmental Operational Business Plans. You will see some of these measures presented in this report as an illustration of how services are performing and helping us to focus on areas for improvement. These measures will continue to be refined in 2022.

In summary, I believe this report demonstrates that the public sector has been resilient in the face of adversity and has also continued to deliver the objectives set by the Council of Ministers in the Government Plan. It is evident that 2021 was again a year of managing our public finances to ensure that we protected and supported the health and wellbeing of Islanders, and the livelihoods of our businesses and this report shows that this has been achieved.

I would like to congratulate Jersey's public servants for these achievements and as the new CEO, I look forward to working alongside my colleagues to build on these achievements and at the same time, nurture a culture of continuous improvement to ensure we provide the very best services to Islanders.



Suzanne Wylie
Chief Executive

Date: 31 March 2022

Section 1

Introduction

Content of the Performance Report

The Performance Report includes the following information:

- A statement from the Minister for Treasury and Resources providing their perspective on the performance of the Government of Jersey during 2021 (see Minister for Treasury and Resources Foreword in Section 5)
- A statement from the Chief Executive Officer on the performance of the Government of Jersey during 2021. The Performance Report is also signed by the Chief Executive Officer (see Chief Executive Officer's Report)
- An analysis summary of performance (see 'Section 2 – 2021 Performance Highlights', 'Section 3 – Departmental Annual Reports', 'Section 4 – Delivering the Rebalancing Plan for 2021' and 'Section 5 - Financial Review')
- Information on respect for human rights, anti-corruption and anti-bribery matters (see 'Section 6 - Human Rights, Anti-Bribery and Anti-Corruption Statement')
- Information on environmental sustainability (see 'Section 7 - Environmental Sustainability Report')

The Jersey Financial Reporting Manual requires that the Performance Report provide a fair, balanced and understandable analysis of performance¹, and is reviewed by Auditors for consistency with other information in the financial statements².

¹Para. 5.2.2 JFRM2020 [R.144-2020 Accounting Standards to be Adopted for the States of Jersey's Annual Financial Statements 2020 [Min. T&R].pdf (gov.je)]

²Para. 5.2.3 JFRM2020 [R.144-2020 Accounting Standards to be Adopted for the States of Jersey's Annual Financial Statements 2020 [Min. T&R].pdf (gov.je)]

Scope of the Performance Report

Given the breadth of Government activity, the Performance Report necessarily summarises information from across the organisation. As such, the Annual Report and Accounts should be read as part of the suite of strategic and business planning and performance reporting information as set out in the Jersey Strategic Framework and Jersey Performance Framework.

The Jersey Strategic Framework includes the:

- Common Strategic Policy
- Government Plans
- Departmental Operational Business Plans
- Annual Report and Accounts
- Mid-Year Review
- Annual and Mid-Year Progress Reports

The Jersey Performance Framework includes:

- Island Outcomes and Indicators
- Service Performance Measures

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 introduced to provide Islanders with more timely information on the performance of Government Departments.

Jersey is unusual as a jurisdiction in publicly reporting on such a large range of service performance measures (around 160 for 2021) and is on a journey to develop the maturity of the range and relevance of the measures. Experience during 2021 highlighted that some of the service performance measures could not actually be reported on or were inward, rather than output, focussed. For 2022 further improvements have been made, with some measures dropped; some redrafted; and some new measures introduced. It is expected that the approach to service performance reporting will continue to evolve, with consideration around the extent and means of reporting corporate level data as compared to operational data; and the balance between what is reported on in the Annual Report and Accounts, as compared to more timely online reporting.

In order to assist readers in accessing further information we have sought to include links to additional information throughout the Performance Report.

Further information on Government of Jersey strategic and business planning and performance reporting can be found [here](#).

Introduction

It should also be noted that the Performance Report does not set out in detail relevant delivery from Non-Ministerial Departments, States-Owned Enterprises and arm's-length bodies, many of whom produce their own annual reports.

The abbreviations for Ministers and Departments used throughout the Performance Report can be found at Appendix 1.

Section 2

2021 Performance Highlights

This section highlights examples of:

- COVID-19 performance; and
- significant change and improvement to support the Common Strategic Policy (CSP) priorities and Modernising Government during 2021.

The highlights touch on many of the key programmes and projects delivered by the Government of Jersey during 2021, together with examples of exceptional service delivery and other notable awards or recognition. Each programme and project box describes:

- Project Title
- Common Strategic Policy (CSP) reference
- Lead Minister
- Lead Department
- What was accomplished in 2021.

More detail on the progress during 2021 of Government Plan and Departmental programmes and projects that support the CSP priorities and Modernising Government can be found in the [Annual Progress Report for 2021](#). The graphic below provides a quick reminder of the 5 Common Strategic Policy and Modernising Government strategy.

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



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.

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

COVID-19 Performance

During 2021, the agenda for the Government was again dominated by COVID-19 and the need to interrupt transmission and mitigate potential harms. But the year began more positively, seeing the roll-out of a vaccination campaign which gained momentum and impact as the year progressed. The combined effect of effective vaccination and the lower severity of the Omicron variant has now enabled government to de-escalate its COVID-19 measures, creating space for a greater forward focus on recovery. During 2022, recovery will be progressed across the spectrum of Island life, addressing the impact of COVID-19 on health, social issues and the economy.

Vaccination

Vaccinations save lives. COVID-19 vaccines provide individuals with strong protection against serious illness, hospitalisation and death. The COVID-19 vaccination programme commenced on the 13 December 2020 and continued throughout 2021. By the beginning of August, the objective of achieving an 80% take up for both primary doses in adults was achieved and the booster programme began in September. By the end of 2021, over 200,000 doses of the coronavirus vaccine had been administered to Islanders.



Vaccinations updated: Wednesday 29 Dec 2021

More than four-fifths (87%) of Islanders aged 18 and over had received two doses of the vaccine, whilst 60% had received their booster dose in 2021.

Infection levels in the island were inevitably lower as a result of the Programme. Between July and December 2021, unvaccinated people were estimated to be 3 to 4 times more likely to test positive for COVID-19 than those who had received at least two doses of the vaccine. Over the same period of time, the estimated relative risk of admission to Jersey General Hospital due to clinical COVID for those aged 40 years and over was 3.5 to 14.4 times greater in those who received less than two doses of the vaccine than in those who received two or more doses.⁴

³ https://www.gov.je/Health/Coronavirus/CoronavirusDocuments/R_COVID_Cases_Vaccine_Status_Report.pdf

⁴ https://www.gov.je/Health/Coronavirus/CoronavirusDocuments/R_Vaccine_status_of_COVID19_patients_in_Jersey_General_Hospital.pdf

Winter Vaccination Programme

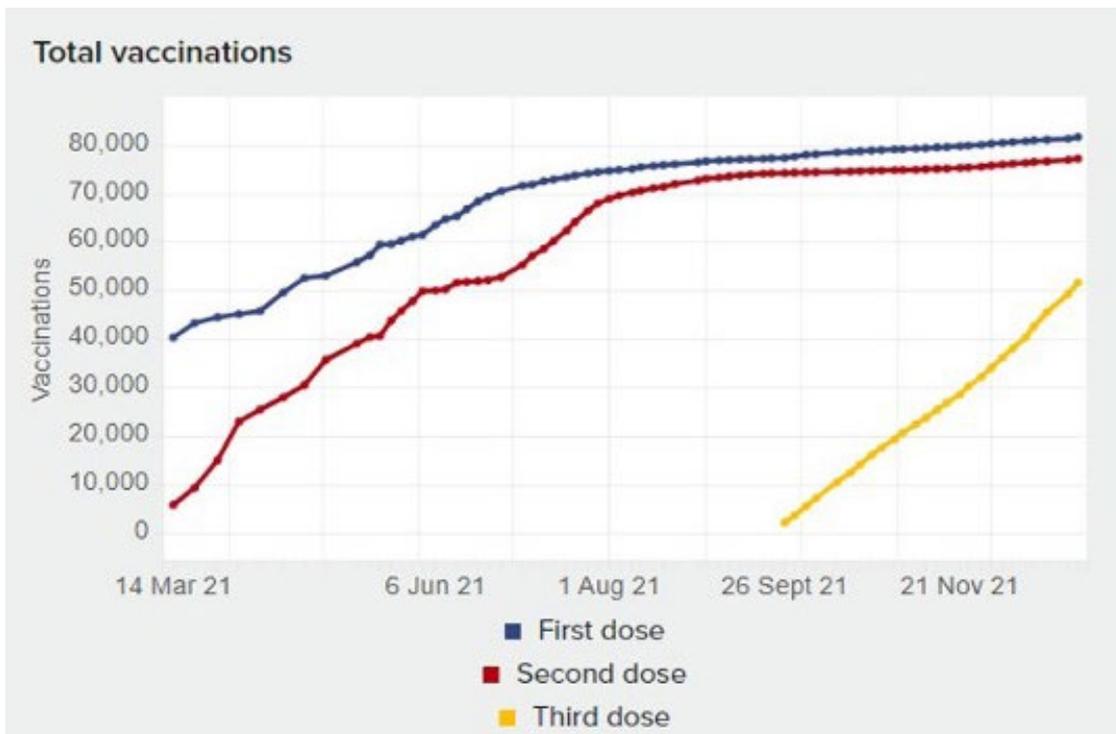


Total vaccination doses administered by age group**
[% of population vaccinated]

Data as up to Wed 29 Dec 2021
The figures are subject to revision where additional details may be obtained

AGE BAND	COVID-19			FLU VACCINE
	FIRST DOSE	SECOND DOSE	BOOSTER DOSE	
80+ years	~100%	~100%	99%	89%
75-79 years	~100%	~100%	~100%	90%
70-74 years	~100%	99%	91%	81%
65-69 years	96%	96%	85%	73%
60-64 years	~100%	~100%	87%	65%
55-59 years	~100%	~100%	80%	55%
50-54 years	93%	91%	68%	41%
40-49 years	88%	87%	52%	17%
30-39 years	78%	75%	34%	12%
18-29 years	71%	67%	23%	6%
16-17 years	61%	28%	2%	11%
12-15 years	46%	4%	<1%	52%
0-11 years	-	-	-	50%

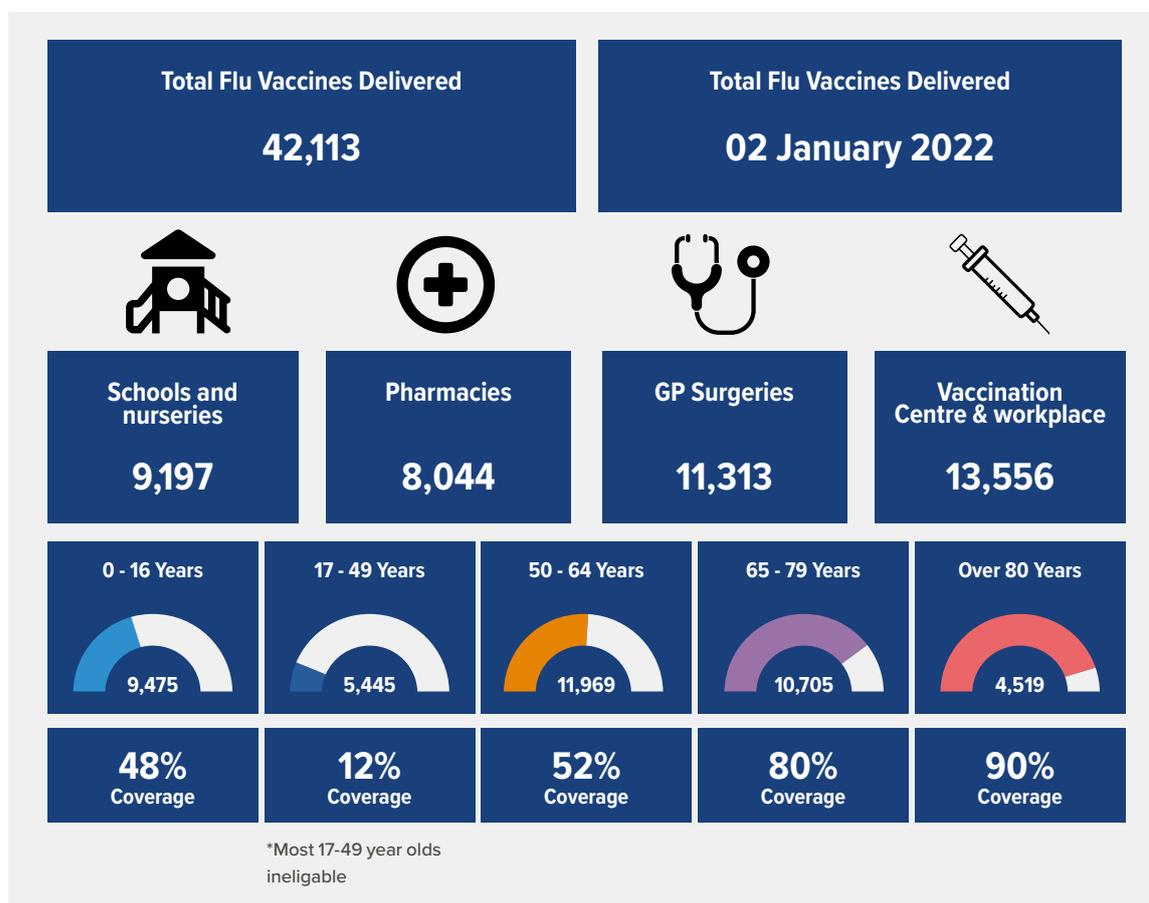
*This is counted as a single dose, and may not equal the total number of people vaccinated, depending on the specific dose regime (e.g. people receive multiple doses).
**Population defined using latest available total population estimates from Statistics Jersey



The roll-out of the vaccine programme followed the advice of the Joint Committee for Vaccinations and Immunisations (JCVI), identifying a range of priority groups including clinically vulnerable Islanders and those working in front-line health and social settings. The vaccine programme achieved an uptake of 95% of two doses for those high risk 16-69 year old Islanders, and 86% for moderate risk Islanders. The uptake of two doses by front-line health and social workers was very high (more than the number identified in the population at the start of the pandemic) and three-quarters had taken up the booster dose by the end of 2021.

2021 Performance Highlights

Alongside the existing routes for administration, the 2021 winter influenza (flu) vaccine programme was also co-administered at the vaccination centre, with over 13,000 doses being administered at the same time as the COVID booster vaccine for eligible Islanders. This led to a doubling of the uptake of the flu vaccine in the 50-65 age group compared to previous years.



As in 2020, the implications of COVID-19 on performance continued to be seen during 2021.

There are both positive and negative differences, often within the same public service systems, for example:

- Demand for Child and Adolescent Mental Health Service (CAMHS) increased by over 30% in two years (from 661 and 683 referrals in 2019 and 2020 respectively, to 885 in 2021) as children's wellbeing was impacted by COVID-19. Despite this significant increase in referrals, CAMHS has reduced waiting times
- Overall, the Outpatient Waiting List is up minimally (0.8%) compared to the end of 2019. This is made up of a 13% reduction in the acute secondary care waiting list, alongside a significant increase in the waiting list for community services (dental services and some physiotherapy services). The reduction in the Acute Secondary Care Waiting List is driven by increased activity during 2021, as opposed to a reduction in referrals
- Bus ridership was up 34% on 2021 (2.98m compared to 2.2m in 2020) but is still significantly below the 2019 ridership of 4.97m

2021 Performance Highlights

- The percentage of planning applications completed within target has declined from 66% to 54%, but the percent approved has increased from 82.8% to 88%
- 2021 saw another year of significant disrupted border activity but despite this there was an increase in smuggling. Jersey Customs and Immigration Service (JCIS) drugs seizures totalled £665,000 for 2021 an increase from the £500,000 in 2020
- An easing of COVID-19 travel restrictions created a surge in demand for passports, which lead to a reduction in the standard passport turnaround time.

As during 2020, throughout 2021 the Coronavirus pandemic continued to impact on the lives of Islanders and the response by the Government of Jersey. The data set out below highlights the key areas of activity and focus that the Government of Jersey has taken in responding to the pandemic, including testing, contact tracing and the roll-out of the Coronavirus vaccine.

Key summary health impacts of the pandemic are presented, including the number of cases and sadly the number of deaths where COVID-19 was registered on the death certificate. The data also outlines the hundreds of thousands of tests undertaken and the distribution and location of the cases that they identified. Uptake of the vaccine doses, alongside summary information about the impact of the vaccine on cases and hospitalisations is presented, highlighting the success of the vaccine programme in 2021.

Table 1. COVID Statistics

	2021	Cumulative March 2020 – Dec 2021)
Total PCR Tests*	699,281	935,207
Negative Results	682,280	915,421
Positive Results	16,969	19,754
Recoveries	14,513	16,679
Total deaths**	45	89

*Note that a small number of tests return an inconclusive result

**Registered by 31st December 2021

2021 Performance Highlights

COVID-19 Case Rates During 2021

The number of Covid-19 positive cases varied throughout the year, with peaks in case rate in July and December associated with the Delta and Omicron variants, respectively. The 14-day case rate per 100,000 peaked at around 2,900 in July, and was around 3,600 at year end.

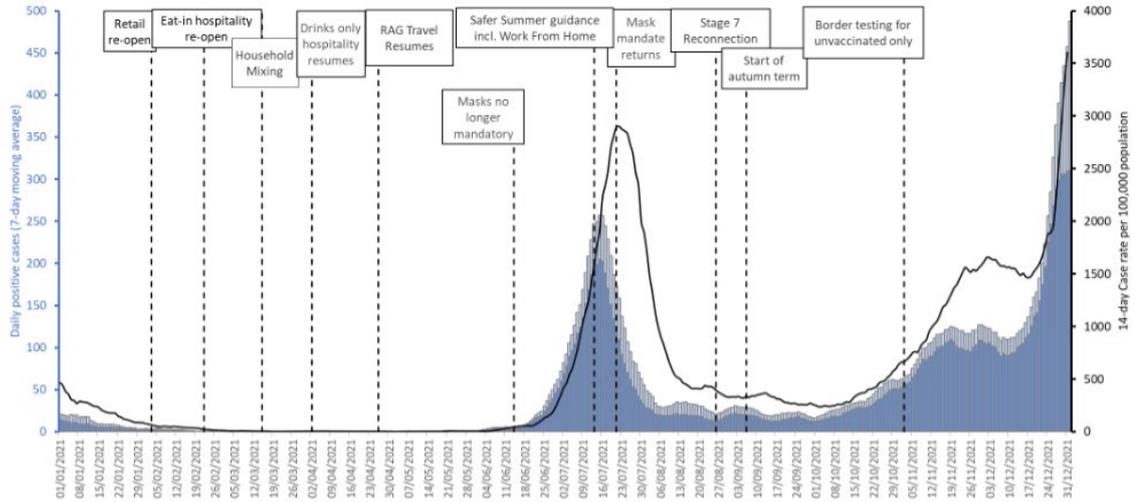


Figure 2: Volumes of positive cases and 14-day case rate per 100,000 population in 2021

Indicator Definitions

Indicator definitions

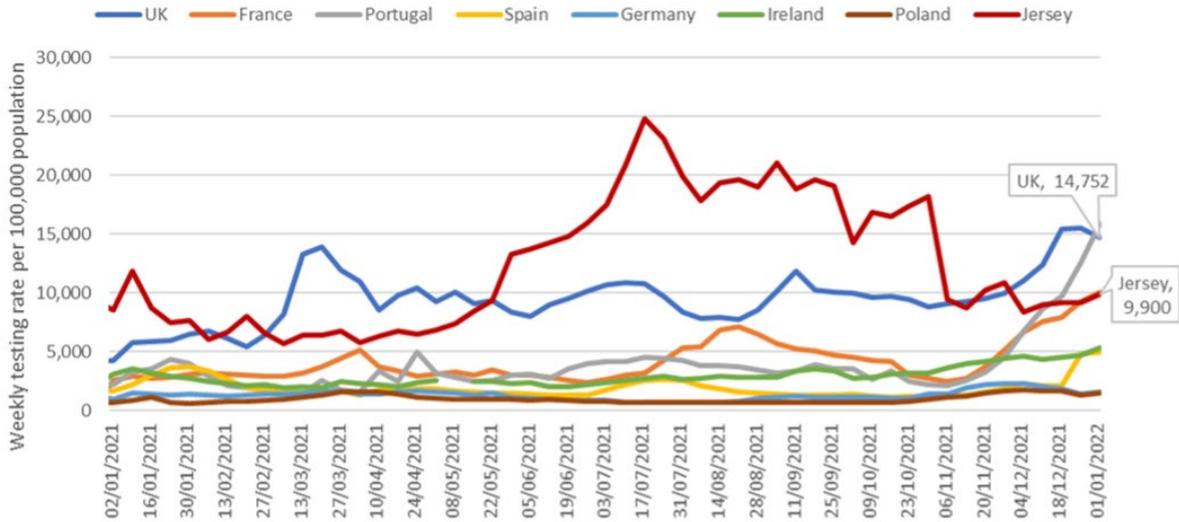
- Seven-day moving average trend in daily new symptomatic positive test cases:**
each result is recorded against the day that the symptoms began.
- Seven-day moving average trend in daily new asymptomatic positive test cases:**
each result is recorded against the day that the swab was taken. These would generally be tests carried out for surveillance purposes (healthcare workers, hospital and
- 14-Day Case Rate per 100,000 population**

2021 Performance Highlights

COVID-19 Testing

In total, almost 700,000 PCR tests were undertaken in 2021, with just over 2.4% of tests returning a positive result. Jersey's PCR testing rate has been higher than countries with significant travel links to the Island (note that some countries, including the UK, count LFTs in their total figures, whereas Jersey currently counts PCR and DiaSorin antigen tests only).

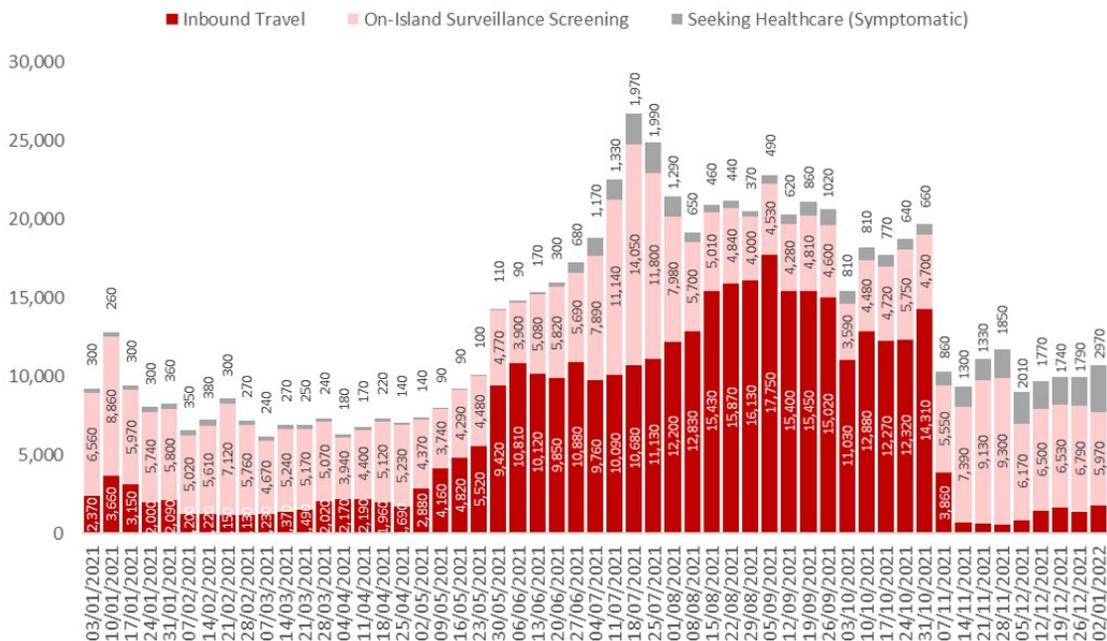
Figure 3. Weekly testing rate per 100,000 population



Source: ECDC, UK Government, and Government of Jersey

As in 2020, the implementation of the Safer Travel Policy led to higher numbers of PCR tests being conducted for inbound travellers over the summer, with a peak of 17,750 tests in the week of 5th September. In total, just over half of PCR tests in 2021 were administered to inbound travellers. In November 2021, fully vaccinated passengers (at the time, those who had received two doses of the coronavirus vaccine) no longer required a PCR test at the border which led to a significant decrease in the number of Inbound travel tests administered.

Figure 4. Number of Weekly PCR Tests (based on date of swab) by Testing Reason in 2021



Source: Government of Jersey. "The "On-Island Surveillance Screening" category includes workforce screening, admissions screening, cohort screening, and contact tracing.

Note: The "On-Island Surveillance Screening" category includes workforce screening, admissions screening, cohort screening, and contact tracing.

2021 Performance Highlights

As the waves of infections in July and November occurred, the number of tests conducted for Islanders who were symptomatic seeking healthcare increased. In total, 58% of the positive cases in 2021 were picked up via this testing programme. An additional 25% of positive cases were identified through the contact tracing process.

Table X. PCR Testing Summary by test result and testing reason

PCR Testing Reason	2021 Total Tests	Positive Results
Inbound Travel	352,080	1,763
Workforce Screening	165,215	802
Contact Tracing	65,259	4,204
Seeking Healthcare / LFT Positive Confirmation	37,879	9,860
Cohort Screening	30,071	166
Admissions Screening	25,510	174
Other (unknown)	23,267	-

Note: A small number of tests return an inconclusive result

Operational changes responded to changes in demand, and to changes in policy which included a whole-island Lateral Flow Testing (LFT) programme, adding new sectors to workforce PCR screening, and removing the need for follow-up tests for passengers and Direct Contacts.

Key operational changes included:

- Providing Lateral Flow Tests (LFTs), initially in education settings, then across employment sectors, for Direct Contacts and, from October, for all Islanders. As at 31 December 2021, there were approximately 12,250 education sector registrations, 1,575 businesses and almost 44,350 home LFT testing registrations
- Changing systems and processes to respond to changes in travel testing
- Increased opening times, including testing at the Airport, to respond to periods of very high demand
- Consolidating all non-travel PCR testing at the Harbour Testing Centre, 'mothballing' the Airport Drive-through Testing Centre and the pre-admission testing centre at Overdale
- Teams in the health and care sector, in emergency services and the prison undertaking regular 'peer-to-peer' testing, and testing of their residents
- Supporting education settings with PCR screening, LFTs and Covid Safe visits
- Co-ordinating whole-Island responses to outbreaks, to quickly suppress further transmission in higher risk environments
- Switching on-island PCR test processing from a private provider to the hospital laboratory
- Sequencing of a risk-based selection of positive tests, to identify Variants of Concern
- An increasing ability for Islanders to book their own test appointments online

2021 Performance Highlights

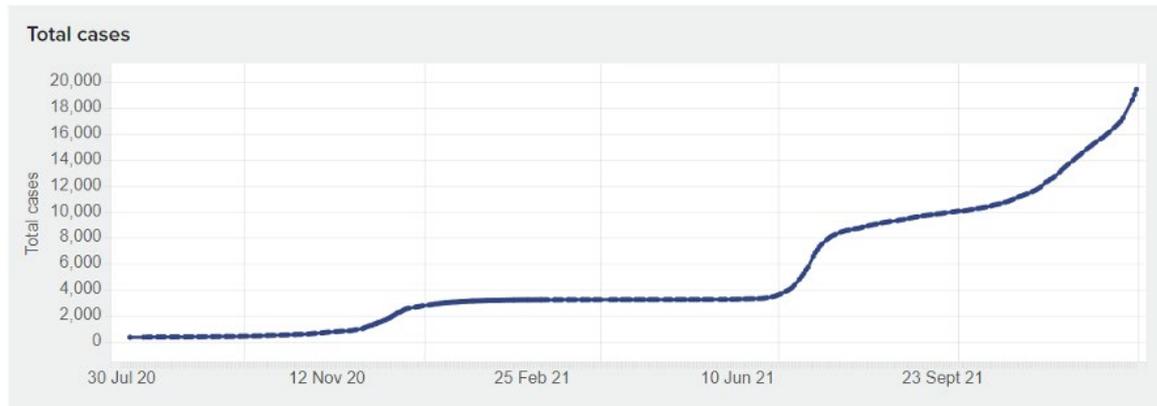
Cases

In total, 16,969 cases were identified in 2021.



Cases updated: 4:01 PM, Friday 31 December 2021

Vaccinations updated: Wednesday 26 January 2022



This graph shows the cumulative number of positive cases over time.

2021 Performance Highlights

All confirmed cases (Total confirmed positive cases)

(excludes those confirmed as "old" no longer active at time of detection)

19,422

Prior to 1 July 2020

320

Since 1 July 2020

19,115

"Old cases"

13

Cases managed in other jurisdictions

52

Total Deaths

89

Probable COVID-19 deaths

17

Laboratory proven COVID-19 deaths

72

Place of death

General Hospital

51

St Saviours Hospital

3

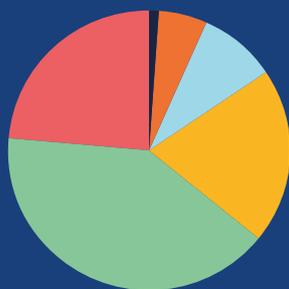
Care Homes

30

Domestic Properties

5

Age band of deaths



● 40-49	1 (0.0%)	● 70-79	18 (20.2%)
● 50-59	5 (5.6%)	● 80-89	36 (40.4%)
● 60-69	8 (9.0%)	● 90+	21 (23.6%)

Gender of deaths



Female

38%

Male

62%



*An "old" case is one where an asymptomatic person tested positive but a subsequent serology test confirmed the virus was "old" and no longer active. These people did not have to continue isolation and neither did their direct contacts.

Cases managed in other jurisdictions are cases where the person has travelled from the Island prior to receiving a positive result

Laboratory proven COVID-19 is when a death has occurred following a positive PCR test.

A Covid death is one where COVID-19, or suspected COVID-19, is mentioned on the death certificate. This includes all cases where the virus is recorded, whether as the direct cause or in a combination with other health condition.

Probable COVID-19 is defined as the person either tested negative in laboratory testing or was not tested for COVID-19 and the cause of death was certified as 'Probable COVID-19' based on clinical history and investigations.

COVID Safe Team

In early 2021, the Covid Safe Team was introduced, integrating teams from Contact Tracing, Monitoring and Enforcement. The team continued to work closely with emergency services, critical national infrastructure, businesses and both Honorary and States of Jersey Police.

Contact tracing accounted for around 25% of all positive cases in 2021. Policies relating to the testing and isolation changed during 2021, but identifying and notifying Direct Contacts remained an important element of suppressing transmission, as c7% of 62,800 Direct Contacts subsequently tested positive. In addition, providing Islanders with information regarding their increased risk helps individuals make informed choices about behaviours and activities – for example, choosing not to attend a social event, or visit a vulnerable relative if you are a Direct Contact.

Over the course of 2021, there was an increased focus on supporting workplaces, with specialist Covid Safe advice and guidance. This was provided reactively in response to identified outbreaks, and proactively in critical workplaces (including every school) and in businesses which requested additional support.

The Covid Safe Team contributed to safer travel, by monitoring daily wellbeing SMS messages, authorising Pre-Departure Certificates and Critical Worker exemptions.

They also supported positive individuals, keeping in touch during their isolation period, monitoring welfare and wellbeing and signposting individuals to additional support as required. Where necessary, they also secured hotel accommodation for those unable to isolate at home.

And, working with States of Jersey Police and the Honorary Police, the Covid Safe Team monitored compliance with legal requirements, including mask wearing and the collection of customer details for contact tracing purposes. Reports of possible breaches were investigated and, where appropriate, escalated for prosecution.



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.

The following are highlights of our progress in supporting this priority in 2020, through activity to protect lives and livelihoods during COVID-19, service delivery and Government Plan programmes and projects.



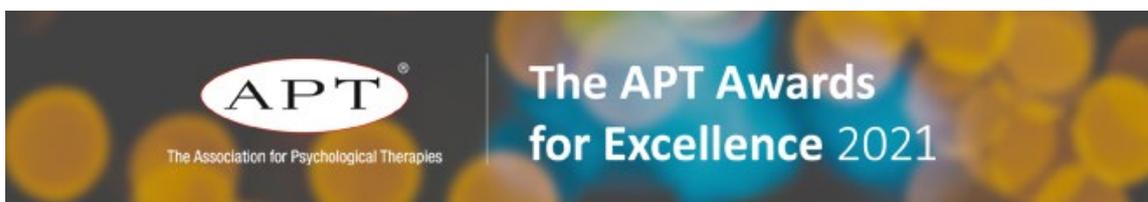
 <p>Put Children First</p>	<p>MCEDU, CYPES</p>
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Development of co-produced Children and Young People’s Emotional Wellbeing and Mental Health Strategy

The Children and Young People’s Emotional Wellbeing and Mental Health Strategy was developed during 2021. It aimed to provide a mechanism for driving through the substantial changes that were needed to improve children and young people’s emotional wellbeing and mental health. The draft strategy went out to consultation in May 2021 and almost 300 people responded. Public comments and considerations have been integrated into the final strategy. There is now a much greater focus on outcomes and clear acknowledgement of timelines, dependencies, and deliverables. The final strategy runs for four years from January 2022 until 2025, to align with agreed Government Plan funding.

Our vision is a society where all children and young people enjoy a happy, confident childhood, are able to thrive and achieve their potential, and to grow into adults who can cope with the demands of daily life and contribute to life in full.

The strategy explains how this vision will be achieved from 2022 to 2025, by putting funding into a wider range of community and Government services to keep children and young people mentally healthy, prevent mental health problems from starting, to provide support much earlier and ensure sufficient intensive resource is available for more complex cases.



 <p>Put Children First</p>	<p>MCEDU, CYPES</p>
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CAMHS awarded the Jersey Association for Psychological Therapies (APT) annual awards for excellence in Dialectical Behaviour Therapy (DBT) 2021

Jersey’s Child and Adolescent Mental Health Service (CAMHS) won a national award for the support they provide to young Islanders to learn techniques to manage intense emotions.

A young Islander joined CAMHS Jersey representatives at the Jersey Association for Psychological Therapies (APT) annual awards for excellence in Dialectical Behaviour Therapy (DBT) 2021.

Clinical Nurse Specialist, Alison Pell, a co-presenter of the Jersey CAMHS award submission, said: “After reaching the finals last year, we reflected on our learning from the awards, looking to see how we could improve the DBT offer at Jersey CAMHS. We developed a Jersey Friendly Parent DBT offering called “Parenting a child with intense emotions”, which is a course that can be delivered both face to face and online.”



Put Children First

MCEDU, CYPES

Launch of the Family Intervention Service

In 2021, funding was approved and work commenced on redesigning the Family Support Worker role and function, to evolve it to the standard needed for the service and meet the needs of the children and young people we work with.

In July 2021 CYPES opened union supported consultation with existing Family Support Workers, which concluded in August and the service was formally established. Between August and December the remaining posts were recruited to and as of January 2022 CYPES now have a fully established team (one Team Manager, two Senior Family Support Workers and 15 Family Support Workers).

The premise of the service is to work restoratively, and in a strengths-based way, alongside Social Workers, supporting with direct interventions to reduce the number of children and young people coming into care as well as reunifying children with their families as they leave care.

The service will:

- Work with families to improve parenting capacity, and reduce or eliminate abusive episodes
- Help to develop family support networks to improve stability for children and their family
- Ensure that children are supported to remain in the care of their families, as long as it is safe to do so
- Support foster carers and work alongside social workers and care providers for young people in care to stabilise and maintain their provision and prevent placement breakdown.



Put Children First

MCEDU, CLS

Summer Reading Challenge

Over the Summer, Jersey Library partnered with nine UK authorities to trial a fresh approach to the Summer Reading Challenge, with every child receiving a reading diary in school and the option of also joining the Jersey Library. The pilot was a great success, with many more children taking part than in past years and a large number of children using the Jersey Library for the first time. While the sharp spike in COVID cases in July severely interrupted distribution of the Summer Reading Challenge packs to children in school the offer was still taken up by around 2,700 children, compared to just over 2,000 in 2019. Around 60% of the children who started the Challenge read six books over the summer holidays. The roll-out of universal library membership also met a receptive audience and there are now around 1,200 more children in the Island regularly using Jersey Library.



	Put Children First	MCEDU, CYPES
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Independent Review of Inclusive Education and Early Years

During 2021, The National Association for Special Educational Needs (NASEN) undertook an Independent Review of Inclusive Education and Early Years on behalf of the Government of Jersey. A diverse range of stakeholders were involved including children and young people, their families, schools, charities, and professionals working with young people. The report was shared in December 2021 and included 50 recommendations. It highlights the need for an agreed definition of what constitutes ‘inclusive education’ in Jersey. A plan is being co-produced to meet these recommendations over the next 10 years with both short (1-2 years) medium (3-5 years) and long-term objectives.

Several recommendations are already in process, including:

- A Jersey wide framework to support transition experiences between stages and settings
- A Parent Carer Forum to work collaboratively, listening to the voice of the broader community of young people with additional needs
- All Record of Needs (RON) are reviewed annually with funding allocated and targets agreed
- A full review of the Inclusion Service commenced in September 2021
- Jersey’s Virtual School has been established, and four posts recruited into
- The policy for Home Education (EOTAS) was reviewed, in conjunction with the families involved
- A review of Alternative Provision took place during autumn term 2021, with proposals to improve provision for social, emotional and mental health needs
- A partnership has been established with Winchester University to deliver accreditation for all school SENCo’s. The first cohort of 21 staff began training in the autumn.

Put Children First	MCEDU, CYPES
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Education Reform Programme

The programme was initiated in early 2021 and is charged with delivering the ambition for Jersey’s education services to compare well with the best in the world. The programme encompasses multiple projects broadly clustered into three areas: strengthening educational provision; progressing finance and governance structures; and developing transformational policy objectives. Strong progress has been made developing and funding provisions for multilingual learners, children with special educational needs and those in receipt of Jersey Premium. Recognising the causal effect between increasing quality of teaching and children’s educational attainment, several new learning and development opportunities have been established. Finance projects have focused on addressing the structural deficit in schools and developing a new funding formula.

care
leavers

love never leaves



Put Children First

MSS, CLS

CLS Support for Care Leavers

The CLS Work and Family hub continued to work in partnership with CYPES Leaving Care team, utilising CLS's dedicated Benefits and Back to Work resources to ensure that care leavers are provided with the best support possible. This ensures that care leavers have essential financial support in two major areas in their lives - to move on to independent living (if that's their pathway) and to move into suitable employment.

CLS also have a dedicated Specialist Officer who works with CYPES's Personal Advisors to ensure that all care leavers fully understand the benefits and support they are entitled to. This includes help applying for financial assistance through Income Support.

The Care Leavers Support team within the Work and Family Hub were immensely proud to be selected as the winners of the Government of Jersey Our Stars 'Working in Partnership' award at the end of the year in recognition of all their work supporting care leavers.

The team ran familiarisation sessions for the Leaving Care team to help them understand how Income Support works, how to complete an online application, and make applications for any special payments. The financial support available through Income Support is in place to help Care Leavers with rent and other living expenses, as well as grants to help with rental deposits, purchasing white goods and other essential furnishing items – all aimed to help them set up their first home.

In addition to financial support, the team also provides employment support through a dedicated care leavers Back to Work Advisor. This advisor works closely with each care leaver's own Personal Advisor and builds up a positive working relationship with the care leaver to help understand their career goals, and then together they plan a pathway into suitable employment.

For those who need it, suitable training is provided and often delivered via partnership with Highlands College. For care leavers who are jobseekers furthest away from employment the team provide several helpful solutions including improving their confidence and communication skills as well as supporting their mental health - looking for the right time to move them forward into suitable, supported employment. One aspect the team are really proud of is the recently developed Care Leavers Guarantee / Incentive programme which helps the career goals of care leavers by providing paid employment for up to 12 months in the private or public sector with Government roles paid at the living wage.

During 2021, the team supported 15 care leavers into employment, including five into Care Leaver Internship posts (although COVID restrictions limited the full ambition in this area). Looking ahead into 2022, the team wants to continue to strengthen the working relationships between CLS, the Leaving Care team and care leavers by continuing the monthly meetings between the two departments. This will ensure that all action plans are combined, giving each care leaver just one comprehensive plan of support and a wrap-around services from the two teams. The team will carry on reviewing its support, making sure it gives the best advice and service to care leavers.



Put Children First

MSS, CLS

Health Access Scheme

A new Health Access Scheme (HAS) was launched at the end of 2020 to ensure cost isn't a barrier to visiting the doctor. The Scheme includes free GP surgery visits for children up to the age of 17 living in an Income Support household.

Additionally, older children and adults receiving income support or members of the Pension Plus scheme can visit a GP surgery for a flat rate of £12 including additional services such as blood tests and spirometry.

Approximately 11,000 people were eligible for the HAS scheme at the end of 2021 and 56,000 payments were covered by it during the year.



Put Children First

MSS, CLS

COVID Catch-up on Dental Treatment

In December 2021, a new, short-term scheme was launched to help low-income families with the cost of catching up dental treatment due to the pandemic. Public Health advice is that children in low-income households were more likely to have fallen behind in regular dental treatment due to the pandemic. This scheme therefore supports the costs of a check-up, treatment and application of preventative treatments including fluoride varnish for all secondary school children in Income Support households. The Scheme is temporary and will run until June 2022.



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.

The following are highlights of our progress in supporting this priority in 2020, through activity to protect lives and livelihoods during Covid-19, service delivery and Government Plan programmes and projects.



Health and Wellbeing

MHSS, SPPP

COVID-19 Vaccination Programme

Throughout 2021, over 210,000 doses of COVID-19 vaccinations have been provided to Islanders. The Vaccination Programme operated in every week of the year, in a mass vaccination centre, in care homes, private homes and various institutions.

The objective of achieving an 80% take up for both primary doses in adults was achieved on 8 August 2021. By the end of the year, 88% of the population over 18 had received two vaccinations and 62% of all Islanders over 18 had received two doses and a booster.

The team demonstrated excellent collaborative working, and this was recognised by winning the 'Team of the Year' award in 2021 awarded by the Government of Jersey Star Awards.

The success of the Vaccine Programme meant that primary and acute care services were not overwhelmed; Islanders had strong protection against serious illness, hospitalisation, death, and infection levels were lower than would otherwise have been the case. As a side benefit, offering the flu vaccination alongside COVID vaccinations for those aged 50-65 led to a doubling of uptake, reducing the number of those suffering illness from flu over the winter. The high vaccination levels underpinned the formulation of public health measures relating to education, economic and social welfare.



COVID-19 Laboratory
Government of Jersey

 Health and Wellbeing

MHSS, HCS

COVID-19 Healthcare Response and Recovery Plan

As part of the COVID-19 response Health and Community Services (HCS) has maintained its incident response structure within HCS but also across the community. HCS has introduced a new on-island COVID-19 testing facility increasing the on-Island testing ability into a Government operated facility. Further expansions to testing arrangements include the introduction of 4 in 1 testing for respiratory viruses, including Covid, RSV, flu A and B.

The COVID-19 clinical guidelines are consistently reviewed with emerging science, changes in treatment internationally. A Long COVID-19 Service has been established initially focusing on paediatrics with all children diagnosed with long COVID-19 under the age 10 having been reviewed.

The COVID-19 pandemic is considered the major disruptive event of this decade, affecting health and care systems worldwide. This novel virus has increased the influx of patients in hospitals, and healthcare organisations are facing unprecedented constraints in their operations to deal with increased demand and pressed capacity.

HCS was forced to change the profile of the services that can be offered during the pandemic, with much of the focus being on dealing with urgent rather than routine work as capacity was restricted. This has created waiting list pressures and delays in provision of preventative services such as cancer screening.

In early 2021 HCS produced a comprehensive recovery plan for all services materially affected by COVID-19 disruption. All HCS services were reviewed and those that have been particularly impacted by COVID outlined their plans to be able to return to pre-COVID business as usual positions. A detailed plan was prepared to allow for wave 2 and catch up on services using a mixture of internal and external resources. Backlog was calculated looking at the Q1 position in 2020, compared to the Q1 position in 2021 and the net difference calculated.



Connect Me



Health and Wellbeing

CM, OCE

COVID-19 Communications Campaign

Since the start of the pandemic, communications have been vital in keeping Islanders informed about important changes to policy, urgent action to take, the importance of vaccination prompted by behaviour change, and the shift to taking personal responsibility with use of Lateral Flow Tests and other public health mitigations.

The communications approach throughout the course of 2021 included regular engagement with industry bodies, arm's-length organisations, Parishes and the voluntary and community sector, to ensure key stakeholders and their audiences were kept informed. Frequent briefings with States Members, Scrutiny panels and the Island's media were also held ahead of significant announcements. Important announcements and updates were frequently communicated through press conferences, media releases, interviews with Ministers and subject matter experts, and multi-media Island-wide campaigns. In 2021, nearly 300 COVID-19 related media releases were issued, 17 press conferences were held, and 36 COVID-related campaigns were rolled out to all Islanders.

A key focus of the approach was to ensure that our communications were accessible to all. All press conferences were subtitled and content was translated into British Sign Language. In Q1 of 2021, we rolled out the Vaccination Programme to some of the Island's most vulnerable. The communications factored in how important it was to make sure the messages about vaccination were heard by Islanders who are traditionally harder to reach. As such, direct engagement took place with the Connétables and Parishes to ensure that Islanders who needed assistance were identified, and the team worked with organisations and charities such as Call and Check, Age Concern, Good Companions Club and Jersey Alzheimer's Association to further support vaccination bookings.

The Connect Me service was a vital part of the COVID communications for 2021, particularly in support of rolling out the Vaccination Programme. Through the service, frequent meetings were held with the voluntary and community sector to ensure the communications were meeting the needs of all Islanders. The input from these collaborative meetings informed the communications approach and channels used, for example:

- Ensuring letters to high and moderate risk Islanders were also posted out as Easy Read Information versions for Islanders who find written information difficult
- A walk-through video of the vaccination centre was created with Disability and Inclusion Officer to ensure Islanders with disabilities felt prepared when attending their appointment
- Clocks from EYECAN were placed at the vaccination centre for Islanders with sight impairment
- All leaflets were translated into French, Polish, Portuguese, Bulgarian and Romanian and distributed via the Connect Me service
- All leaflets were created in Easy Read Information format
- Radio ads translated into different languages to support vaccine roll out

Communications were informed by work with behavioural scientists, including focus groups and surveys, to ensure campaigns where behaviour change was needed were as successful as possible.

ASSISTED DYING IN JERSEY



Health and Wellbeing

MHSS, SPPP

Assisted Dying

The Minister for Health and Community Services made a commitment to establishing a Citizens' Jury to consider the matter of assisted dying by writing to all States Members on 13 February 2020. This followed community interest in the matter, including an e-petition in 2018 signed by 1,861 people, to request a change in the law, public meetings and a public survey in 2019 which indicated public support for assisted dying.

A deliberative 'Citizens Jury' approach was selected to gain an in-depth understanding of the community response to a complex moral and ethical issue that could not be achieved by focus groups or surveys alone.

The Jury made its decision that, in principle, assisted dying should be permitted in Jersey. On 23 November 2021, the States Assembly voted to agree with the Council of Ministers' recommendation to enact the Jury's decision. Policy and legislative drafting have commenced to enact the changes necessary during 2022 and 2023. This decision has made Jersey the first jurisdiction in the British Isles to move to legalise assisted dying.



Health and Wellbeing

MHSS, HCS

Patient Tracking list (PTL)

Inpatient

The Elective Waiting List at the end of 2021 was 10% lower than at the end of 2019. The Diagnostic Waiting List increased by 74% during that period - this is due to endoscopy procedures being delayed due to COVID. The growth in this waiting list slowed in the second half of 2021 and we are starting to see the impact of the introduction of the new bowel screening programme Faecal Immunochemical Test – (FIT) in December. It is anticipated that this reduction will continue through 2022 as the FIT programme is rolled out. In addition, endoscopy capacity is being reviewed.

Outpatient

Overall, the Outpatient Waiting List is up minimally (0.8%) compared to the end of 2019. This constitutes a 13% reduction in the Acute Secondary Care Waiting List and a significant increase in the waiting list for our community services (dental services and some physiotherapy services). It is evident that the reduction in the Acute Secondary Care Waiting List is driven by increased activity during 2021 as opposed to a reduction in referrals.

Work is ongoing to separate outpatient diagnostics from the outpatient waiting lists and move them to the Diagnostics Patient Tracking List.



Jersey Care Model



Health and Wellbeing

MHSS, HCS

Jersey Care Model

2021 marked the first year of the Jersey Care Model (JCM), a five-year programme to improve healthcare in Jersey. The key objectives identified in the Jersey Care Model are:

- To ensure care is person-centred with a focus on prevention and self-care
- To reduce dependency on secondary care services by expanding primary and community services
- To redesign health and community services to meet the current and future needs of Islanders.

The work for the JCM has been split into three groups (tranches). All targets set for 2021 (Tranche 1) have been met. These deliverables include:

- Recruiting a team of clinical and project staff to support the delivery of the programme
- Establishing of a new Public Health team. Last summer, we appointed the Island's first Director of Public Health to head up a new team focussed on health improvement, disease prevention and reducing avoidable health inequalities
- To begin developing an intermediate care service. This service helps people avoid going into hospital, keeping them living at home independently and providing them with support when leaving hospital. Work has started on developing new services. The Overnight Community Care service has already launched, and further services will roll out in 2022
- Establishing of a formal commissioning structure. This will create a more co-ordinated collaboration with health and care partners to support Islanders
- Developing an Island-wide workforce strategy. This will support training, recruitment and the retention of health and care professionals and will be completed during 2022
- The first phase of updating the hospital patient administration system will be rolled out by the end of 2022. Further developments will add electronic patient record keeping in 2023
- To ensure the JCM delivers on its strategic intentions we are establishing robust governance systems and checks. Review of Jersey Care Model's first year (gov.je).



Our Hospital



Health and Wellbeing

MHSS, MINF, HCS, IHE

Our Hospital

The States Assembly approved a preferred site and access route in January 2021. We worked with clinicians to ensure the designs for Our Hospital meet the needs of Islanders. Designs were published in May, and the project budget and financing were approved by the Assembly in October. In November the planning application for the main site was submitted. It is anticipated a decision will be made in quarter two of 2022, following a public inquiry.

In addition:

- The project has assembled the majority of land required to deliver a new hospital at Overdale. In a very small number of cases, agreement has not been reached on terms with landowners, and compulsory purchase processes have commenced
- Work is ongoing to temporarily relocate services currently based at Overdale to the former Les Quennevais School. In December, planning consent was obtained for the change of use of the existing buildings at Les Quennevais to provide healthcare services.

The Our Hospital Project is therefore poised to move into the construction phase subject to a favourable planning determination. This will be a significant step forward in providing Islanders with a modern, fit for purpose hospital to:

- Improve patient experience
- Support modern health care practice and future health care models
- Meet both current and future clinical and patient needs

Overdale Reprovision Project

This project is an enabler of the overarching Our Hospital Project. To build the new hospital we will need to clear the Overdale site.

At the beginning of the year, the services provided on the Overdale campus were reviewed. This identified which services could move to the former Les Quennevais school and which need to be found alternative sites. Only the Assisted Reproduction Unit and Pharmacy Stores will not move to Les Quennevais.

The design of the new facility had significant clinical input through a series of User Groups. The design has a greatly improved clinical working environment for the majority of services moving to Les Quennevais. Patient facing activities will be undertaken on the ground floor. The upper floors will provide staff space including:

- Administration areas
- Rest areas
- Changing facilities.

The Planning Application for the change of use from a school to a health facility was submitted in August. Once submitted, asbestos removal commenced, along with a soft strip of the former school. This was completed in December, with planning approval awarded in the same month. Planning permission is in place as well as the finances. Tendering is currently underway and there are no significant impediments to construction at this time.

The current pharmacy store will revert to the Five Oaks site. To enable this to happen Building Bye-Laws Application was submitted in December.

Regular engagement with clinical users will continue until services move to the new site, which is anticipated to be at the end of 2022.



Health and Wellbeing

MHSS, HCS

Community Maternity services

The Community Midwifery and wider team have been supporting women with the choice of where to give birth. The completion of the maternity refurbishment with the new midwifery led birthing centre will give women further choice on where to give birth. Last year, 38 women delivered their babies at home which is positive for both mother and baby. This is 4.5% of the births compared to only 2% in UK.

There has been an increase in home births of 1-3% year on year since 2013 except 2021. BBC Jersey have recently run a radio and TV section on rising home birth rates, so another increase is expected. Initially 10% of women booked for a home birth in 2021. Actual percentage of home births is lower due to women changing their mind or due to increased delivery risk factors like premature rupture of membranes, premature labour, and breech presentation

Progress in the service for 2021:

- We continue to use standardised homebirth bags developed by Baby Lifeline a national charity.
- We are able to provide pools for women to use and a 24/7 on call service
- All midwives have now got personal safety devices for lone working
- We have implemented a yearly obstetric emergencies training day for the community midwifery team to practise for emergencies, specifically in a home birth setting. In a first for Jersey, we are going to be training with the ambulance service as a multi-disciplinary team.

The Maternity Voice Partnership (MVP) officially launched in October 2021, though the MVP have been working with maternity throughout 2021. The MVP are individuals who are committed to co-producing maternity services to ensure the model of maternity care is woman and family centred.

The MVP have an independent website for women and their families, to seek the feedback of individuals regarding their experience. This feedback is used in the co-production process for service improvements. The MVP is chaired by members of the Clinical Governance Committee for the Women and Children's division in HCS.

We have seen real commitment and engagement with the MVP in 2021 and their desire to keep reaching out to all families, proactively hearing the voice of all women.



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.

The following are highlights of our progress in supporting this priority in 2020, through activity to protect lives and livelihoods during Covid-19, service delivery and Government Plan programmes and projects.

Spend local. Support our economy.



Economy and Skills

MEDTSC, MTR, OCE (Economy),
T and E, CLS

COVID Ongoing Business Support

Businesses whose trade continued to be severely affected by COVID-19 received Government support to enable them to remain operating as the Island recovered from the pandemic.

Fiscal Stimulus Fund

The Fiscal Stimulus Fund has been created to allow funding for projects that will enable the Jersey economy to recover from the effects of the pandemic in the short to medium-term. Each of these projects had to fulfil the criteria of being timely, targeted, and temporary and they had to be managed individually by an Accountable Officer to ensure that the benefits were being realised.

The funding was aimed at smaller scale, agile projects of no more than £5 million per project, which could also demonstrate they could:

- Assist in reducing the fall in output and employment in the short-term
- Provide opportunities to assist in reducing the damage to the economy in the medium to long-term.

Co-Funded Payroll Scheme

The Co-Funded Payroll Scheme (CFPS) was Government's primary response to the economic consequences of COVID-19 during 2021. The Scheme has now provided more than £140 million of support to businesses since its inception in March 2020. Support in 2021 peaked in the month of January when more than £9.5 million was provided to support 7,400 workers across almost 1,800 businesses.

The CFPS, the biggest economic intervention made by Government in Jersey's history, was established as an emergency measure to protect employment when businesses were required to close. At its peak, the CFPS supported more than 15,000 jobs and 3,500 businesses at a monthly cost of £21 million. Through 2021, it continued to help protect jobs as businesses adapted to changing conditions.

The Scheme is currently on track to deliver its objectives which are as follows:

- **Support Islanders' incomes:** ensure workers continue to benefit from a reasonable level of income to avoid hardship during the crisis and preserve demand to support an economic recovery once physical distancing and Stay at Home restrictions are lifted
- **Ensure businesses can survive the crisis:** enable as many businesses as possible to survive the immediate crisis so they are in a position to resume trading and supply capacity remains intact
- **Maintain employment:** ensure employment remains as close to pre-crisis levels as possible
- **Support a robust economic recovery:** enable nominal Gross Value Added (GVA) in each of Jersey's sectors to return to pre-crisis (2019) levels by 2022 at the latest.

The Treasury team reviewed funding requests and business cases resulting in a total allocation £133m to COVID response in 2021 and worked to ensure that the Government Plan includes suitable levels of funding as we move into the recovery phase.

Other Schemes

Other schemes included the Fixed Costs Support Scheme, the Business Disruption Loan Guarantee Scheme and sector-specific schemes which helped sectors even after the Island had exited the Reconnection Roadmap, and public health restrictions had been largely removed.



 Economy and Skills MERFS, OCE (Economy)

Financial Services Policy Framework

Financial Services is at the heart of Jersey’s economy, representing over 40% GVA and employing over 13,000 people directly as well as supporting other sectors. In 2021 work took place to ensure that Jersey remains one of the world’s successful international finance centres by updating the Government’s policy framework for the sector with the intention of protecting and nurturing the strengths which have enabled the industry to thrive for six decades.

The framework sets out the Government’s vision to create the environment required to enable the continued success of Jersey’s financial services industry across private wealth, funds, capital markets, and banking. It will do this by facilitating the industry’s digital transformation, its continued compliance with global standards, and its transition into being a leading centre for sustainable finance. The framework focuses on ten strategic priorities that will guide Government’s support for the sector in partnership with the regulator and industry.

In 2021, we also laid the groundwork to bring the Jersey Resolution Authority into effect, which will form a key part of Jersey’s financial stability architecture by reducing the risk of financial loss due to bank failure and protecting and enhancing our reputation and integrity as a financial centre.

We maintained and enhanced Jersey’s competitiveness by developing, and in some cases lodging, several pieces of legislation that will support the island’s attractiveness, including reforms to prospectus rules, limited partnerships and limited liability companies, and the establishment of a creditors winding up regime.

 Economy and Skills MERFS, OCE (Economy)

National Financial Crime Structure and Workplan

At the core of Jersey’s reputation as a responsible international finance centre is our ability to demonstrate that we adhere to global standards. In 2021, significant progress was made to prepare Jersey for our 2023 MONEYVAL assessment against the Financial Action Task Force (FATF) international standards on combatting money laundering and the financing of terrorism.

More than 100 workstreams were launched under a workplan to ensure that Jersey will be ready for the MONEYVAL assessment, six pieces of critical financial crime legislation were passed by the States Assembly, and 10 more prepared for debate in early 2022. Jersey’s first National Risk Assessment of Terrorist Financing was published, demonstrating the Island’s commitment to implementing all relevant international standards in full, and playing our part in the global fight against financial crime.



Economy and Skills

MERFS, OCE (Economy)

Bilateral Investment Treaty with the United Arab Emirates

In November 2021, the Government of Jersey and the Government of the United Arab Emirates (UAE) signed a Bilateral Investment Treaty (BIT) in Dubai. The negotiations on the Jersey-UAE BIT had been underway since 2018, and 2021 saw them reach fruition.

Bilateral Investment Treaties (BITs) are international agreements that help facilitate increased flows of investments from investors of one jurisdiction into the territory of the other jurisdiction. BITs do this by providing investors with greater protection and certainty of treatment regarding their investments, helping to enhance international investments and promoting sustainable economic development.

The BIT is the first of its kind for the Island and, we believe, Jersey is the first Crown Dependency or Overseas Territory to negotiate and conclude a BIT separately to, but with permission from, the United Kingdom. It therefore represents an important milestone in the development of the Island's international relations. It is vital that Jersey can broaden its own treaty network post-Brexit, including through agreements like BITs, which support the growth in investment between both jurisdictions.

The Jersey-UAE BIT is designed to promote responsible investment including considerations of public health, the environment, and labour protections. The new Agreement has been designed specifically to meet Jersey's requirements and is in line with Jersey's economic substance regime.



Economy and Skills

MERFS, OCE(ER)

Participation in Free Trade Agreements

In late 2020, the International Trade Unit (ITU) was formed to support the Island's growth in trade and investment, as a new international trading agenda developed in the aftermath of the UK's exit from the EU.

In 2021, ITU facilitated Jersey's inclusion in new UK trading agreements including with Norway, Lichtenstein and Iceland (known as the European Economic Area - EEA) which has delivered further continuity in trade relations. Jersey is also included in the brand-new Free Trade Agreement (FTA) the UK has negotiated with Australia, signed in December.

The International Trade Administration (ITA) proposed principles for Jersey's inclusion in UK FTAs, which have been debated and were unanimously endorsed by the States Assembly in November. This provides a transparent and robust mandate to support Jersey's further participation in future UK trade agreements.

Participation in these FTAs has delivered security of preferential tariff rates for Jersey goods and secured incorporation in vital rules of origin and other customs facilitation chapters, ensuring smooth and efficient trade processes for all our Island's exporters. 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 Jersey businesses over time.

 <p>Economy and Skills</p>	<p>MERFS, MEDTSC, MENV OCE(ER), IHE</p>
<p>Brexit</p>	
<p>Brexit has produced its own challenges in 2021 and will continue to do so during 2022. As well as having approved the UK / EU Trade and Economic Co-Operation Agreement, we have also seen agreed 15 separate pieces of legislation to ensure we are prepared and are compliant in the way we travel, work and trade with Europe and the rest of the Common Travel Area (CTA).</p>	

 <p>JERSEY EU settlement scheme</p>	
 <p>Economy and Skills</p>	<p>MHA, JHA</p>
<p>Settled Status Scheme</p>	
<p>The impacts of Brexit resulted in large increases in immigration permissions (140%) and work permits (350%). The Customs and Immigration Service worked extensively with the hospitality, agriculture, and construction sectors as well as local business to introduce bespoke work permits schemes. The vastly higher volume of temporary workers brought with it a significant increase in the number of immigration permissions denied or revoked. 17,000 'in-time' applications to the EU settled status scheme have been submitted, 93% of which were finalised by the end of 2021. This has resulted in more than 15,000 resident EU nationals having received their protected rights to continue living in Jersey and have unhindered travel across the Common Travel Area border.</p>	



**THE BRITISH & IRISH
LIONS**

JERSEY
TRAINING CAMP
2021



Economy and Skills

MEDTSC, OCE (Economy)

B & I Lions Training Camp

We supported the visitor economy, and its diversification into attracting elite athletes to Jersey, by facilitating a training camp for the British and Irish Lions rugby squad in Jersey.

The ten-day camp in June, in preparation for their 2021 tour to South Africa, generated the equivalent of £6 million in media coverage, presenting the Island as a visitor destination, and was used as an opportunity to raise money for Jersey children and for the Island to build diplomatic relations.

While in Jersey, squad members visited pupils from 11 schools and were involved in a Gala Dinner which raised more than £100,000 to enable disadvantaged young people in Jersey to access sport at all levels. The squad also held two open training sessions, each in front of 1,200 spectators and, as well as national and international media, the Lions’ visit attracted the Ambassador of Ireland to the United Kingdom, Adrian O’Neill, and the UK Secretary of State for Digital, Culture, Media, and Sport, The Right Honourable Oliver Dowden MP, who met Jersey Ministers while here for the camp.

The Lions’ visit was co-ordinated by a team from across Government, Visit Jersey, Jersey Finance, Jersey Sport, and private sector partners, and was a springboard which has since attracted other elite athletes to use Jersey as a training location.



**THE CORN RIOTS
FESTIVAL**
LA FOLLE D’AVOÛT



Economy and Skills

MEDTSC, OCE (Economy)

Corn Riots Festival

The Corn Riots Festival was launched in 2021 with the objective of promoting and celebrating Jersey’s history, culture, heritage and identity.

The four-day festival (which was also given the Jèrriais name La Folle d’Avoût) was established following the States Assembly declaration of a public holiday to commemorate the 250th anniversary of the Corn Riots, and subsequent Code of 1771.

Around 25,000 people were attracted to events which included musical, theatrical and film shows, exhibitions, talks, workshops, and a culinary and craft market. The ambition is for the festival to become an annual event which fosters a stronger sense of cultural identity and national belonging in Jersey.



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.

The following are highlights of our progress in supporting this priority in 2020, through activity to protect lives and livelihoods during Covid-19, service delivery and Government Plan programmes and projects.



Income Inequality and Standard of Living, Economy and Skills

MSS, CLS

Reducing Unemployment

Overall, it's been a phenomenal year for Back to Work in helping the Island reduce unemployment, starting the year with 1,400 people actively seeking work (ASW) and finishing in December with 810 jobseekers registered as actively seeking work. We hit a peak of 2,290 back in May 2020 but we are now in a much stronger position with the number of jobseekers at its lowest level since 2011.

The Fiscal Stimulus funding we were awarded has enabled the provision of more financial incentives to employers to recruit long-term jobseekers into permanent contracts. This funding has helped to bring the numbers of jobseekers down and also enabled us to focus the range of training courses available for eligible jobseekers in an industry specific way, particularly in areas such as Care, Hospitality and Administration. In Back to Work we launched the Leaving Care team who provide dedicated job-seeking support for our younger customers who have experienced some form of care and to help them benefit from the Care Leavers Guarantee.



Income Inequality and Standard of Living

MSS, CLS

Housing and Regeneration

The Minister for Housing and Communities' [Creating Better Home Action Plan](#) introduced an ambitious programme for 'stronger system' leadership and co-ordination within Government, necessary in tackling the pressing housing challenges faced by Islanders.

A new post of Head of Strategic Housing and Regeneration has been created and appointed (with development of the team underway), who is working to co-ordinate housing policies across Government.

The creation of the Strategic Housing Partnership has brought together representatives from across Jersey's housing sector to articulate the challenges, share ideas and, ultimately, to help shape strategic housing policy. The first meeting of the Partnership was held on 29 September 2021, and the next one is scheduled for 18 February 2022.

An important milestone was the publication of a pipeline for [Publicly owned sites for housing](#), emblematic of the Government's commitment to delivering more affordable homes. This was complimented by the Minister's [Fair Rents Plan](#), which sets out the positive action being taken in Jersey's rental sector.

The establishment of a Cross-Ministerial Housing Political Oversight Group provides stronger political leadership and political oversight for the implementation of the Creating Better Homes Action Plan. There is also now Housing-Ministerial input to the Regeneration Steering Group, securing direct influence for the Housing Minister in the Government Estates Strategy.

A Modern Methods of Construction (MMC) political working group has been set up with the objective of proving the case for new technologies in Jersey, which could unlock an additional source of high quality, sustainable and affordable homes.

 Income Inequality and Standard of Living	MHC, CLS
Housing Advice Service and Homelessness Strategy Implementation	
<p>The first phase of the Housing and Homelessness Project was completed early in 2021 with the launch of the new Housing Advice Service. The new Service means that the team is able to offer more comprehensive services, working collaboratively with all agencies to make things easier for members of our community experiencing housing concerns or homelessness.</p> <p>The second phase of the project builds on the achievements of Phase 1. We have partnered with UK-based charity, Homeless Link, to review and develop a more robust service for tackling homelessness, bespoke to the needs of Jersey's population. Stakeholder engagement has been key, ensuring that the feedback and recommendations of those working with Islanders affected by homelessness are taken on board. This has included the formation of a Steering Group, a virtual Stakeholder Workshop, a Stakeholder Survey and one-to-one consultation interviews. Consultation will continue in 2022, engaging with Islanders using services to ensure their views are captured and reflected in all future plans.</p> <p>A number of recommendations have been delivered to date which will be used to design future improvements to the service. The next phase of work will see the development of the tools required to deliver a wider range of services, including more specialist support for those with complex needs.</p>	

<h1>embrace our difference</h1>	
 Income Inequality and Standard of Living	MSS, CLS
Disability Strategy Implementation	
<p>During 2021, five separate working groups were created providing opportunities for all stakeholders to fully participate in the delivery of the strategy. The 'Embrace our Difference' campaign captured perceptions about disability and inclusion on the island. This reflected that prejudice is still a significant issue for persons with disabilities, with underlying social attitudes remaining a significant barrier to inclusion. These findings will influence our plans for 2022 and were presented at an event in the Jersey Library attended by members of the community and States Members. Lord David Blunkett provided the keynote speech.</p> <p>Significant progress was also made on the six delivery targets in 2021. 70 buildings including 44 individual Government of Jersey buildings were audited for accessibility. Design activities have commenced to introduce a community transport scheme. In 2020 53% of the Discrimination Claims to the Employment and Discrimination Tribunal were regarding disability demonstrating that people are actively seeking remedy under that provision.</p>	



Income Inequality and Standard
of Living

MINF, IHE

Estate Strategy

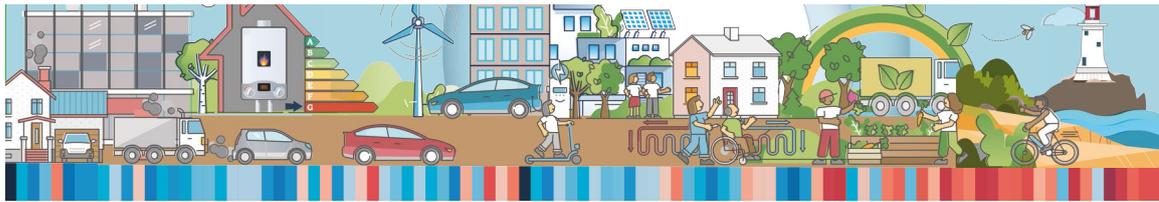
In March 2021, the Island Public Estate Strategy 2021-35 was published marking a first of its kind for Jersey. This long-term strategy sets the framework for the management of all Government operational land and buildings (the Estate) under a single Corporate Landlord Model. It provides an assessment of our existing assets and defines the vision, aims and objectives for the Estates Strategy in the context of the current economic and financial environment, while balancing future needs and aspirations for social housing, education, youth services, victim support, sports facilities and amenity space.



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.

The following are highlights of our progress in supporting this priority in 2020, through activity to protect lives and livelihoods during Covid-19, service delivery and Government Plan programmes and projects.



Environment

MENV, SPPP

Carbon Neutral Roadmap

In 2021, development of the Carbon Neutral Roadmap began with an Island-wide programme of community engagement, which ran from February to April and explored how the Island might address the climate emergency. A representative Citizens' Assembly of 45 Islanders considered evidence presented by experts and stakeholders for a total of 1,500 hours and published a report with detailed recommendations about Jersey's decarbonisation journey. This work is captured and published at climateconversation.je

At the end of the year the draft Carbon Neutral Roadmap was published for consultation, with policies and ambition designed as a result of the people-powered process.

As part of the development of the Carbon Neutral Roadmap, Ministers worked with the UK Government to secure formal intent to extend the Paris Agreement to Jersey at the United Nations Conference on Climate Change, a conference of 26 parties held in Glasgow in November, at which Jersey was represented for the first time.



ISLAND PLAN 2021-30



Environment

MENV, SPPP

Island Plan Review

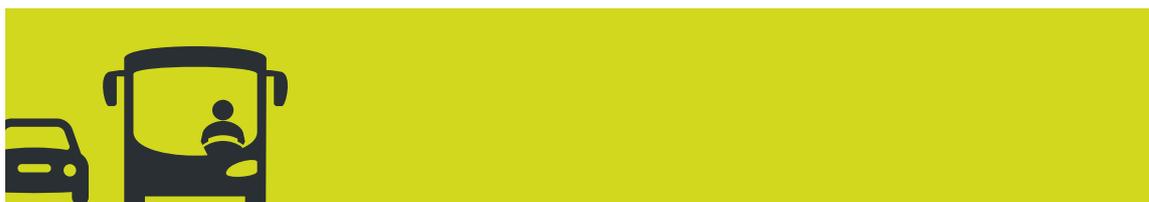
The new Bridging Island Plan will set the means to facilitate the Island's positive future growth over a period of significant uncertainty and provide a new framework against which planning decisions will be made. The plan will be key to ensuring that the Government of Jersey can deliver sustainable development that will meet the needs of the community, as it balances the future economic, environmental and social needs of the Island in a way that is best for Jersey and which reflects the vision and aspirations of Islanders.

The States Assembly adopted the current Island Plan in 2011. Much has changed since then and there was a need to evidence and respond to current economic, environmental and social challenges, including:

- The need for homes
- Safeguarding the environment
- Supporting the economy
- Mitigating the impacts of climate change
- Responding to our ageing population
- Securing good design and creating better places.

In April 2021, the draft Bridging Island Plan was published for consultation. This was followed by an examination in public, held by independent planning inspectors in November and December, to rigorously test the draft plan in light of the issues raised during consultation and States Members' amendments.

The draft plan is scheduled to be debated by the States Assembly in March 2022. Once adopted, it will set the planning policy framework to help deliver the Government's objectives, where they are affected by development and the use of land, sea and buildings.



 Environment	MINF, IHE, SPPP
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Sustainable Transport Initiatives

Throughout 2021, multiple workstreams have delivered data and intelligence around the use of cycling and walking across the Island, behavioural and attitudinal insights into why Islanders make the decisions they do on whether they use the bus network as their primary mode of transport, alongside studies on the opportunities of parking policy and emerging technology to support the increase of sustainable transport going forward.

Successful engagement work has been undertaken across key stakeholder groups as well within the community to raise awareness of the positive impacts sustainable transport can deliver at a local level through the increased opportunities of reallocation road space to support play streets for residents.

The Minister for Infrastructure published a second interim report on the Sustainable Transport Policy (STP), with updates on each of these areas, in December 2021. The work highlighted in that report will support the development of a Sustainable Transport Roadmap, to be published in 2022, that will set out the long-term changes to the Island’s transport systems – including new funding streams to support investment in sustainable transport infrastructure, and needed to achieve the States Assembly’s vision that: “By 2030, our transport system will make our everyday lives better, support businesses, encourage us and our children to be healthier and make our Island greener”.

 Environment	MINF, IHE
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Sewage Infrastructure Works

Construction of the new sewage treatment works has progressed well despite the challenges posed by the COVID-19 pandemic, with ongoing delays. The new tanker import facility was successfully completed on 12 April 2021.

In Q3 the main contractor entered into administration and the disruption and delays to the completion of the project were dealt with by contingency measures put in place to minimise any delays and complete the project by the end of 2023.

The First Tower Pumping Station Upgrades Project was initiated in 2019 to coincide with the replacement of the Sewage Treatment Works at Bellozanne. Requirement for upgrades was identified for increased capacity, reduced maintenance, and improved performance as part of the improvements in the Bellozanne Valley area. A new high-capacity odour control system and associated equipment has been installed to replace the existing system for further improvements. The new equipment has significantly improved the odour control and reduced the number of odour-related complaints received by the department. The project has been a huge success and delivered to programme budget and quality standards expected by the department. Furthermore, the co-ordinated design development enables the pumping station to be integrated into the control and automation of the new Bellozanne Sewage Treatment Works for improved operational performance.

Pumping Station odour control replacement. Three stations were identified as requiring replacement odour control units: Le Hocq, Pontac and Le Bourg. This project was completed June 2021.



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.

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 following are highlights of our progress in supporting this priority in 2020, through activity to protect lives and livelihoods during Covid-19, service delivery and Government Plan programmes and projects.



Modernising Government - A
Modern, Innovative Public Sector

CM, CLS

Customer Strategy

Although Customer Strategy is led from within CLS, it covers all Government departments. Success is down to these departments adopting new ways of working and changing old habits. We receive hundreds of pieces of feedback each week and this helps us to measure where we are and to make changes and improvements.

We increased the availability and utilisation of customer insight data across all Government interaction channels and in 2021 collected 5,769 'rate our service' surveys submitted by customers (compared to 604 in 2020).

One of the success factors in this increase of customer insight was the initiation of a telephone survey facility which captured 73% of overall service ratings. We also ran customer focus groups to inform service improvements and will continue to increase and embed the voice of the customer work throughout 2022.

A Customer Experience development programme is underway, with customer service and early resolution of complaints training coming in early 2022. 104 colleagues have already been trained in complex complaints handling. Customer feedback quality assurance processes, internal training and complaints handling procedures have been rolled out across Government. 10% of all closed complaints are now peer reviewed for quality purposes as of September 2021. Cross department engagement is high and four monthly working groups have been established.

The customer insight which is now available allows us to identify where potential improvements can be made either in terms of accessibility, consistency, ease of use or where we need to think ahead for customers – all part of our ACE+ framework. The 'starting a business' life event continues to be worked on in 2022 with others to be prioritised and work to commence on improving the current customer journeys across all touchpoints.



Connect
Commercial



Modernising Government - A
Modern, Innovative Public Sector

CM, COO

Integrated Technology Solution (ITS)

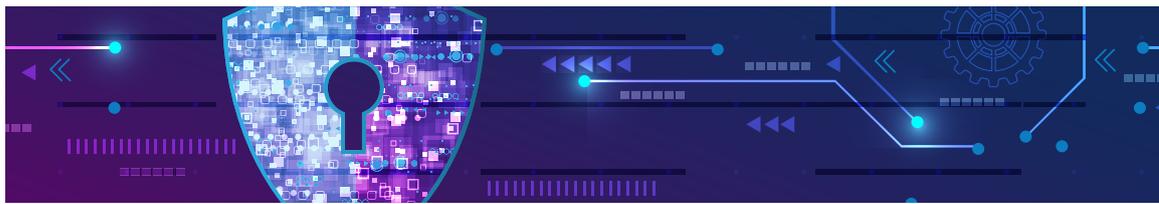
For the ITS Programme 2021 has been about ensuring that the Programme has been initiated in the right way. Bringing together the multiple partners into a single ecosystem, implementing a standard toolset, processes, way of working and governance to ensure that the programme has the foundations for a successful delivery. We commenced Release 1 of the Programme that looks to provide Treasury and Exchequer (T and E) a more standard way of working as well as replacing un-supported and outdated technology with leading edge, future-proofed cloud technology. This release also replaces Supply Jersey with a more seamless and modern way for our suppliers to connect with Government, and we have already contacted circa 7,000 suppliers to ensure that they are ready for the change. By the end of the year we had completed all requirements definition, ratification, and the design of what the new ways of working will look like and how the new system will support these and had completed 50% of the build of these new processes. We also implemented the Leaders of Change initiative aligned with the wider Change Network.

In parallel to the above we commenced Release 2, which will benefit all employees of the Government of Jersey in providing a standard solution for all things HR and Learning and Development (L&D) related.

In addition, the ITS Programme also delivered on a number of Social Value initiatives that had been committed.

The beneficial impact of ITS during 2021 is focussed on the Social Value initiatives that have:

- Provided 18 weeks work experience for 2 people via the Trident scheme run by Team Jersey
- Committed to an agreed spend with a key local supplier (WARM) who have consequently employed 3 full-time employees (FTEs) to support delivering their commitments back to ITS
- In partnership with Digital Jersey we have delivered the first two “Learn to Code” courses
- Working with Highlands College we have identified the first three of six students to use SAP Student licences (the aim is to build a capability on-Island in SAP Development and Configuration, and we will expand this to provide work experience within the Government of Jersey M&D team)
- Working with Arts Jersey, we have provided £15,000 to Map of Wonders
- Undertaken a 1-day volunteering day at Durrell
- Provided 180 Refurbished Laptops to schools on the Island for use by less privileged students.



 <p>Modernising Government - A Modern, Innovative Public Sector</p>	<p>CM, COO</p>
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Cyber Programme

The Cyber Security Programme has practically completed the first wave of projects which were designed to uplift the maturity of the organisation in terms of security risk posture and cyber industry good practice. In 2021 substantial progress has been made with a range of people, process, and technology controls being introduced or improved, including – a new suite of policies and standards, a focused set of processes for cyber risk management and governance, deployment of a new computer based training course for information security, building an inventory of all our critical data and information assets across Government, as well as a number of technical access control, monitoring, and incident detection/ response capabilities. Going into 2022 the cyber programme has already prepared to accelerate delivery and has ambitious plans to push on with the introduction of further technical controls that will help us protect both citizen and employee data/information.

This programme will enable us to continue to respond to the Cyber threat and evolving landscape we are operating in to reduce risk and protect our assets and people.



Modernising Government - A
Modern, Innovative Public Sector

CM, COO

People Strategy

We have launched our People Strategy in November 2021 which outlines our shared ambition: to be a forward-thinking organisation, which offers high-quality public services, values our people, and grows our talent for the future.

More than 400 colleagues were involved in developing the People Strategy, sharing what was important for them to see and experience in our organisation. And, as the name suggests, our people are at the very heart of these ambitions. Central to these plans are our four commitments:

Your Experience: We aim to work together to create a great place to work where we are all supported, belong and are valued.

Your Development: With you, we will create opportunities as a learning organisation to help you to achieve your potential.

Our Organisation: Together we will develop and deliver the right environment for us all to succeed and to be proud of our achievements.

Our Future: We will work together to build a view of the future of work for our people and our island and deliver a plan to get there.

Our People Strategy has been built by our people for our people, and as such has created a greater sense of ownership and joint responsibility for ensuring that the ambition and promises articulated through our four commitments are realised. The publication of the strategy and ongoing engagement events are encouraging and enthusing our people about what they can do in their own respective areas as part of our shared and collective responsibility to help bring these commitments to life. For example, colleagues are now refreshing their department level People and Culture Plans so that they become more expansive and include firm actions to be progressed in each of the four commitment areas. Not only does this help create more expansive and future oriented plans but, they include more robust measures and metrics that will help them to evaluate progress and achievements.



Team Jersey

The Team Jersey programme works to embed the Government of Jersey values and behaviours framework to build a culture where employees feel valued, included, focused and inspired.

Due to the pandemic Team Jersey sessions were delivered online for the first quarter of 2021 before returning face to face from April 2022 with reduced capacity to allow physical distancing. Despite these constraints the programme has delivered 295 workshops to leaders and colleagues and engaged over 3000 of the workforce to date. New content has been designed and delivered to support building positive relationships, enhance psychological safety in teams and encourage a balance of supportive and challenging behaviours in teams. The programme has purposely focused on working directly with departments supporting them to build and implement People and Culture plans that prioritise identified areas of need and focus on rebuilding teams and improving employee engagement and wellbeing following the pandemic response.

Work to sustain the Jersey Employers Group (JEG) continued and Team Jersey supported JEG in the delivery of a Strategic Workforce Plan for the island and the development and launch of an online Diversity and Inclusion toolkit for employers.

In addition, 2021 has seen the establishment of an internal team who have co-delivered the programme, building their capability to continue to run the programme in house beyond March 2022 when the contract with our delivery partner TDP ends. Team Jersey will continue as part of our business-as-usual activity supporting the ongoing development of a positive culture and implementation of the People Strategy.

People and culture plans are in place in the majority of departments ensuring leadership teams are focused on improving employee engagement and improving their organisational culture. Employees in department who are more advanced have been involved in the improvement activity, can see improvement happening and will feel more listened too.

A better understanding of the organisation values and behaviours has been created and a common language has been established where individuals understand the importance of a positive culture and their role in helping this to happen.

Externally the establishment of JEG has raised Government’s profile in leading cultural improvement and as a result Government is working in partnership with the private and third sector to build on Island talent and capability.

We have built internal capability to allow us to continue this work beyond the contract with TDP ensuring this work is sustained and the progress made to date, is built upon.



 <p>Modernising Government - A Modern, Innovative Public Sector</p>	<p>CM, OCE</p>
<p>Ask the Ministers</p>	
<p>Following the success of the online Ministerial Panel Q&A sessions created for the launch of the Government Plan 2021-24, a series of 'Ask the Ministers' live-streamed events were planned and broadcast between May and December 2021.</p> <p>The Ask the Ministers events allowed members of the public to pose their questions directly to Ministers through an online platform, and also provided the opportunity to expand the public perception of the Government's role and Ministers' responsibilities.</p> <p>The events were hosted from a purpose-built modular set in the Government's Parade Studio, this has subsequently been used for press conferences and other live events, which were streamed on the Government's social media platforms including Facebook, YouTube, Twitter and LinkedIn. Panel hosts included the late Gary Burgess, Chair of the IoD Lisa Springate, and President of the Chamber of Commerce, Jennifer Carnegie.</p> <p>Ask The Ministers has provided a significant new channel to engage with members of the public, with over 35,900 views of the seven events in 2022. The success of Ask the Ministers has led to the development of a range of live-streamed events including Ask the Experts on vaccination and the launch of independent taxation.</p> <p>The events have also been used to promote the wider work of Government, with the production and streaming of the short Your Government film which provided clarity on the work of Government across all Departments, including emergency services and ALOs.</p>	

census 2021

Modernising Government - A
Modern, Innovative Public Sector

CM, SPPP (Statistics Jersey)

2021 Census

21 March 2021 was Census Day for the latest decennial census. The census holds a mirror to society, will provide the latest definitive population estimates, and enables Government and Islanders to understand the circumstances and needs of Islanders. Statistics Jersey carries out the census.

New questions were added on health, long-term limiting illness; sexual orientation; and gender identity – these new questions will enable Government and others to understand how best to support Islanders. An online response option was offered, with over 30 percent of Islanders choosing this approach. With the support of Islanders, the data collection phase was highly successful, with a response rate of over 99 percent.

Since the data collection phase ended, Statistics Jersey has been processing the data – capturing data from paper questionnaires; checking for duplicate and missing people; carrying out quality assurance and validation checks, etc. The data will then be aggregated, analysed and the data released in a series of reports during Q1 and Q2 of 2022. The first report will focus on the size and make-up of the population.

Independent Taxation



Modernising Government - A
Modern, Innovative Public Sector

MTR, T and E

Independent Taxation

The States Assembly agreed the first law changes to deliver Independent Taxation on 15 September and the first group of Islanders moved to Independent Taxation from 1 January 2022. The introduction of Independent Taxation means that tax law will now reflect the equality and fairness we expect today from our relationships, families, and community, with both partners in a marriage or civil partnership being treated in the same way for tax purposes. Eligible couples can choose voluntarily to move to Independent Taxation from 2023 and, once further legislation is approved, remaining couples will be moved to it from 2025. A Compensatory Allowance will ensure that no couples suffer material financial hardship from the consequential changes to the system of tax allowances which has historically favoured certain types of working arrangements for married couples, providing a gentle transition into the new arrangements.

**Modernising Government - A
Modern, Innovative Public Sector**

MTR, TandE

Long-term Financial Sustainability

The Minister for Treasury and Resources published R.132/2021 Debt Framework on 10th August 2021. This included the Debt Strategy which detailed how the States will issue debt and monitor and control the overall programme.

The Refinancing of Pension Debt project was established to review options for the repayment of the Public Employees Contributory Scheme (PECRS) Pre-1987 debt and Jersey Teachers Superannuation Fund (JTSF) Pension Increase Debt. The project identified external borrowing to repay the pension increase debts as the preferred option. This recommendation was included and agreed in the Government Plan 2022-25. The repayment of the pension increase debts will reduce the cost of financing these liabilities delivering cash savings of £3.6 billion over the long-term equivalent to £700 million when adjusted for inflation.

Measures to achieve balanced budgets by 2024. Work progressed through the year to identify measures to close the forecast budget deficit. The Government Plan included rebalancing measures of £20 million in 2021 with £15 million in departments, £4.8 million held centrally and £1.3 million in Revenues. £15.5m of the 2020 £40m target was achieved through one-off measures and had been rolled over to 2021 with departments required to find recurring savings. In 2020 the brought forward target was £15.5m of which £11.5m was delivered. In 2021 the target was £20m of which £20.8m was delivered.

The Government Plan 2021-24 assumed recurring delivery of all rebalancing measures. Departments are forecasting to deliver £26.8 million of the £29.5 million excluding centrally held and Income Tax. This forecast remains under review as proposals for delivery have not been confirmed in all cases. The target for delivery is of £35.5m.



Modernising Government - A Modern, Innovative Public Sector

CM, OCE

Office Accommodation Project

In 2021, OCE supported the Office Accommodation Project to reach several significant milestones. The Project entered its delivery phase in Spring 2021 following the appointment of a development partner to work alongside the Government of Jersey in delivering a new office building. In early 2021, the former Cyril Le Marquand House site was identified as the preferred site, and in September, planning permission was granted, with demolition commencing in November. Alongside these developments, staff have been engaged to shape the projects, including office concepts, design and accessibility for all colleagues and Islanders using Government services. The Office has supported this in several key ways, with the Chief of Staff acting as the Accountable Officer for the Project until the handover to Infrastructure, Housing, and the Environment and continuing to provide strategic oversight and governance, alongside other OCE colleagues, thereafter.

The Office Accommodation Project will deliver improved teamwork and collaboration across functions and departments, enhance customer services, and reduce operating costs, with practical completion scheduled for mid-2024.

Section 3

Departmental Annual Reports

This section includes the progress on major and strategic government and departmental programmes and projects, a summary of annual customer experience across Government, departmental performance, and service performance measures.

Progress of Government Plan and Departmental Programmes and Projects

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 of significant strategic value, in that it is critical to or will have a noticeable impact to, the delivery of a strategic priority for the Government with a total cost which is planned to be more than £1 million or;
- a project which has significant cross-departmental impacts.

Departmental Annual Reports

A summary of progress of these programmes and projects in 2021 is set out below:

Green	Amber/Green	Amber	Amber/Red	Red	Reset	Exempt
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.	Successful delivery appears probable; however, constant attention will be needed to ensure risks do not materialise into major issues threatening delivery.	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.	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.	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.	Asignificant change to a project's baseline which involves a business case refresh or change.	Data can be exempt from publication under exceptional circumstances and in accordance with Freedom of Information requirements, i.e national security.

Major Projects Summary of Progress in 2021

	Green	Amber/Green	Amber	Amber/Red	Red	Reset	Complete	Totals
Chief Operating Office	2	1	0	0	0	0	0	3
Children, Young People, Education and Skills	1	1	1	0	0	0	0	3
Customer and Local Services	0	0	0	0	0	0	0	0
Department for the Economy	0	0	0	0	0	0	0	0
Health and Community Services	2	1	0	0	0	0	0	3
Infrastructure, Housing and Environment	2	0	1	0	0	0	0	3
Justice and Home Affairs	0	0	0	0	0	1	0	1
Office of the Chief Executive	0	0	0	0	0	0	0	0
Strategic Policy, Planning and Performance	0	0	0	0	0	0	0	0
Treasury and Exchequer	0	0	0	0	0	0	0	0
Totals	7	3	2	0	0	1	0	13

Major Projects Summary of Progress in 2021

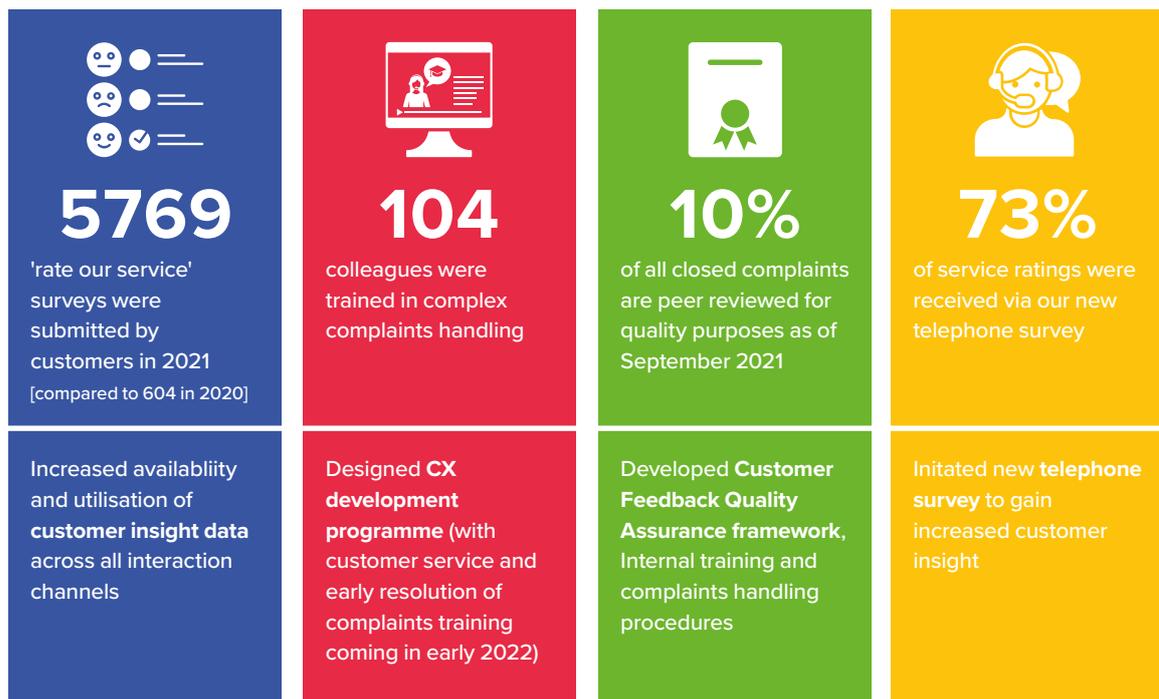
	Green	Amber/Green	Amber	Amber/Red	Red	Reset	Complete	Totals
Chief Operating Office	3	1	0	0	0	0	0	4
Children, Young People, Education and Skills	6	1	1	1	0	1	2	12
Customer and Local Services	5	0	0	0	0	0	0	5
Department for the Economy	1	0	0	0	0	0	0	1
Health and Community Services	3	0	3	0	0	0	1	7
Infrastructure, Housing and Environment	3	0	1	0	0	1	1	6
Justice and Home Affairs	3	0	1	0	0	0	0	4
Office of the Chief Executive	0	0	0	0	0	0	0	0
Strategic Policy, Planning and Performance	9	0	0	0	0	0	1	10
Treasury and Exchequer	5	0	1	0	0	0	1	7
Totals	38	2	7	1	0	2	6	56

More detail on the progress during 2021 of Government Plan and Departmental major and strategic projects lead by Government Departments can be found in the [Annual Progress Report for 2021](#)

Annual Report Customer Experience Summary

This section provides a summary of the Customer Experience in 2021.

Across 2021 many strides forward were made in capturing feedback from customers and using this to improve our services. Below are some of the highlights of the year, most notably that the number of responses to the 'rate our service' survey rose from 604 in 2020 to 5,769 in 2021. Increasing the volume of customer insight further remains a priority for 2022.

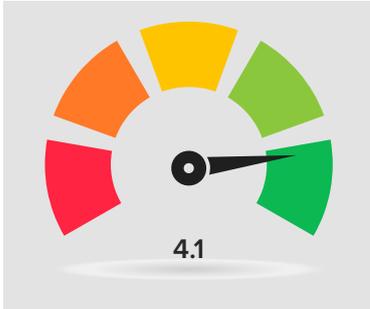


With the introduction of a telephone version of the 'rate our service' survey for some high - volume telephony areas of GOJ (including Customer and Local Services and the Coronavirus Helpline), more customers are now able to tell us how satisfied they were; how easy it was to do what they needed to do; and how the interaction made them feel. This feedback is then used to make improvements to services. This survey will continue to be rolled out across departments in 2022 meaning more insight into services will be collected and used for continuous improvement.

The Government target for Customer Satisfaction (CSAT) is 80% of customers telling us that they are satisfied or very satisfied with the service they receive. The target for Customer Effort Score (CES) is 4 out of 5 telling us that it was easy to get the help they needed.

GOJ Customer Experience Scores

Customer Sentiment Indicator (CSI)



The volume increased from the launch of additional survey sources:

- Inbound telephone calls
- Outbound individual section surveys
- inclusion of rate our service banner on auto email responses

Customer Effort Score (CES)



Customer Effort

On target



Consistent with 2020 results

Customer Satisfaction (CSAT)



Customer Satisfaction

Behind target



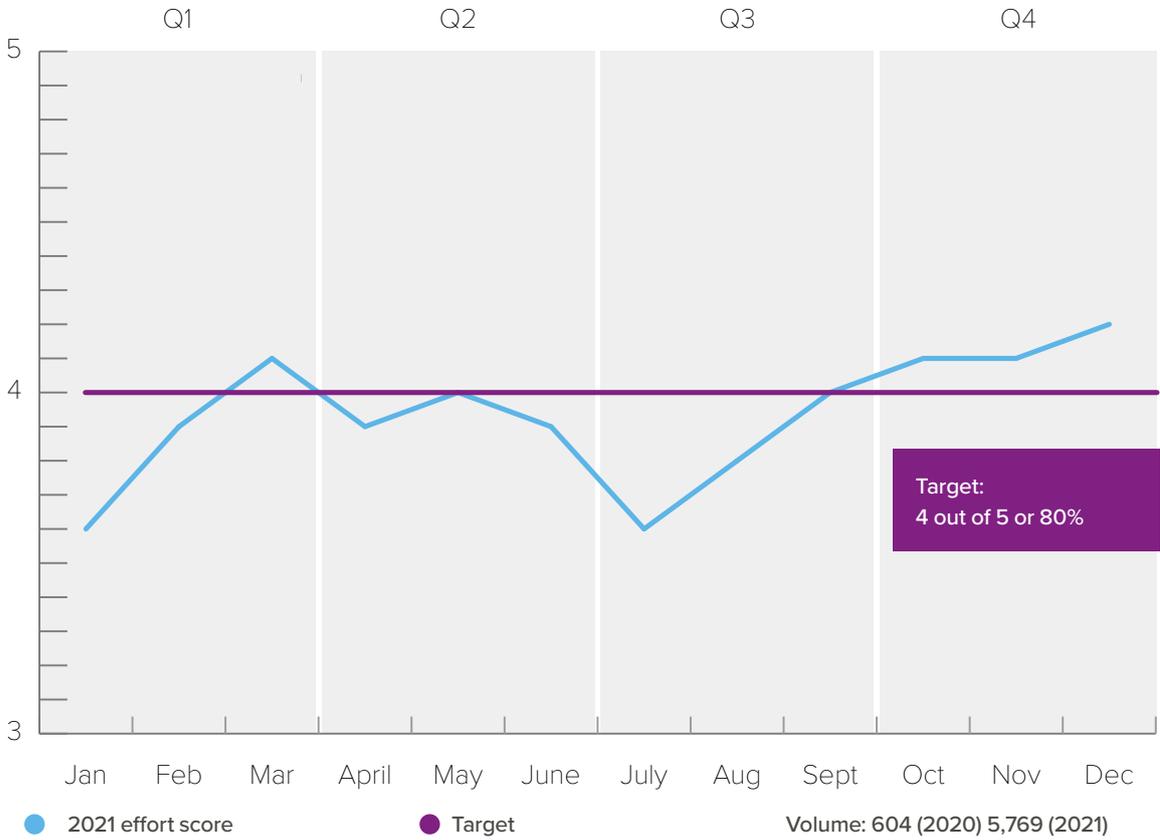
2.2% increase from 2020

The **Customer Effort Score** for 2021 was on target at 4 out of 5 with customers who completed the surveys scoring the interaction they had as ‘easy’ or ‘fairly easy’.

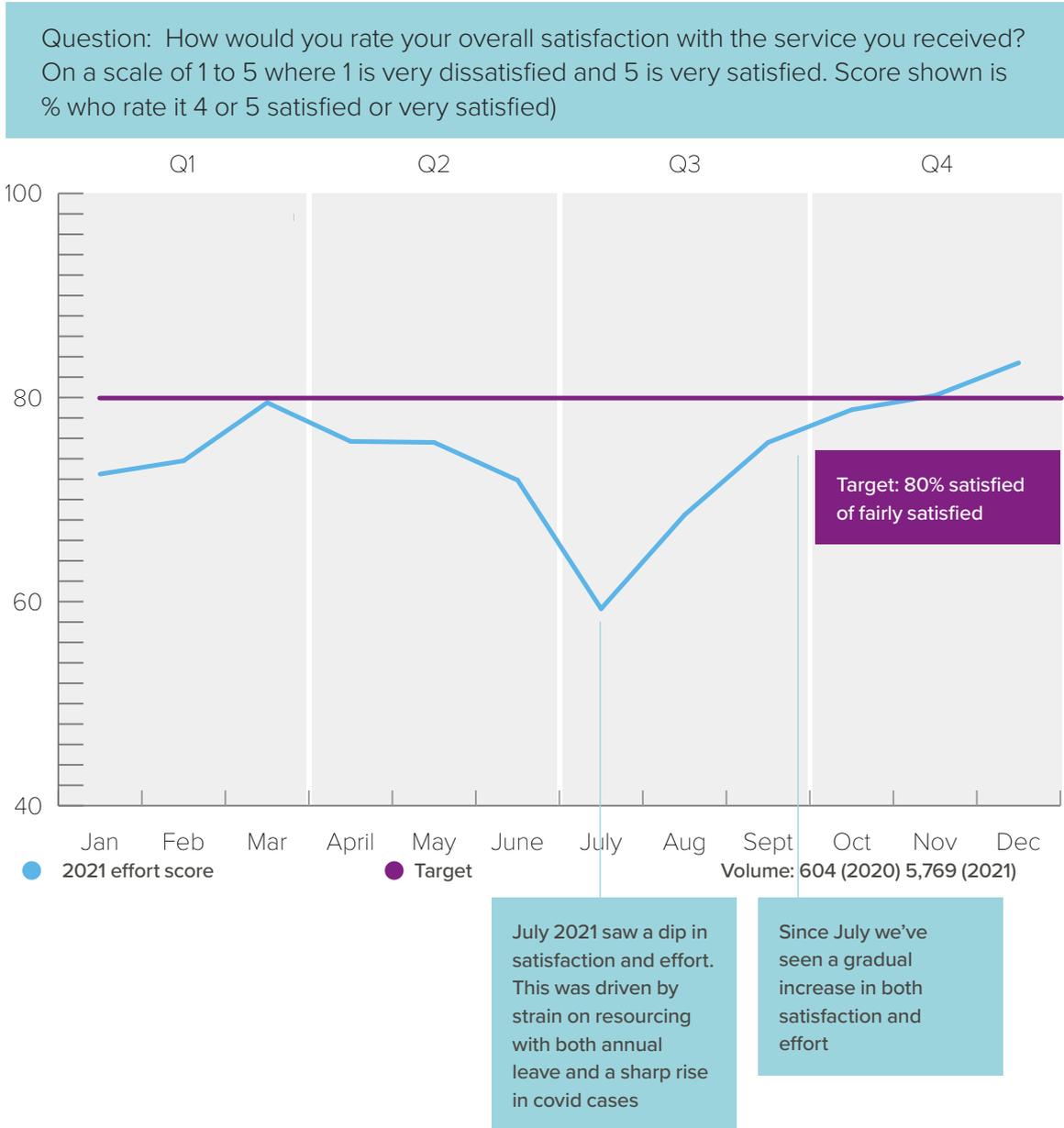
The **Customer Satisfaction Score** was up 2.2% from 2020, however it was slightly below target with 76.7% customers saying that they were ‘very satisfied’ or ‘satisfied’ with the service they had interacted with.

GoJ Customer Effort trends

Question: Overall, how easy was it to get the help / information you required? On a scale of 1 to 5 where 1 is difficult and 5 is easy. Score shown is average score.



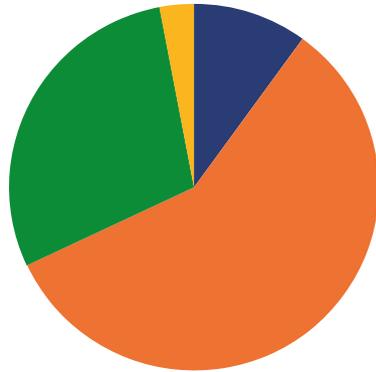
GoJ Customer Satisfaction trends



The above graphs display the trends of Customer Effort Scores and Customer Satisfaction throughout the year, clearly showing a link between the two - the easier the interaction, the more satisfaction it delivers. The key learning here being that in order to increase how satisfied customers are, it is essential that interacting with Government services is as easy and straightforward as possible.

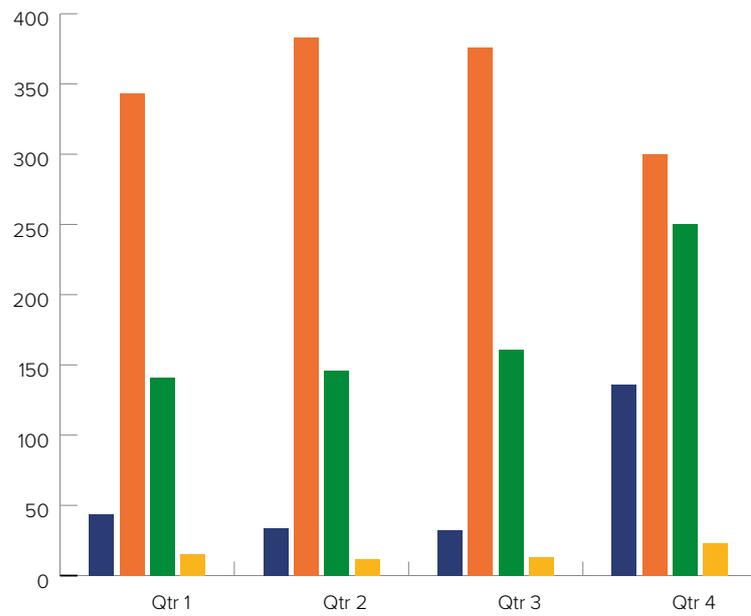
Departmental Annual Reports

Customer feedback: 2021



● Comment	246
● Complaint	1402
● Compliment	698
● Suggestion	63
Total	2409

Total feedback volumes



Feedback volume by quarter received

	Qtr 1	Qtr 2	Qtr 3	Qtr 4
● Comment	44	34	32	136
● Complaint	343	383	376	300
● Compliment	141	146	161	250
● Suggestion	15	12	13	23

Departmental Annual Reports

Customer feedback in the form of complaints, compliments, comments and suggestions is also captured across Government and managed centrally on the Customer Feedback Management System (CFMS). Above is breakdown of 2021 feedback which shows that most of the recorded feedback is in the form of complaints. Although there is more to be done to embed the capturing of feedback (not just complaints) there has been a steady amount collected across the year.

However, there is still work to do in this space to embed use of customer feedback to inform improvements to Government services across the board. This remains a priority for 2022.

Departmental Performance

This section provides an overarching 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.

Service Performance Measures for 2021

Since 2021, the Service Performance Measures for each Government Department have been published each quarter. The annual Service Performance Measures for each Department are also published below.

The data presented is the most recent available annual data value as of 31st December 2021. The symbols next to the data signify whether there has been a positive/negative/no significant change between "what we want to achieve" and the 2021 outturn.

The change measures shown in the Service Performance tables are either percentage changes between periods, or absolute percentage point changes based on departmental advice as to which measure is most meaningful. The direction of travel (DOT) are color coded Red, Green, or Blue (for neutral).



John Quinn
Director General:

Chief Operating Office

2021 has been a year where the Chief Operating Office (COO) has continued to respond to the demands of the pandemic, progressing the major programmes under our management as well as maintaining ‘business as usual’. We have continued to enhance the way we ‘enable and protect the Government of Jersey’ according to our mission.

What Have We Achieved?

Responding to the Pandemic

COO has continued to support the technological developments required by the testing and tracing and vaccination programmes. We have also continued to enhance remote working capabilities and support the changing way in which we work. People and Corporate Services have continued to support resourcing needs and fluctuations as the pandemic has changed as well as leading business continuity challenges across the organisation.

Major Programmes

Integrated Technology Solutions (ITS)

We have created a solid foundation for the ITS programme - by bringing together the multiple partners into a single ecosystem, implementing a standard toolset, processes, way of working and governance to ensure that the programme has the foundations for a successful delivery. Release 1 of the programme completed all requirements, definition, ratification and the design of what the new ways of working will look like and how the new system will support these and had completed 50% of the build of these new processes.

We have contacted over 7,000 suppliers to advise them that a new way of connecting with the Government of Jersey will be coming as part of Release 1 – replacing Supply Jersey.

We implemented the Leaders of Change initiative aligned with the wider Change Network.

We also commenced Release 2, which will benefit all employees of the State of Jersey in providing a standard solution for all things HR and Learning and Development (L&D) related.

Furthermore, we completed a number of Social Value initiatives, including the provision of refurbished Laptops to schools for less privileged students, to supporting the on-Island company WARM with recruiting three full-time employees (FTEs) to deliver their work for ITS, to working with Digital Jersey in delivering “Learn to Code” courses.

Departmental Performance

Team Jersey

We've engaged with 1,997 colleagues across the organisation and 917 leaders. We have also trained 42 new Team Jersey Leads and have a waiting list for the next cohort in March 2022. We have offered a colleague and leaders programme, alongside establishing an internal consultancy to improve organisation and team performance across Government. We have supported departments with their People and Culture Plans to create a sense of ownership over developing a positive workplace culture.

Cyber Security

The Cyber Security Programme has practically completed the first wave of projects which were designed to uplift the maturity of the organisation in terms of security risk posture and cyber industry good practice. In 2021 substantial progress has been made with a range of people, process, and technology controls being introduced or improved, including – a new suite of policies and standards, a focused set of processes for cyber risk management and governance, deployment of a new computer based training course for information security, building an inventory of all our critical data and information assets across Government, as well as a number of technical access control, monitoring, and incident detection/response capabilities. Going into 2022 the cyber programme has already prepared to accelerate delivery and has ambitious plans to push on with the introduction of further technical controls that will help us protect both citizen and employee data/information.

MS Foundations

To date the programme has delivered a rapid rollout of TEAMS to essential workers (~3000) allowing them to continue working during the COVID pandemic. Microsoft 365 tooling and environment has been implemented across Government to approximately 7'500 users. Implementation will continue in 2022 across the remainder of Government and also the programme plans to build further capability for Government to operate and manage cloud-based services through a Microsoft based platform.

Developing Business as Usual

We have continued to develop and enhance all of our functions during 2021. Some highlights are below:

- Launching of the People Strategy – in November we launched a People Strategy which sets out how we will transition into a learning organisation supporting our people and continuing to develop our culture. We have built this working with our colleagues across the organisation and will set our strategy to deliver against the four commitments: Your Experience, Your Development, Our Organisation, Our Future
- A major component of our People Strategy is the implementation of our Employee Value Proposition
- Building manager capability, competence, and confidence – 215 of our managers and aspiring managers graduated from the new World Class Manager pilot programme - a 12-module online management development programme that is augmented by cross organisation Action Learning Sets. 91% of participants report putting their learning into practice. In addition, 440 individual managers and aspiring managers participated in at least one of the brand-new Capable Manager Espresso programmes, which comprises of x 13 'short sharp espresso' learning sessions on management fundamentals and x 2 video

Departmental Performance

tutorials. 95% said the content was useful, 83% easy to access and knowledge increases across the entire suite ranged from 23% to 66%

- A Flex Positive programme was launched which looks to embed a culture where all employees have access to some sort of flexibility by using a team approach and emphasis on informal flexible working arrangements
- Talent Development - a focus on 'early in careers' talent by our internal Talent team included the creation of the first ever paid internships programme for Government. Funded through a successful fiscal stimulus bid we received 76 applications from Jersey students and graduates that resulted in 34 placements across all Government departments; six interns' contracts were extended, and three permanent job offers made. An 'apprenticeship first' strategy was created and approved for all civil service grade 6 and under equivalent roles that included the creation of a new professional apprenticeship offer. Pay in line with the Jersey Living wage was approved to attract young people and career changers with guaranteed jobs for all who successfully complete their apprenticeships, and guaranteed apprenticeships for all care leavers who would like to undertake one
- We continued to develop our governance across the department, centralising our governance records, which we have then rolled out to the rest of the organisation. We have also enhanced our risk recording and reporting and recruited to setup a Programme Support Office for 2022
- In May 2021, the Government of Jersey approved the Project Delivery Framework which represents a controlled framework for the consistent delivery of projects across the organisation. This has been rolled out and training across all layers of the organisation has been completed and will continue into 2022
- The transfer of the Digital Health team from Health and Community Services to Modernisation and Digital (M&D) has enabled alignment of roles and retention of domain knowledge and support for HCS
- New processes and governance for managing the demand for IT services across Government, along with core architectural governance and controls, and a Design Authority to approve proposals for new projects have been implemented. This has ensured quality assurance of new technology solutions into the GOJ from risk, fitness for purpose and value for money along with greater visibility and prioritisation
- The roll out of Microsoft 365 has enabled a channel shift in remote and flexible working and provided an alternative mechanism for collaboration through the building of an efficient and sustainable platform which is secure and robust.

What does our service performance data tell us about the department's performance?

2021 saw the first launch of our service performance measures for COO. These will improve in depth and maturity into 2022 and beyond.

Our KPI measuring response to Modernisation and Digital (M&D) incidents has fluctuated during the year, however, the management and escalation and communication of these continues to improve. We achieved 100 percent service uptime and network request service rate.

Departmental Performance

Customer satisfaction, as recorded on the website, remains high with no significant variation to this throughout the year. We have had limited complaints and been able to address these swiftly and satisfactorily.

Workforce absence has increased over the year and is slightly above target. There are a number of factors which could have caused this including COVID absence. This is not a measure which COO can directly control and we are looking at how this can be broken down and included in departmental reporting in 2022.

Case management figures cannot be assessed as 'positive' or 'negative' as we are working to empower staff to raise issues of bullying and harassment, for example (so an increase in cases might be positive), but we are equally working to improve our culture to decrease any instances of bullying and harassment. These numbers in isolation without disclosing individual cases cannot be used for a trend analysis.

Departmental Performance

Chief Operating Office Performance Measures

Measure	2019 Annual Data	2020 Annual Data	Baseline 2021	What we want to achieve 2021	2021 Annual Data	% Change against what we want to achieve 2021	DOT against what we want to achieve 2021
Number of Open Internal Audit Actions for Commercial Services	N/A	N/A	2 in total	No more than 1 over 3 months old	1	0.0%	↔
Number of Exemptions received by Commercial Services for approval	N/A	N/A	Average of 13 a month	<25	20	20.0%	↘
Number of Requests received by Commercial Services	N/A	N/A	Average of 49 a month	<50	57	14.0%	↗
Number of Contracts stored centrally within the central repository	N/A	N/A	10 stored	>200 stored	239	19.5%	↗
Number of Contracts registered centrally within the central repository	N/A	N/A	20 Registered	>400 registered	639	59.7%	↗
Incident resolution by Severity P1	N/A	N/A	83% (August 2020)	>90%	80%	-10.5%	↘
Incident resolution by Severity P2	N/A	N/A	64% (August 2020)	>95%	87%	-8.4%	↘
Incident resolution by Severity P3	N/A	N/A	86% (August 2020)	>98%	83%	-15.3%	↘
Incident resolution by Severity P4	N/A	N/A	95% (August 2020)	>99%	94%	-5.0%	↘
Network Service 1. Average Uptime	N/A	N/A	100% (August 2020)	>99.9%	100%	0.1%	↗
Network Service 2. Average Network Request Success Rate	N/A	N/A	99.8% (August 2020)	>99.9%	100%	0.1%	↗
Customer Satisfaction 1. Surveys Received	N/A	N/A	26 (August 2020)	>20	17	-15.0%	↘
Customer Satisfaction 2. Satisfied	N/A	N/A	88.0% (August 2020)	>95%	95%	0.0%	↔

Departmental Performance

Chief Operating Office Performance Measures

Measure	2019 Annual Data	2020 Annual Data	Baseline 2021	What we want to achieve 2021	2021 Annual Data	% Change against what we want to achieve 2021	DOT against what we want to achieve 2021
Customer Satisfaction 3. Not Satisfied	N/A	N/A	3. 12.0% (August 2020)	3. <5%	1%	-4.0%	
Workforce capacity measures: Absence Management - days per employee	N/A	N/A	5.2	<6.5	6.6	+1.5%	
Case management; total number of cases by theme: Bullying and Harassment	N/A	N/A	9	N/A for cases	8	N/A	
Case management; total number of cases by theme: Capability	N/A	N/A	4	N/A for cases	5	N/A	
Case management; total number of cases by theme: Disciplinary	N/A	N/A	25	N/A for cases	19	N/A	
Case management; total number of cases by theme: Formal and Informal Managing Attendance	N/A	N/A	17	N/A for cases	27	N/A	
Case management; total number of cases by theme: Grievance	N/A	N/A	7	N/A for cases	12	N/A	
Case management; total number of cases by theme: Ill Health Retirement	N/A	N/A	1	N/A for cases	4	N/A	
Case management; total number of cases by theme: Probation	N/A	N/A	1	N/A for cases	1	N/A	
Case management; total number of cases by theme: Serious Concerns	N/A	N/A	2	N/A for cases	1	N/A	
Case management; total number of cases by theme: Tribunals	N/A	N/A	8	N/A for cases	5	N/A	
Case management; total number of cases by theme: Percentage of employment tribunals lost (amended)	N/A	N/A	0%	0%	0%	0.0%	

Departmental Performance

Further Information

Further information on the Department can be found at [Chief Operating Office \(COO\) \(gov.je\)](#).

Information on what the Department planned to change and improve, including the service performance measures it used, in 2021 can be found in the Departmental Operational Business Plans for [2021 ID Business Plan COO 2021.pdf \(gov.je\)](#).

More detail on the progress during 2021 of Government Plan and Departmental programmes and projects lead by the Department can be found in the [Annual Progress Report for 2021](#).

Information on what the Department will change and improve, including the service performance measures it will use, in 2022, can be found in the [ID Business Plan COO 2022.pdf \(gov.je\)](#).



Rob Sainsbury
Acting Director General

Children, Young People, Education and Skills

Education

2021 was another challenging year for schools, settings, and services, with continued disruption caused by the pandemic. Through the hard work and commitment of colleagues, we did our utmost to minimise the impact on children. The year started for all schools with preparation days, including PCR testing for our staff and older students. All settings opened on 10th January; in contrast, schools in other jurisdictions remained closed, for example, those in England not opening until 8th March. Jersey's schools remained open all year, unlike any other school system in the British Isles.

Children and young people have demonstrated their resilience throughout the pandemic. Significant investment of time, resource and effort saw the Jersey Tutoring Programme flourish. Further support to address the 'learning loss' of 2020 saw partnership working with charities and philanthropists ensuring significant investment in technology, as we seek to address digital poverty. Students progressed on their pathways, with many successfully transitioning to Higher Education (HE), both on- and off-Island. In addition to the first full year of activity of the Education Reform Programme, including the successful commissioning of the Inclusion Review, the findings of the Early Years Policy Development Board have seen significant additional investment in nursery provision. Both the Higher Education Funding Review and the Review of Skills and Further Education have been completed despite the pressures of the pandemic.

The year has been marked by innovation and problem-solving, including introducing mitigations to ensure that the Jèrriais teaching team and our wonderful reading volunteers could return to the classroom safely. We have developed and enhanced the use of remote learning for students, and staff professional development. As School Reviews could not take place in person, we have innovated to ensure we continue to support leaders with school improvement through new 'Virtual Visits'. We have also maintained our international dialogue; as the year closed, we held the second annual Jersey-China webinar, allowing teaching professionals to share knowledge and best practice with educators from different cultures.

Schools continue to benefit from the Rights Respecting Schools initiative, supported by the Children's Commissioner. So far, four of our schools are at the registration stage, 21 are at bronze, 11 are at silver and three have attained the gold award, demonstrating that they have fully embedded children's rights at the heart of their schools.

Skills Jersey

The Retrain project provides support to those who have found themselves economically

Departmental Performance

inactive or underactive due to the pandemic. It helps provide technologically enabled careers and a training matching service linked with skills development opportunities for targeted sectors. In addition, Skills Jersey have partnered with Organisational Development to create the first Government of Jersey Internship Programme. 34 placements were offered in 2021, across a range of Government departments. Further, 16 young people engaged in a Traineeship programme to support those not in education, employment or training.

Jersey Youth Service

2021 saw the launch of the Jersey Youth Parliament - a forum for young people to discuss, research and connect current issues to the States Assembly, sharing their voice through three campaigns. During each campaign the members present their findings to the relevant Minister and other States Members. The formation of a Youth Parliament aligns with other jurisdictions who have developed effective structures to hear the voice of young people and influence meaningful changes in their community.

During 2021, we developed a Targeted Youth Support offer which is a short-term and timely early intervention and prevention to support the young person in identifying and addressing their needs. Young people may be exhibiting challenging behaviour or have a range of needs. Targeted Youth Support consists of a small team of youth workers who are equipped to empower young people in making well-informed life choices and decisions. The Youth Service Outdoor Activity model was also implemented in 2021. The new model uses the outdoors to support learning, teamwork, confidence building, problem solving and supports the Schools and Youth Service curriculums. There is now a stronger emphasis on learning and accredited outcomes for young people.

Children's Social Care

Despite the challenges the pandemic provided, our service felt strong, cohesive, resilient and responsive in the face of adversity. Throughout the pandemic, our service, together with partners, has been working hard to provide quality support to meet the variety of needs of our children and young people, to ensure they are safe and thriving. Quality practice leads to better outcomes for children and young people. Throughout 2021, we kept a sharp focus on practice through regular performance monitoring. The growth of our insight and enablement function has empowered our understanding of outcomes, strengthened through the launch of our quality assurance and improvement cycle, practice standards and timescales for best practice. As a direct result, our re-referral rate has reduced to below that of England and our statistical neighbours. The appointment of a permanent Principal Social Worker, in 2021, will provide greater strategic practice leadership.

We worked closely with a range of stakeholders on Operation Divert, using a child first, trauma recovery model, to support young people who were engaged in crime and anti-social behaviour. The data showed a significant reduction in both the number and severity of incidents involving these young people over the six-month period. School attendance for the group improved significantly, from an average of 35% unauthorised absence to 17%. We continue to work with Police and others to develop our impact in the area of Youth Justice.

A challenge for Children's Social Care in the second half of 2021 was the sufficient level of care settings available for our children and young people. For most of the year, we were at capacity across our provision which at times has led to operational challenges. Notwithstanding our efforts to increase capacity through more foster carers and opening

Departmental Performance

a therapeutic children's home, we have not been able to bring services online at the pace we need. Despite capacity challenges, children are experiencing more stability in their placements than in previous years. A key priority for CYPES in 2022 is the development of a sufficiency strategy.

The number of care leavers receiving support has doubled in the last two years, and the Leaving Care Team now support 75 care leavers. The support and collaboration from key delivery partners across Government and external organisations continues to strengthen and thrive. The key challenge we face is the availability of affordable accommodation.

Recruitment of permanent and agency social workers has been a challenge during 2021. A recent Office of National Statistics report revealed that this is a national challenge. 'Let's Be Ambitious' was launched in November 2021, developed in collaboration with staff using the information and insights gained from the 'Let's Be Honest' campaign. The campaign ran for one month, attracting 35 applicants. The recruitment process is ongoing.

Integrated Services and Commissioning

Integrated Services and Commissioning covers operation service delivery including Family and Community Support (the Government's early help service), and Health and Wellbeing services including the Child and Adolescent Mental Health Services (CAMHS). It also includes transformation and project implementation activity such as Commissioning - assessment of need, strategy writing, service and pathway redesign, programme management, procurement, contract management and leading outcomes-based accountability and insight management to inform service improvement and development. A commissioning-based mindset has been promoted across 2021 with key projects delivered including:

- Children and young people mental health redesign including commissioning new providers such as Kooth (online counselling and support), Autism Assessment Providers to reduce waiting times and the Anna Freud Centre to help Jersey Schools to develop Individual School Action Plans.
- Commencing the work on a Sufficiency (placement and support) Strategy
- New specification for the delivery of FNHC services for children- school nursing, health visiting and children's community nursing.

Health and Wellbeing

2021 was an incredibly busy year for CAMHS. The growing prevalence of mental health problems in children and young people accelerated during the pandemic across the globe. CAMHS received 855 referrals in 2021 compared to 683 in 2020. Despite the increase in referrals waiting times reduced in 2021 to 4 weeks, from 5 weeks in 2020. CAMHS accepted 92% of all referrals, much higher than other CAMHS services in nearby jurisdictions. During 2021, work took place to improve waiting times for neurodevelopmental assessments with waiting times for autism assessments down at the end of year to 3 months and ADHD assessments to 6 months.

Family and Community Support Service

The Family and Community Support Service was established in February to strengthen the Early Help support offer to families. Building from an initial staff team of 22 full-time

Departmental Performance

employees (FTEs), by the end of 2021 we had built capacity to 28 FTEs with further recruitment underway. The Children and Families Hub responded to 2,814 contacts over the year. Family Partnership Workers worked with over 300 families, co-ordinating teams around the child and family, and building resilience. By providing timely support, problems are prevented from escalating and fewer families require social work support. Group parenting programmes were put on hold earlier in the year due to COVID but in the autumn, some face-to-face and online events were delivered.

Working with our commissioned partners – Centre Point Trust, Autism Jersey and Youth Service, we increased the short break offer for children with disabilities with summer play and youth schemes offered over five weeks of the summer holiday. These provided exciting and fun activities for 109 children with a wide range of needs.

What does our service performance data tell us about the department's performance?

Our service performance measures tell a powerful story about the impact of the pandemic on children and young people, and the dedication of departmental staff in supporting them throughout 2021.

Demand for CAMHS services increased by over 30% in two years (from 661 and 683 referrals in 2019 and 2020 respectively, to 885 in 2021) as children's wellbeing was impacted by COVID-19. Despite this significant increase in referrals, CAMHS have reduced waiting times.

Referrals to Children's Social Care have reduced since the start of the pandemic. More families are now supported across the continuum of need, with the Children and Families Hub and Early Help helping us work in a more effective way. The number of Children in Need has reduced as more families are supported appropriately by Early Help. The rate of re-referrals within 12-months has reduced and is now lower than our benchmarks. This is a good measure of our effectiveness in supporting families to make sustainable changes. The number of children on Child Protection Plans and Children Looked After fluctuates across the year but remains below benchmarks. In 2021, we saw an increase in the proportion of repeat Child Protection Plans. Heads of Service are now responsible for deciding whether, and when, children come off Child Protection plans, to become a Child in Need, to improve consistency in this area. Staffing issues associated with COVID-19 and high turnover in 2021 impacted on management oversight and the timeliness of its recording. Staff prioritise cases according to risk and managers and social workers have daily conversations about cases, not all of which will be recorded.

Our education performance metrics have been impacted by a loss of learning and changes in assessment methodology associated with the pandemic. Mitigations, such as the Jersey Tutoring Programme and Social Recovery measures have supported our most vulnerable pupils. Exclusions were noted to increase in 2021, and work will be underway in 2022 to further analyse the data to understand the reasons behind this trend. Broadly, attainment has remained in line with pre-pandemic levels, as particularly evidenced by attainment measures for Key Stage 1 and 2, although for some metrics, comparisons with previous years are problematic (e.g. GCSEs, due to the cancellation of examinations).

A large proportion of 10 to 16-year olds continued to benefit from involvements with Jersey Youth Service, despite challenging circumstances. This reduced slightly from 29% in

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2019 to 27% in 2021. The pandemic has exacerbated challenges in accessing education, employment and training for some of our young people. The proportion of Highlands students achieving positive destinations is below that of previous years, and our care leavers are also affected by difficulties in this area. The Back to Work team is proactively working with care leavers to access employment opportunities.

For 2022, we have refined our KPIs to give a more balanced view of service delivery metrics across the Department. We continue to strengthen our performance management arrangements, in line with recommendations from the Comptroller and Auditor General, and to ensure that we represent the voice and experiences of children and young people in our data.

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Children, Young People, Education and Skills Performance Measures

Measure	2019 Annual Data	2020 Annual Data	Baseline 2021	What we want to achieve 2021	2021 Annual Data	% Change against what we want to achieve 2021	DOT against what we want to achieve 2021
% of reception children who attended government schools/college achieving / exceeding expected level of development	62.0%	N/A	54% (3 year rate for academic years 2016/7 to 2018/19)	Increase	60.6%	6.6%	↑↑↑
% of pupils who attended government schools/college assessed as 'secure' in reading, writing and maths at end of KS1	47.0%	N/A	42.0% (3 year rate for academic years 2016/7 to 2018/19)	Increase	44.0%	2.0%	↑↑↑
% of pupils who attended government schools/college assessed as 'secure' in reading, writing and maths at end of KS2	49.0%	N/A	41.2% (3 year rate for academic years 2016/7 to 2018/19)	Increase	52.0%	10.8%	↑↑↑
% of pupils in Government maintained schools (excluding special schools and alternative provision) achieving 5 or more standard GCSE passes including English and mathematics	61.9%	73%	63.0% (3 year rate for academic years 2016/7 to 2018/19)	Increase	77.5%	14.5%	↑↑↑
% of Jersey Premium pupils assessed as 'secure' in reading, writing and maths at the end of KS2	33.0%	N/A	24.2% (3 year rate for academic years 2016/7 to 2018/19)	Increase	32.3%	8.1%	↑↑↑
Number of children excluded from school	355	314	355 (2018/19 academic year)	Decrease	412	16.1%	↓↓↓
% of school pupils aged 10-16 using Jersey Youth Service projects	28.8%	27.1%	33.0% (3 year average 2017 - 2019)	Increase	27.1%	-5.9%	↓↓↓
% of Highlands College graduates in employment, training or further study 6 months after finishing their course	90.6%	84.5%	89.7 (2 year average 2018 & 2019)	Increase	83.6%	-6.1%	↓↓↓
Numbers of referrals to CAMHS per year	661	683	594 (3 year average 2017 - 2019)	Decrease	885	49.0%	↓↓↓
Average waiting times for CAMHS assessment (weeks)	6	5	5 weeks (2 year average 2018 & 2019)	Decrease	4	-20.0%	↓↓↓
Average length of stay for CAMHS Inpatients in Robin Ward (excluding leave, in days)	7.2	11.1	7.7 days (3 year average 2017 - 2019)	Decrease	5.1	-33.8%	↓↓↓

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Children, Young People, Education and Skills Performance Measures

Measure	2019 Annual Data	2020 Annual Data	Baseline 2021	What we want to achieve 2021	2021 Annual Data	% Change against what we want to achieve 2021	DOT against what we want to achieve 2021
Rate of referrals per 10,000 CYP Children's Social Care	645.3	344.2	800.5 (3 year average 2017 - 2019)	Decrease baseline as the Children & Families Hub is embedded, and Early Help is strengthened	305.5	-61.8%	✓✓✓
Re-referrals in 12 months Children's Social Care		24.70%	24.2% (at 31/12/20 - using 36 month rolling rate)	Decrease baseline - a reduction in the number of re-referrals as we work with families to make sustainable changes.	17.3%	-6.9%	✓✓✓
Number of Child In Need cases	292	219	246 (at 31/12/20 - using 24 month rolling average)	Decrease baseline - more children will be supported by Early Help	184	-25.2%	✓✓✓
Rate of Child In Need cases per 10,000 CYP (NB this includes CP and CLA for benchmarking purposes)	214	169.9	198.8 (at 31/12/20 - using 24 month rolling rate)	Decrease baseline	157.8	-20.6%	✓✓✓
Number of Child Protection cases	67	56	77 (at 31/12/20 - using 36 month rolling average)	Maintain baseline	74	-3.9%	✓✓✓
Rate of Child Protection cases per 10,000 CYP	32.4	27.1	37.4 (at 31/12/20 - using 36 month rolling rate)	Maintain baseline	35.8	-4.3%	✓✓✓
% of children who have a repeat child protection plan within 2 years	9.5%	14.0%	9.6% (at 31/12/20 - using 36 month rolling rate)	Reduce baseline as children and families are supported to make sustainable changes	24.1%	14.5%	✗✗✗
Number of Children looked after	83	76	86 (at 31/12/20 - using 36 month rolling average)	Decrease baseline	68	-20.9%	✓✓✓
Rate of Children looked after per 10,000 CYP	40.2	36.8	41.9 (at 31/12/20 - using 36 month rolling rate)	Decrease baseline	32.9	-21.5%	✓✓✓
% Care Leavers in Education, Employment or Training	65.0%	53.0%	58% (2 year average 2018 & 2019)	Increase baseline	48.0%	-10.0%	✗✗✗
% cases with management oversight in the last 31 days	73.0%	65.0%	73% (at 31/12/20 - using 24 month rolling average)	Increase baseline. 90% target	64.0%	-9.0%	✗✗✗

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Further information on the Department can be found at [Children, Young People, Education and Skills Department \(gov.je\)](#).

Information on what the Department planned to change and improve, including the service performance measures it used, in 2021 can be found in the Departmental Operational Business Plans for 2021 [ID Business Plan CYPES 2021.pdf \(gov.je\)](#).

More detail on the progress during 2021 of Government Plan and Departmental programmes and projects lead by the Department can be found in the [Annual Progress Report for 2021](#).

Information on what the Department will change and improve, including the service performance measures it will use, in 2022, can be found in the [ID Business Plan CYPES 2022.pdf \(gov.je\)](#).

**Ian Burns**

Director General

Jersey Library

In our local community, several initiatives have helped Islanders engage with a good book. One of them was through our popular summer reading challenge, which this year involved distributing 2,700 reading packs across the 12 parishes. Reading is a life-long skill and we're delighted to see over 1,200 more children regularly using the library as a result of this great initiative.

There's no doubt that communities have suffered during the pandemic and our libraries are at the heart of our local community. Access is always key to the success of any good story, and earlier in the year we were delighted that we were able to launch a new library at Communicare a great centralised location with easy access. We also keep the town library up and running – helping to maintain a sense of belonging while minimising that sense of isolation, felt by so many when key buildings and facilities had to temporarily close.

Access to digital services was also a key element that we facilitated in 2021, as many families were struggling with access to computers while members of their family were in isolation.

Health Access Scheme

Looking after our health is always important but with the pandemic this has been highlighted even more so, with the cost of seeing a GP being a barrier for some members of our community. At the request of the Social Security Minister and with the support of GPs, we set up a Health Access Scheme which provides a range of services for a 'fixed cost' of £12 for adults and 'free' for children in households on Income Support or Pension Plus. Approximately 11,000 people were eligible for the scheme at the end of 2021 and 56,000 payments were covered by it during the year.

Children's Dental Health

To ensure that children's dental health is maintained, the Minister also requested the setup of a temporary COVID-19 Children's Dental Scheme, aimed at getting secondary school age children (years 7 to 11) to attend check-ups and receive basic dental treatments free of

Customer and Local services

Across CLS we've had a productive and positive year in 2021.

Support for Care Leavers

Our Leaving Care team have worked hard to ensure they have stronger relationships with other agencies and departments with a real focus on the children we, as a corporate parent are looking after. From benefits and financial support through to training, career opportunities and help with finding their first home, our team have helped these members of our community on their path to becoming strong independent young people.

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charge, again for those families on Income Support– this dental scheme will end in June 2022.

Customer Strategy

The customer is at the heart of everything we do at CLS and it is very pleasing to see so much information and data being captured during the year. This data gives us real insight in to how our customers think and feel and gives us clarity and direction to improve and enhance the way we offer services – it tells us that Islanders are using our services in new ways such as online and over the phone, but that some still do prefer to drop-in, using our COVID-friendly appointment system. Across Government more teams are measuring the impact they have on customers, but more in this area needs to be done and all teams across Government need to take a more active interest in listening to their customers and acting on the outcome.

Reduction in Unemployment

An area that has been very successful is the reduction in unemployment. New schemes, clever thinking, training, and support from the Fiscal Stimulus Fund has enabled the team to end the year with the lowest number of jobseekers since 2011 – even better when you consider how hard it is for long-term jobseekers to get back into employment. Everything the team does is aimed at getting Islanders back in to work, and this past year has proven how successful they can be.

Housing Advice Service

Another success has been the launch of the Housing Advice Service, delivered under the Housing and Community Minister’s strategic priority of reducing income equality and improving the standard of living. Partnering with UK based charity Homeless Link, the team have begun the programme of reviewing and developing a robust way of tackling homelessness – but in a way that is bespoke to the needs of our Jersey customers. The steering group and consultation will continue in 2022.

Disability Strategy

At the beginning of 2021, five disability groups were set up to help deliver the disability strategy – which included the launch of the ‘Embrace Our Difference’ aimed at measuring the local understanding and attitudes regarding prejudice against Islanders with a disability – both visible and hidden. Physical access to buildings remains an issue, however the partnerships are working together to promote ‘ownership; and this can only mean good things as we move forward. We were very fortunate to secure Lord Blunkett to speak at our survey findings event, and although the results painted a stark picture, it was good to have key starting point and good advice from Lord Blunkett on how we can all work together to improve the lives of all Islanders.

Crematorium Services

There have been many positive service improvements made during 2021 at the Crematorium, from updating the décor, improving the seating arrangements, and working with key stakeholders through a newly formed Service User Group. The Crematorium team continue to deliver an exemplar service for Islanders and have adapted during COVID-19 restrictions to ensure that services have been both safe and appropriate working in partnership with key stakeholders.

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COVID Helpline and Support Services

Operationally, the COVID Helpline team have been extremely busy throughout the year. Each time Government changes a COVID policy or guidelines, our helpline team are available to help concerned Islanders. At times this has led to some longer wait times during peak times however the team has worked tirelessly to flex its resources in response. Our teams also continued to operate a number of COVID-19 – related support services, ranging from the Co-Funded Payroll Scheme to Isolation Benefits, making agreed modifications through the year in response to the evolving conditions.

Our People and Culture

But what about our people? Our colleagues and friends who deliver great services to our customers day in and day out? We've been working hard to make sure they are engaged, happy, safe, looked after, challenged, and valued. We have a dedicated People and Culture Plan in CLS that is improving further how colleagues feel about working for the department. We ran a follow-up Be Heard 'Have Your Say' staff survey in late 2021 which gave us an important follow-up to the previous year's survey. It gave us a strong indicator that we are doing well at looking after our colleagues but that we need to do more on opportunities and training.

Recognition is highly prized in CLS and was great to see so many colleagues winning awards at the Our Stars Awards late last year as well as the winners of our very own Living Our Values Awards, presented each month. Recognition is so important, and we firmly believe that the great work we deliver is down to the great people who make up our teams. Congratulations to:

- Manager of the Year - Cath Mearman
- Community Champion of the Year - Raluca Kovacs
- Working in Partnership Award - Work and Family Hub, Care Leaver Support team.

Local Services

Out in the community, we work with the various Parishes and charitable organisations, helping to deliver services that our customers need. Our Closer to Home events always prove popular and although the pandemic reduced the number of events we could hold, we did manage to deliver a few across the year, helping Islander's access valuable information and advice at a convenient time and location. Ensuring our customer services processes continue to meet expectations is a major task. We initiated our new Transform programme in 2021 which will eventually align a multitude of systems and processes to deliver one simple way of working and enable customers to transact with us in much simpler and easier ways – at a time and place convenient to them. The foundations are now being laid for this multi-year programme and a specialist team are now firmly in place to take our work forward.

Fiscal Stimulus Projects

Fiscal Stimulus funding was awarded for five key community-based projects in 2021 – one for the Back to Work employee incentive scheme and another to refurbish the Howard Davis Hall to become a brand new social and events venue for public and private events. Work has already started on the refurbishment and we hope the building will be ready to receive bookings and guests from mid-2022. We also supported a further three funding applications; for the Jersey Employment Trust (JET), Shelter Trust and the Citizens Advice Bureau (CAB).

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Our entire community has been able to continue to receive the services and benefits from across CLS despite the challenges that the pandemic has thrown our way. Our people have worked extremely hard to make sure they could deliver for our customers. We are very proud of all that we have achieved over 2021 and we look forward to making it even easier for our customers to do business with us in 2022.

What does our service performance data tell us about the department's performance?

CLS's absolute focus on customer service is shown through the 2021 performance outcomes – despite a challenging year with increased volumes and ongoing COVID-19 impacts.

We flexed our resources to ensure that we:

- Were available to answer customers' calls promptly
- Provided income support quickly to those who were eligible
- Support those who had lost their jobs.

We exceeded our Back to Work job placements six month sustainability target which was a significant achievement for the team. It wasn't possible to deliver our overall target for job starts due to an overall lack of employment vacancies, with the number of people Actively Seeking Work reaching its lowest level since 2011 by year end.

We also met our targets for the percentage of calls answered and for the set-up of new Income Support claims. Business licensing turnaround times improved from 2020 although fell slightly short of overall target.

The quantity of feedback and insights from our customers increased significantly as a result of the introduction of a survey after phone calls, asking the customers how satisfied they were. Customer Satisfaction and Customer Effort measures both improved compared to 2020 as we transitioned away from a heavy focus on COVID-19 priorities.

Finally, we are pleased to confirm that we fully met our savings target for the year.

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Customer and Local Services Performance Measures

Measure	2019 Annual Data	2020 Annual Data	Baseline 2021	What we want to achieve 2021	2021 Annual Data	% Change against what we want to achieve 2021	DOT against what we want to achieve 2021
Customer satisfaction rated very satisfied or satisfied (%)	85.4%	68.7%	80% @ Sept 2020	Performance on / above target of 85%	78.2%	-6.8%	⬇️⬇️
Customer effort (scored 1 to 5)	N/A	3.91	4.1 (2020 average)	Performance on/ above target of 4.5	4.05	-10.0%	⬇️⬇️
Calls answered (%)	91.0%	95.4%	91% (2020 average)	Performance on / above target of 95%	95.2%	0.2%	⬆️⬆️
Job Starts achieved in 2021 (%)	87.7%	94.4%	1,300 annual target (325 per quarter)	Performance on / above target	80.5%	-19.5%	⬇️⬇️
Sustainability of permanent Job Starts > 6 mths (%)	68.7%	88.6%	70% target	Performance on / above target	82.7%	12.7%	⬆️⬆️
Income Support new claims set up within SLA (%)	80.4%	100.0%	95%	Performance on / above target of 95%	99.8%	4.8%	⬆️⬆️
Business Licensing – applications turned around within SLA (%)	98.0%	83.9%	90%	Performance on / above target of 95%	90.2%	-4.8%	⬇️⬇️
Delivery of committed savings in 2021 (£)			Recurring savings @ £235k pa per 2021-24 Gov Plan target	Performance on / above target	£235k	0.0%	⬅️➡️

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Further Information

Further information on the Department can be found at [Customer and Local Services \(CLS\) \(gov.je\)](#).

Information on what the Department planned to change and improve, including the service performance measures it used, in 2021 can be found in the Departmental Operational Business Plans for 2021 [ID Business Plan CLS 2021.pdf \(gov.je\)](#).

More detail on the progress during 2021 of Government Plan and Departmental programmes and projects lead by the Department can be found in the [Annual Progress Report for 2021](#).

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Richard Corrigan
Director General

Economy

Throughout 2021, good progress was made against many of the objectives set out in our 2021 Business Plan. In addition, we continued to support business sectors which were affected by COVID-19 and Brexit, and we prepared for the transfer of colleagues and responsibility from the Economy Directorate, within the Office of the Chief Executive, to the Department for the Economy, which took place seamlessly on 1 January 2022.

COVID-19 and Brexit

As businesses struggled to adjust to the changing market conditions caused by COVID-19, we helped the sectors affected to ensure that they could continue to operate. The Economy team worked alongside colleagues from Customer and Local Services and Treasury and Exchequer to deliver £140 million through the Co-Funded Payroll Scheme by December 2021. A further £12 million in targeted support had been provided through other schemes including the Fixed Cost Support Scheme, the Business Disruption Loan Guarantee Scheme, and support targeted at the visitor accommodation, attraction and event sectors. Support continued even after the Island had exited the Reconnection Roadmap and public health restrictions had been largely removed.

The impact of Brexit was particularly felt by Jersey's marine economy. Fishers' traditional routes to market and fishing agreements were affected throughout the UK/French trade negotiations, and support totalling £120,000 was claimed by industry members to cover their fixed costs and salaries, ensuring that the sector's core infrastructure would be maintained, and that it could continue to operate as a sustainable and viable part of Jersey's economy.

During 2021, the first year that the UK was outside the European Union, we also helped importers to prepare for changes which took effect at the end of the year. Special dispensation which had been given to Jersey importers came to an end on 1 January 2022, and we ensured that businesses were prepared for customs changes, and the disruption to the supply chain was minimised.

Growth and Trade

With workforce and land both limited in Jersey, businesses cannot easily expand their operations by employing more staff or increasing the size of their premises. Instead, they have to get more out of their existing resources.

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Good levels of productivity can be seen where a company is using its available funds, staff, and technology to perform day-to-day processes efficiently, and is producing high-quality and high-value outputs. Improving productivity can generate higher business profits, higher wages and a higher standard of living.

To help businesses achieve that, a pilot scheme was launched, and grants were approved, totalling just over £100,000 to enable the successful applicants to make productivity gains that they would not be likely to achieve without financial support. The pilot scheme is being reviewed so that the scheme can be improved as it becomes established.

Jersey remained an attractive destination for businesses and individuals wishing to relocate, and one consequence of COVID-19 was that interest increased. Through Locate Jersey, we continued to promote Jersey as a location for individuals and organisations likely to bring significant social and economic contributions to the Island. During 2021, we increased the already substantial community support given by high net-worth Jersey residents by managing the production of GIVE2, a magazine which will act as a platform and directory for encouraging greater philanthropy.

In 2021, a mechanism was established to ensure that growth, trade and investment can be more effectively co-ordinated across all Government and external organisations. The ambition of the Trade, Investment and Growth Framework is to help Jersey businesses to thrive by removing barriers to sustainable growth opportunities.

Financial Services

The financial services sector's success continued in 2021 and Jersey's position as a quality international financial services centre remained strong. The growth and stability of employment in the sector, and its resilience in being able to work remotely, were demonstrated through the COVID-19 pandemic. It contributed around 40% of all Jersey's GVA and the sector supported significant activity in other sectors, through the local supply chain and the demand created by the wages of finance employees.

To ensure that we preserve and defend its position, we worked with the financial services professional sector and regulatory organisations to review and update the Financial Services Policy Framework, which was published in December 2021. It set out Government's vision for the future of the industry, and the strategic priorities which will be followed to facilitate the industry's digital transformation, its continued compliance with global standards, and its transition into being a leading centre for sustainable finance.

In 2021, significant progress was made in the establishment of the Jersey Resolution Authority to mitigate the risk of bank failure. During the year, the legislation needed to establish the independent body was prepared, and a designate chair and other members were appointed. It will be formally established in January 2022.

Significant progress was also made to protect Jersey's reputation as a responsible international finance centre which adheres to global standards. Jersey's first National Risk Assessment of Terrorist Financing was published in 2021 and significant progress was made in developing and putting in place a National Financial Crime Structure and Workplan which creates a co-ordination mechanism between Government and all operational authorities covering new policies, risks and operational effectiveness to ensure that Jersey remains effective at combatting financial crime. More than 100 workstreams were launched, six

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pieces of critical financial crime legislation were passed by the States Assembly, and a further 10 pieces of legislation prepared for debate. These will enable Jersey to be fully prepared for 2023, when the Island will be assessed by MONEYVAL against the FATF international standards on combatting money laundering and the financing of terrorism.

Rural and Marine

As guardians of around 50% of Jersey's land, farmers are vitally important to ensuring that our natural environment is preserved and maintained. The Rural Economy Strategy, published in 2017, recommended crop diversification and identified cannabinoids as key crops into which the industry could expand. In 2021, the legal and administrative framework needed to enable the production and sale of medicinal cannabis was established. The industry is now able to trade in cannabinoid products with other jurisdictions that also adhere to international standards for anti-money laundering.

Support for fisheries after a very challenging year through a combination of loss of demand in key markets and the impact of Brexit. The department has worked hard to ensure that business support mechanisms are in place to mitigate the impact.

Retail

The Interim Retail Strategy was published in 2021, setting out Government's proposed programme to support and reinvigorate the industry in the short and medium-term, and work began under the workstreams set out in the strategy, including improving dialogue and connectivity between Government and industry stakeholders, improving the quantity and quality of data, expanding business support. We also contributed to the development of economic policies within the new Bridging Island Plan.

Arts, Culture and Heritage

Jersey's artistic, cultural and historic sectors were supported through investment Jersey's heritage estate, including Elizabeth Castle and the Le Catllion II Coin Hoard.

Strategies for the support of arts and heritage were published, following extensive consultation, and will enable clearer direction for Government support in 2022 and beyond.

Visitor

As the visitor economy continued to be affected by COVID-19 public health restrictions, we supported the maintenance of its infrastructure, and worked with Visit Jersey on rapid-response campaigns to position the Island as a Visit Safe destination for visitors. Significant progress was made in promoting Jersey as a sports tourism destination when, together with private sector partners, Government worked to enable the British and Irish Lions rugby training camp to be held in Jersey in June followed by the England national rugby squad and several elite teams. The Lions visit generated more than £6m in media coverage, raised £100,000 to encourage young people into sport in Jersey, and promoted the Island not only as a visitor destination but also a location where elite athletes could train.

Telecoms

During 2021, the Digital Economy team worked with stakeholders including the Jersey Competition Regulatory Authority, Digital Jersey, and the telecoms operators to encourage a range of affordable services, to promote innovation and prepare the pathway for the

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next generation of network and services. We also supported the continued security and resilience of Jersey's digital connectivity through working to develop a new telecoms security framework.

Cyber Security

We established the first Cyber Emergency Response Team (CERT) in the Crown Dependencies to ensure that organisations and businesses are able to protect and defend against security threats and are ready to handle security incidents. Further work to maintain and enhance Jersey's security and resilience has included continued delivery of the Island's cyber security strategy, and the recommendations from the second Island-wide cyber security risk assessment including adopting a new cyber apprentice scheme to increase the range and offer of education routes for digital skills and offering local businesses the opportunity to develop skills in a key skills shortage area.

Emerging technology

Working with international social media providers, we secured access for Jersey to services including Facebook Marketplace, Instagram Marketplace, and Instagram Reels. Using lessons learned during COVID-19 restrictions, we enabled businesses to better utilise remote working and modern technology by working with industry to update legislation to reflect business practices. We also supported the development of a new fintech strategy, which will enable Jersey to capitalise on new technology.

Data Protection

Throughout 2021 the team worked with the Jersey Office of the Information Commission to ensure Jersey's data protection regime continued to be best in class for the benefit of all Islanders and engaged closely with the European Commission working towards ensuring continued adequacy with the General Data Protection Regulation and protecting the crucial free flow of data between Jersey and EU member states.

Economic Advice

We continued to provide impartial analysis and advice on the economy, competition, and Intellectual Property to the States Assembly and Government. Progress was made in improving the operation of the Financial Stability Board (FSB), an independent panel which assesses and advises on the risks to Jersey's financial stability. Since 2019, when it began operating on a shadow basis, practical difficulties had been identified which had limited the usefulness of the advice that the FSB could give. During 2021, a consultation was held on the changes required to address those difficulties, and work to implement them is due to be completed. To maximise the value of the FSB, preliminary work was undertaken to put it on to a formal footing with legalisation and information gateways.

Future Economy

Progress was made in 2021 in developing the Future Economy Programme, which will be used to design and deliver initiatives to improve productivity, support a sustainable and vibrant economy, and provide a skilled workforce for the future. The programme seeks to provide a clear overview of Jersey's economic ecosystem, identify threats, constraints and opportunities, and determine how sectors might best evolve under the Government of Jersey's stewardship.

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The work in 2021 created a foundation for ongoing work, and some of the associated research was deployed to support work on population policy and carbon neutrality elsewhere in Government.

The Future Economy Work programme operated in tandem with the report and recommendations from the Economic Council at the end of 2020. Cross-Government work to assess and implement those Economic Council recommendations was regrettably delayed by further phases of COVID-19 but sprint groups were formed in the last quarter of 2021 and will report back early in 2022.

New Department

During the year, significant administrative preparation was completed to enable colleagues and budget accountability to transfer seamlessly from the Economy Directorate to the new Department for the Economy on 1 January 2022. Colleagues were provided with continuous professional development opportunities to support them in their roles and future career aspirations.

Work also began to review the service level agreements for the relationships with our Arm's-length Organisations (ALOs). By improving the partnership agreements, the intention is to better deliver the common strategic priorities of the Council of Ministers in partnership with the organisations. We continued to implement recommendations from Scrutiny and the Comptroller and Auditor General in order to embrace continuous improvement.

Throughout the period, the directorate's objective has remained to support and enable the economy to operate and thrive, through the development of policy, legislation and by promoting the efficiency and effectiveness of associated ALOs.

What does our service performance data tell us about the department's performance?

Since the only data available is for 2021, the service performance measures are only indicative of the department's performance and cannot reliably reflect trends. It will only be in the future, as year-on-year trends become apparent, that the service performance measures will provide greater clarity. Overall, however, the department can be considered to be largely on track with KPIs.

The baselines for 2021, against which the annual data was compared, were set using information from preceding years, and sought to accommodate the impact of COVID-19 where possible.

Some performance measures are indicative of the continued impact of COVID-19. The fall in one-to-one advisory support by more than 20% could be as a result of businesses focusing on adapting to the changing business conditions, rather than business growth. Similarly, the decline in the number of jobs created and filled by inward investment businesses (down by 1% to 1,982) can be attributed to business change. The number of members and gatekeepers attending Jersey Finance Limited events fell from a target of 8,050 to 4,221 as a result of fewer events being held, because of COVID-19 restrictions.

COVID-19 restrictions could also be considered a catalyst for the number of High Value Residency applications increasing (23 approved in 2021, 35% above target) as well as those seeking business licences in the digital sector (28 in 2021, 12% above target), as restrictions

Departmental Performance

made Jersey more relatively attractive as a destination for businesses. Marketing of Jersey as a destination was also successful due to a number of campaigns by Visit Jersey (11.9m UK adults reached in 2021 compared to 7.3m in 2020), as well as the success of the British and Irish Lions training camp and associated international coverage.

The percentage of farmland LEAF certified increased slightly as areas of land changed ownership and moved into LEAF/organic certification. The Rural Initiative Scheme supported 11 projects, below the target of 15. Some projects were unable to be completed by the end of the year, in part because of COVID. They are expected to be completed in 2022.

Departmental Performance

Economy Performance Measures

Measure	2019 Annual Data	2020 Annual Data	Baseline 2021	What we want to achieve 2021	2021 Annual Data	% Change against what we want to achieve 2021	DOT against what we want to achieve 2021
One to one advisory support: no. of businesses supported ('Growth', 'Advisory' and 'Light Clients')	N/A	N/A	60 Growth, 150 Advisory, 500 Light	Maintain	556	-21.6%	
Direct business Support: partnews Net promoter Score	N/A	N/A	>=50%	Maintain	52%	2%	
To reach 50% of ABC1 Adults through UK marketing activity (7.3m customers)	N/A	N/A	7.3m Customers	Maintain	11.9m	63%	
Number of industry opportunities	N/A	N/A	250	Maintain	900	260%	
Number of business licences allocated to digital sector businesses	N/A	N/A	7	25	28	12%	
Number of high residency approvals	N/A	N/A	15	Increase	23	53%	
Number of jobs created and filled bu inward investment businesses assisted by inward investment - Business Recolation to establish in the island	N/A	N/A	2,000	Increase	1982	-0.9%	
% of farmland managed under LEAF/Organic Certification	N/A	N/A	75%	Increase	75.7%	0.7%	
Number of businesses which qualify for Tiers 2 and 3 of the Rural Support Scheme	N/A	N/A	40	Increase	36	-10%	
Number of projects supported by Rural Initiative Scheme	N/A	N/A	15	Increase	11	-26.6%	
Number of members and gatekeepers attending JFL events	N/A	N/A	8,050	Maintain	4,226	-47.5%	
Number of strategic and technical initiatives launched	N/A	N/A	57	Maintain	76	33.3%	

Departmental Performance

Further Information

Further information on the Department can be found at [Department for the Economy \(gov.je\)](#).

Information on what the Department planned to change and improve, including the service performance measures it used, in 2021 can be found in the Departmental Operational Business Plans for 2021 [ID Business Plan OCE 2021.pdf \(gov.je\)](#).

More detail on the progress during 2021 of Government Plan and Departmental programmes and projects lead by the Department can be found in the [Annual Progress Report for 2021](#).

Information on what the Department will change and improve, including the service performance measures it will use, in 2022, can be found in the [ID Business Plan Economy 2022.pdf \(gov.je\)](#).



Caroline Landon
Director General

Health and Community Services

2021 was a challenging year for Jersey's health and care system, as the Department continued to respond to the COVID pandemic and move back towards business as usual. The key focus in 2021 has been to keep Islanders healthy throughout this period. The COVID pandemic allowed us to adopt new ways of thinking, and we adapted to the pandemic challenges by

transforming our clinical, professional and operational procedures and policies. This could not have been achieved without the flexibility, hard work and commitment of our health and social care colleagues within Government and across all our partners, including primary care, social care, and the numerous local charities and private providers that we work with.

Improvement and Performance

HCS's journey to continuously improve the quality of services and safeguard high standards of care within an environment in which excellence in care flourishes has progressed through 2021 keeping Islanders at the centre of all we do. Reviews were undertaken for all those patients on the General Surgery Waiting List waiting longer than 24 weeks. Robust governance frameworks have been developed.

To ensure these high standards monthly performance reviews have continued for the Care Groups through which HCS delivers its services. These will be extended during 2022 to incorporate support services and corporate functions. These reviews are a key component of an accountability framework to ensure that resources are translated into the best possible outcomes, for both the quality of care and services, as well as value for money.

Our People

Throughout the year, workforce has been a priority within HCS. We have seen some staff leave for retirement and development opportunities. At the same time our recruitment campaign has brought in new and skilled professionals. We have grown our training offer seeing the introduction of mental health and specialist nurse training, enabling local people the opportunity to work within our health and care sector.

In addition, we have developed a wellbeing committee to ensure staff are supported within their roles. This has included wellbeing activities such as our first dedicated wellbeing week for staff, specific wellbeing and mental health support and professional group networks.

Departmental Performance

Quality Service Awards

The HCS workforce has continued to work to provide high quality safe care with many areas achieving external Quality Standard Awards – a remarkable achievement in times of a pandemic.

Service Development and Improvement

At the same time HCS has continued to improve services and develop new services to improve the Islander's care. This includes:

- Undertaking detailed work on our Oral Health Strategy. Looking closely at the work of our Dental Department within the Hospital and investigating the oral healthcare routines of children and parents, so we can help plan effectively for this important service in the future. By collecting detailed data around the way our services are accessed helps to inform service planning going forward
- The work within maternity services to both redesign the building and to develop the team with an increase in clinical staff to continue improving outcomes for families demonstrated in the increase of home births and the engagement with Islanders
- The implementation of the Jersey Care Model (JCM) has commenced with the recruitment of a team of clinical and project professionals to support the implementation of the model. The Public Health team has been established
- These teams have supported the development of the Intermediate Care services in partnership with local organisations and charities. This service helps people avoid going into hospital unnecessarily, keeping them living at home independently and providing them with support when leaving hospital. Work has started on developing new services. The Overnight Community Care service and the bringing together of the HCS access services started in 2021. Further Intermediate Care services will roll out in 2022
- A report has been published that provides more information about what has been achieved in 2021 as part of the Jersey Care Model programme on gov.je
- To support the development of the JCM there has been much work with all health and care partners. This has included developing the commissioning strategy with over 30 partners. Engagement with partners and Islanders in the development of the Oral Health Strategy
- To facilitate some of this work within the JCM and with the hospital, our Help at Home campaign, began last year and aims to get 100 Islanders into key roles as carers in our community alongside upskilling carers already working in the community. This has involved working in partnership with Jersey's Home Care providers.

Data Improvement

To support the work of HCS our data gathering and analysis has allowed us to record more accurate data across HCS, to produce our Quality and Performance Report and strengthen our commissioning partnerships. Great data lets us know what we are getting right and where we need to improve.

Departmental Performance

Electronic Patient Record

We look to digital and technology to help us deliver great care, and this continues at pace with the signing of a contract in October 2021 to help us deliver a new Electronic Patient Record (EPR) system. This will modernise and improve the way patient care across Jersey is delivered and will replace the existing limited system used within Health and Community Services.

An EPR is software that brings together key clinical and administrative information involved in the care and management of patients, providing the right clinical information, at the right time, in the right place. The EPR will allow medical records to be retrieved and consulted by patients and healthcare providers more efficiently without depending on paper files. It will help clinicians diagnose patients more effectively as well as reduce medical errors and provide safer care.

Services in the Community

HCS will continue to focus on developing the health and care on Jersey to allow Islanders to easily access services in the community. It will do this by:

- Continuing to develop and design pathway plans for the 'Our Hospital' programme
- Ensuring the Island's Digital Health ambition is delivered
- Helping and supporting Islanders to manage their own long-term conditions wherever possible
- Providing more and better-connected services in the community to support people who need care, but don't need to be in hospital
- Catering for the needs of Jersey's growing, older population by ensuring that care can be provided for people at home where appropriate and possible
- Improving patient pathways by working with our expert community and voluntary sector partners and primary care colleagues
- Continuing our improvements in mental health services with new facilities and new services
- Ensuring the General Hospital and wider HCS estate delivers to the required backlog maintenance schedule
- Providing additional, appropriate capacity to treat Islanders in Jersey who have, in the past, required treatment in the UK
- Providing a positive, safe and rewarding working environment for our staff, attracting and growing new talents whilst retaining the vast experience we have on-Island
- Ensuring our Adult Social Care services are supporting our most vulnerable Islanders working collaboratively with Adult Mental Health and Physical Health services
- Further developing our Learning Disability services working with key partners including new estate solutions for some of our clients
- Supporting our colleagues in Children's Services to deliver child health improvements as well as preventative child and adolescent mental health services

Departmental Performance

- Providing an efficient and effective service by ensuring our resources are well managed through initiatives such as Zero-Based Budgeting.

Our Hospital

The development of the new hospital preferred site and access route was approved by the States Assembly in January 2021. Clinicians have been working with the Our Hospital development team to ensure the designs for Our Hospital meet the needs of Islanders and is in line with clinical requirements. Designs were published in May, and the project budget and financing were approved by the States Assembly in October 2021. In November the planning application for the main site was submitted.

What does our service performance data tell us about the department's performance?

Health and Community Services provide a comprehensive quarterly performance report that provides key information against a range of metrics, from activity to quality and safety measures.

Below are key highlights against the services provided in scheduled care (for example, outpatient appointments, diagnostics, and planned surgery) and unscheduled care (e.g. emergency admissions). Further detail can be found on gov.je.

Scheduled Care:

- Annualised DNA (did not attend) rates have remained green (within standard) at 7.53% this year. This is an important measure as a high rate of non-attendance
- New to follow up rates have improved slightly again in year but remain outside of the aspiration of 2%. Work continues in this field through the JCM and Digital Programme to improve this further in 2022
- The percentage of patients waiting more than 90 days for their first outpatient appointment has improved in year. Analysis of waiting lists by each clinical area demonstrates that 91.5% (red rating) of patients on a community outpatient list are waiting more than 90 days, reflecting the workforce and referral challenges across the community dental and orthodontic pathways. The comparable figure across the acute waiting list is 33.9% (amber rating) and demonstrates an improvement in the year due to the significant outpatient improvement programmes that have run across the Care Groups and in particular within the Trauma and Orthopaedic, Physiotherapy and Ophthalmology services
- The performance measure for patients waiting over 90 days for their elective admission has deteriorated marginally in year. Detailed reviews show that particular challenges remain within the diagnostic pathways, with waits for endoscopy services increasing due to enhanced COVID related Infection Prevention and Control (IPAC) requirements in 2020 and 2021. Measures to address this have commenced in the last three months of 2021 and are being managed through the Endoscopy Improvement Programme. In comparison, the number of patients waiting more than 90 days for treatment on the elective waiting list has improved in year – this is despite managing the outpatient backlog caused by COVID and reducing theatre capacity over the last six months
- Both acute elective length of stay and acute adult bed occupancy have remained green against performance metrics in year

Departmental Performance

- Overall, the Outpatient Waiting List is up minimally (0.8%) compared to the end of 2019; this is made up of a 13% reduction in the Acute Secondary Care Waiting List alongside a significant increase in the waiting list for community services (dental services and some physiotherapy services). The reduction in the Acute Secondary Care Waiting List is driven by increased activity during 2021, as opposed to a reduction in referrals
- The Elective Waiting List at the end of 2021 is 10% lower than it was at the end of 2019
- The Diagnostic Waiting List has increased by 74% during that period due to endoscopy procedures being delayed because of COVID. The growth in this waiting list has slowed in the second half of 2021 and we are starting to see the impact of the introduction of the new bowel screening programme Faecal Immunochemical Test (FIT) in December. It is anticipated that this reduction will continue through 2022 as the FIT programme is rolled out. In addition, endoscopy capacity is being reviewed.

Unscheduled Care:

- Operational performance has been impacted in the Emergency Department (ED) due to enhanced Infection Prevention and Control (IPAC) requirements attributable to COVID. Despite this, ED performance metrics have remained amber in 2021, with an improvement in the ED conversion rate of 1.4%.
- Work continues across HCS's Unscheduled Care pathway to increase ambulatory care activity and time to treatment within the department.

Mental Health and Social Care

- An external review of adult mental health services was commissioned by HCS in 2021. This resulted in a development action plan and the creation of a new Director of Mental Health and Social Care role, who is now in post
- Suicide awareness training was launched across HCS via Virtual College. To date there has been an uptake of 929 employees undertaking the training
- A pilot scheme was agreed for payment of the use of Equals By Experience (EBE) in recruitment, training workshops and service development. Funding has been sourced and the pilot is now live. This will support co-production of services with those who use them, and also ensure that our EBEs receive appropriate and respectful payment for the work they undertake on our behalf
- We have created a dedicated medical role to support and address the physical health needs of people who are using our mental health services. This is a key priority in terms of health inequalities, and further development in this area is planned for 2022
- Establishment of Quality Improvement resource for mental health, this team links in with the Mental Health service to support development and improvement, it consists of a Senior Manager with a wide knowledge of mental health, a Change Manager who has specialist skills in project management and a Change Support Officer
- As part of a joint initiative with the COVID-19 Vaccination programme, the Learning Disability Service within Adult Social Care worked collaboratively to co-ordinate and enable individuals with learning disabilities known to GPs and the Learning Disability Services, to access their COVID-19 vaccine at the Le Geyt Day Service Centre
- Further to the implementation of the Regulation Care (Jersey) Law 2014, the Jersey Care

Departmental Performance

Commission conducted their first inspections of HCS registered provisions (care home, home care, day care) during 2021. Findings from inspections recognised the qualities of the staff team in terms of being attentive, dedicated and knowledgeable.

Departmental Performance

Health and Community Services Performance Measures

Measure	2019 Annual Data	2020 Annual Data	Baseline 2021	What we want to achieve 2021	2021 Annual Data	% Change against what we want to achieve 2021	DOT against what we want to achieve 2021
Outpatient DNA Rate	9.1%	7.3%	9.8%	<=8.0%	7.50%	-0.5%	↓↓↓
New to follow-up ratio	3.3	3.33	3.1	<=2	2.95	47.5%	↑↑↑
% patients waiting > 90 days for first appointment	39.4%	48.9%	40.0%	<25.0%	47.00%	22.0%	↑↑↑
% patients waiting > 90 days for Elective Admission	54.1%	50.9%	51.0%	<25.0%	54.10%	29.1%	↑↑↑
Acute elective length of stay (not including Samares)	2.1	1.3	2.2	<3	1.4	-53.3%	↓↓↓
Theatre Utilisation	78.4%	59.9%	75.0%	72.5%	69.20%	-3.3%	↓↓↓
% commenced treatment within 60 minutes			67.4%	72.5%	70.90%	-1.6%	↓↓↓
ED conversion rate	14.3%	18.2%	18.0%	<15.0%	16.80%	1.8%	↑↑↑
Acute bed occupancy at midnight (EL & NEL)	68.2%	52.5%	76.0%	<80.0%	69.40%	10.6%	↓↓↓
MH Acute admissions per 100,000 registered population	275	255	57.7	<60	257.5	329.2%	↑↑↑
MH Acute bed occupancy at midnight	82.0%	83.0%	88.0%	<88.0%	81%	7.0%	↓↓↓
MH Caseload	2,083	2,021	2103	Decrease	1693	-19.5%	↓↓↓
% Adult acute admissions under MH Law	31.0%	26.0%	39.0%	<37.0%	28%	-9.0%	↓↓↓
ASC % adults needs assessments closed within 30 days	73.0%	71.0%	77.0%	>80.0%	86%	6.0%	↑↑↑
ASC Caseload	1,935	1,665	1654	Decrease	1785	7.9%	↑↑↑
% Waited > 18 Weeks for Treatment with Jersey Talking Therapies	67.0%	40.0%	72.0%	<5.0%	39%	34.0%	↑↑↑

Departmental Performance

Further Information

Further information on the Department can be found at [Health and Community Services \(gov.je\)](#).

Information on what the Department planned to change and improve, including the service performance measures it used, in 2021 can be found in the Departmental Operational Business Plans for 2021 [ID Business Plan HCS 2021.pdf \(gov.je\)](#).

More detail on the progress during 2021 of Government Plan and Departmental programmes and projects lead by the Department can be found in the [Annual Progress Report for 2021](#).

Information on what the Department will change and improve, including the service performance measures it will use, in 2022, can be found in the [ID Business Plan HCS 2022.pdf \(gov.je\)](#).



Andy Scate
Director General

Infrastructure, Housing and Environment

The Department's focus is to provide the critical national infrastructure and decision making needed to enable Islanders, businesses, and visitors to live, work and enjoy the Island. The department is a key delivery agent in protecting and enhancing Jersey's natural and built environment, and in protecting the habitats and species which make the Island special.

The Department has come through a challenging time with the pandemic response, Brexit response, leadership change and restructuring.

Target Operating Model

The IHE departmental restructure has progressed well and is nearing completion with the new Property Directorate structure due to be in place by March 2022. The new structure of the Property Directorate is designed to meet the aims of that service as outlined in the Departmental Operational Business Plan. This will enable IHE to operate with its new Target Operating Model in 2022.

Brexit

Brexit has produced its own challenges. As well as approving the UK / EU Trade and Economic Co-Operation Agreement, the States Assembly has also agreed 15 separate pieces of legislation to ensure we are ready for this significant change in the way we travel, work and trade with Europe and the rest of the Common Travel Area.

Estate Strategy 2021-35

In March 2021, the Island Public Estate Strategy 2021-35 was published marking a first of its kind for Jersey. This long-term strategy sets the framework for the management of all Government operational land and buildings (the Estate) under a single Corporate Landlord Model. It provides an assessment of our existing assets and defines the vision, aims and objectives for the Estates Strategy in the context of the current economic and financial environment, while balancing future needs and aspirations of the Island. The strategy promotes short, medium-term and long-term Government planning for Estate and will remain applicable for time that transcends political cycles.

Our Hospital

2021 has seen significant work in a number of areas for the Our Hospital project. The acquisition of land required to deliver a hospital at Overdale is well underway. A detailed planning application was submitted in Q4 2021.

Departmental Performance

New Government Office

In 2021, many Islanders will have noticed that work started to demolish Cyril Le Marquand House and construct new Government offices on the site at Union Street. Once complete, the offices will bring together over 1,600 public servants in one building and create a central hub for Islanders to access Government services. This will make our services more accessible and convenient for Islanders, and our estates usage across Government more efficient.

Fort Regent

The Fort Regent project is, in future years expected to be one of the largest infrastructure projects delivered in Jersey, second only to the Our Hospital. The results of a public consultation launched in June to gauge support for the proposals will inform the brief for the Masterplan Design.

Inspiring an Active Jersey

Inspiring an Active Jersey has seen the delivery of the IAP website in March 2021, alongside a public survey surrounding the objectives of the programme which concluded in late April. The results showed very strong public support for the programme. Consultation has taken place with the clubs at Fort Regent, and a decant plan has been developed. Meanwhile, in November 2021 the Planning Committee approved plans for a new skatepark at Les Quennevais.

Integrated Technology Solution (ITS)

Significant progress has been made in Government of Jersey digital technology projects, for which IHE are contributing, such as the Integrated Technology Solution and Cyber Security. These programmes of work will address the legacy of historic under investment in our technical infrastructure and protect our systems and data, enabling us to be more efficient and agile in meeting Islanders' needs. Additionally, the Regulation Directorate delivered the discovery phase, outline report and options appraisal on the Regulation Group Digital Assets (RIDA) project which will rationalise the current digital assets within the Directorate.

Climate Change

IHE continues to work with colleagues across Government to affect climate change with the Government's own property and transport estate, working positively to affect Islanders' travel behaviours and to respond to climate change and climate events. We will continue to lead the Government's response to the biodiversity crisis and the protection of the environment, including managing land for biodiversity and to maximise carbon sequestration.

Our People and Culture

In 2021 the Senior Leadership team developed the first IHE People and Culture Plan. The People and Culture Plan prioritises the following workstreams; resourcing, talent management and development, diversity and inclusion and supporting employee mental health.

Also introduced in 2021, IHE now has a dedicated Learning and Development Lead within the Office of the Director General, collaborating with the central Organisational Development Learning and skills team to ensure continuous learning is available for all IHE colleagues, aligned with the 'OneGov' corporate objectives.

Departmental Performance

We aim to be an employer of choice, attracting and retaining talent for specialised roles within IHE which is presenting us with our biggest challenge as we look forward to 2022.

What does our service performance data tell us about the department's performance?

The department's service performance data was largely influenced in 2021 by external factors, mainly the Coronavirus pandemic and Brexit.

The number of passenger bus journeys has dropped due to demand during the pandemic. Early indications are just under 3 million passenger trips in 2021, so around 60% of the 2019 figure which was a high point of the bus contract (the headline figure is that total numbers for last year were 2 million less than 2019, though the increase has been gradual since February.) Bus ridership has seen further growth since the low point of spring 2020 but remains somewhat below pre-pandemic levels, influenced in the main by current hybrid working patterns (approximately 25% down relative to the fourth quarter of 2019). Operating costs are being managed by Liberty Bus with a slightly reduced timetable still in effect.

The percentage of inert waste that is recycled went down slightly towards the end of the year and is just below what we set out to achieve. Due also to the pandemic, there was a shift in the activity of the construction industry with more demolition and excavations being undertaken than constructions. Therefore, construction sites were producing more waste and consuming less recycled aggregates as the former activities could more easily be completed within COVID working practice. This slowdown in construction was potentially a product of uncertainty in the developer's property market. The on-site reality not shown by these figures is that our aggregate partner has continued to produce recycled materials from incoming waste, stockpiling on site, ready for a predicted construction uplift in 2022. These materials are not yet weighed and sold, therefore are not accounted for in current data sets.

Similarly, the number of visits to the Household Reuse and Recycling Centre has declined between Q3 and Q4. However, in 2021 we had more customers than in 2020. These figures will be impacted by the reintroduction and increase of parish kerbside recycling services.

Planning applications that have been approved have exceeded the baseline at 88% with those completed within the target (54%) down significantly in Q4 due to resourcing.

79% of food businesses rate very good or are excellent performers with their food safety standards, which is 10% over the baseline, with less than 0.70% rated as poor or non-compliant.

Resourcing, talent management and development are among the department's key priorities and having a People and Culture Plan will help overcome the resourcing issues that have been challenging over the last two years.

Addressing the recruitment challenges and a return towards "business as usual" activity in IHE in 2022 should foster more stability and be reflected in the departmental performance data for the year ahead.

Departmental Performance

Infrastructure, Housing and Environment Performance Measures

Measure	2019 Annual Data	2020 Annual Data	Baseline 2021	What we want to achieve 2021	2021 Annual Data	% Change against what we want to achieve 2021	DOT against what we want to achieve 2021
% Road Works conducted during off peak hours	82.0%	77.0%	82.0%	80.0 - 85.0%	82.0%	0.0%	↔
Number of bus passenger journeys	4,969,573	2,224,276	1,098,817 as at Q4 2019	5.0% increase	2,984,486	-32.0%	↘
% of pumping station reactive maintenance completed within target	90.0%	90.8%	90.0%	>90.0%	94.0%	4.0%	↗
Number of pollution incidents due to pumping station failure	0	0	0	0	0	0.0%	↔
% of inert waste that is recycled	37.0%	39.0%	40.0%	50.0%	47.7%	-2.3%	↘
Number of visits to the Household Reuse and Recycling Centre (measured by a vehicle counter)	53,890	38,854	Q3 2020 44,736 vehicles	Maintain	44,644	0.0%	↔
% of all food businesses rated as very good or excellent performers	70.0%	80.0%	70.0%	>70.0%	79.0%	9.0%	↗
% of all food businesses rated as poor or non compliant performers	1.0%	0.6%	1.0%	<1.0%	0.6%	0.4%	↗
% of cases resolved within target	90.0%	93.6%	90.0%	>90.0%	95.4%	5.4%	↗
Customer satisfaction	90.0%	N/A	90.0%	90.0%	85.7%	-4.3%	↘
% Planning applications that have been approved.	87.7%	82.3%	82.8%	>80.0%	88.0%	8.0%	↗
% Planning applications completed within target.	66.0%	60.0%	66.0%	>75.0%	54.0%	-21.0%	↘
% of satisfactory building control inspections	69.3%	62.7%	1 year moving average	Increase	62.8%	0.1%	↗
Measurement of how many volunteers are trained annually in biodiversity monitoring in line with connectedness for nature.	133	190	200 (190 volunteers reached in 2020)	Increase	195	-2.5%	↘
% accuracy of forecasting for public weather forecast	95.0%	97.0%	>95.0%	>95.0%	N/A	0.0%	↔

Departmental Performance

Infrastructure, Housing and Environment Performance Measures

Measure	2019 Annual Data	2020 Annual Data	Baseline 2021	What we want to achieve 2021	2021 Annual Data	% Change against what we want to achieve 2021	DOT against what we want to achieve 2021
Total value of property portfolio	£904.5m	£966.8m	£966,773,150 (valuation at the end of 2020)	No decrease in value	N/A	N/A next report Q4 2022	<>
Number of category 1 and 2 environmental incidents in the last 12 months	10	25	Previous years incidents in the 12 month period (25 for 2020)	Decrease	22.3	-10.0%	✓✓

Departmental Performance

Further Information

Further information on the Department can be found at [Infrastructure, Housing and Environment \(gov.je\)](#).

Information on what the Department planned to change and improve, including the service performance measures it used, in 2021 can be found in the Departmental Operational Business Plans for 2021 [ID Business Plan IHE 2021.pdf \(gov.je\)](#).

More detail on the progress during 2021 of Government Plan and Departmental programmes and projects lead by the Department can be found in the [Annual Progress Report for 2021](#).

Information on what the Department will change and improve, including the service performance measures it will use, in 2022, can be found in the [ID Business Plan IHE 2022.pdf \(gov.je\)](#).



Kate Briden
Acting Director General

Justice and Home Affairs

2021 saw collaborative and joint working across the department, and more broadly across Government. This approach generated better outcomes for the services and Islanders, demonstrated through:

- The continued management of Brexit and the COVID-19 pandemic
- The operational response to the fishing dispute with France
- On a more regular basis, when responding to incidents on the Island.

JHA services have been diverted to support the pandemic and we are thankfully seeing a return to more 'normal' business, whilst continuing to monitor resilience in relation to COVID.

Whilst the different JHA services have specialisms and specific functions, they all work collaboratively to reach the same goal, this underpins the Common Strategic Policies and safeguards the safety and security of all Islanders through early intervention, prevention and protection. This joint work is building at both a strategic and operational level and developed and delivered a programme of joint activity for 2021: a framework of risks and threats posed, fire and ambulance co-responding, joint operations and investigations between the Police and Customs and Immigration, joint working in the Combined Control Room, Brexit response, and initial consideration of new Drug and Alcohol and Criminal Justice Strategies.

A constant risk for the department has been the impact of COVID-19 on the resilience of services. We have worked closely with central Government to ensure that our business continuity plans are kept up to date and that proportionate measures and controls are increased / relaxed as necessary.

Jersey Customs and Immigration Service

2021 saw another year of significant disrupted border activity due to the global COVID impacts upon travel. Despite this there was an increase in smuggling as movements through the ports increased comparative to the previous year.

A total of £89.3m in Customs and Excise duties was collected during 2021 where the figure was buoyed by the effect of the pandemic. Of note were receipts for spirits (up 30% from the base forecast from £7.1m to £9.3m), and tobacco (up 60% from the base forecast from £15.6m to £25.7m). Similar, but slightly less pronounced trends were also seen in 2020 where restrictions on people's travel to and from the Island led to a dramatic reduction in the quantities of duty-free excise products being imported.

Departmental Performance

The operational consequences of Brexit were significant in both Customs and Immigration workstreams.

In terms of goods, declarations increased by 70% as result of new controls on goods being imported from the EU and because of a lower GST de-minimis. Whilst this stretched the resources of the Service it also resulted in significant increased revenue for the Island.

The impacts of Brexit also resulted in large increases in immigration permissions (140%) and work permits (350%). The Service worked extensively with the hospitality, agriculture and construction sectors as well as local business to introduce bespoke work permits schemes. The vastly higher volume of temporary workers brought with it a significant increase in the number of immigration permissions denied or revoked. 17,000 'in-time' applications to the EU Settled Status Scheme have been submitted, 93% of which were finalised by the end of 2021. This has resulted in more than 15,000 resident EU nationals having received their protected rights to continue living in Jersey and have unhindered travel across the Common Travel Area border.

States of Jersey Prison Service

2021 has been a mixed year in terms of delivering against our objective of developing a prison and probation service which focuses on changing behaviour, rehabilitation into the community and reducing the risks of reoffending

Most notably has been the impact of COVID and vacancies on the regime and a change in leadership of the prison with both the former Governor leaving and Deputy Governor (who had provided temporary cover) retiring.

Significant progress has been made in the joint working of Prison and Probation services and recognising and engaging the Customer and Local Services Department as a key partner in providing resettlement services to prisoners on release. All three departments are working together along 'The Seven Pathways' that are recognised in 'What Works' literature to be the key elements to properly reduce the risks of reoffending and were identified in an independent review commissioned by the Government in 2020 as the framework under which Prison and Probation should be jointly working.

Together the services hosted a cross-Government Reducing Reoffending event during National Prisons week (October 2021) which generated significant and renewed engagement from departments in Government (notably Health and Community Services and Children, Young People, Education and Skills) to improve efficiency and outcomes for offenders, victims and the island more broadly.

The physical development of the Prison continues, and the most recent phase is nearing completion which will enhance the security and experience for both staff and prisoners who work and are held there. Further phases over the coming years will complete the re-development.

States of Jersey Ambulance Service

Ambulance emergency calls have been rising annually in the region of 3% – 5% in recent years. Whilst 2020 saw a fairly static position during the pandemic, 2021 has seen significant growth in demand. This increase meant that in 2021 the Ambulance Service was unable to reach all its patients in a timely manner. Emergency calls increased by 21% during 2021

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and at times, calls outstripped resources. This resulted in calls taking several hours for an ambulance to arrive on scene on several occasions.

Whilst calls to immediate life-threatening emergencies only make up around 4% of ambulance total call demand, it equates to approx. 450 calls in 2021 of which we were only able to reach 64% within eight minutes, the longest of these calls taking 36 minutes to arrive on scene.

To improve response times to the most serious of calls, work has started on the implementation of the Ambulance Response Programme (ARP), based on well researched and safe maximum response times for each category of emergency call received. The intention is that an ambulance is held as often as possible for a more rapid response to life-threatening emergencies. This may in turn lead to longer delays to calls assessed as less serious, and preparation work is under way to undertake a Service wide 'Demand and Capacity Review' in 2022. This will determine the staffing levels required to ensure we maintain a safe and effective service. This is likely to lead to some service redesign to help manage current and future demand.

Additional funding requests have been submitted to address the issues in 2022 and 2023.

Health and Safety Inspectorate

A new Approved Code of Practice (ACoP) for Gas Safety was published and came into force on 1 February 2021. This publication provides duty holders with practical guidance on how to comply with the legal requirement in a high-risk industry and was prepared to assist such duty holders following a fatal accident in this industry sector.

The publication of a revised ACoP for the Safe Use of Rider Operated Lift Trucks was delayed due to resourcing challenges and operational pressures imposed by the pandemic. Significant progress was made towards the end of the year with a draft document ready to go out for public consultation in January 2022. Regular updates regarding progress with the project has been provided to key stakeholders throughout. The ACoP, which has a [special legal status Forklift Truck PDF \(gov.je\)](#), will provide duty holders with practical guidance on how to comply with the law, and has been undertaken as a direct result of requests from industry for updated guidance

During early trials of introducing SMART mobile working capability, it became apparent that an alternative technological approach would provide a cheaper, more efficient and timely adoption of the perceived benefits from mobile working. The SMART capability was therefore discontinued, and the alternative system adopted with success in 2021

States of Jersey Fire and Rescue Service

As with other Services across the Justice and Home Affairs portfolio, the Fire and Rescue Service and Emergency Planning Unit's year was a mix of outcomes. In broad terms projects and initiatives that were delivered more effectively were those where capacity enabled progress and where the bulk of the work was internally focused and so the restrictions arising from COVID-19 public health measures had limited impact. In other areas, outputs were, understandably, sharply reduced. A small but useful example of the latter is in the cessation of fire safety enforcement activity in residential care homes following discussion with the Jersey Care Commission, to support the shielding of vulnerable Islanders in care settings.

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Among the successes were internal governance and financial control arrangements implemented to properly adapt to the operating model implemented in 2020. Almost all Commanders transferred or concluded leadership studies with accredited qualifications at levels 3, 5 and 7. Tremendous hard work by fire safety officers saw them transfer or progress through qualifications in the National Fire Chiefs Council's Competency Framework for Fire Safety Regulators, revised as part of the post Grenfell building safety reforms and, in some cases, some officers contending with both courses of study as well as their busy roles.

Our longstanding and successful partnership working with the States of Jersey Ambulance Service developed still further, with the adoption of the Ambulance Service's syllabus and training for firefighters responding to emergency medical or trauma incidents in support of paramedic colleagues, aligning clinical practice and equipment. A new operational training and assessment recording, planning and assurance system was implemented, replacement fire engines and breathing apparatus systems were procured and a recovery programme for fire safety education was conducted, seeking to ensure that no school age children were denied this important safety learning as a result of the disruption in the previous year. Finally, the automatic offer of a Home Fire Safety Visit was extended to young care leavers as a further expansion of our commitment to children and young people, especially those in the care of Government.

For a range of reasons, limited progress was made on many of the significant, strategic, and outward facing risk reduction initiatives outlined in the 2021 plan. Further engagement between the Minister and colleagues in the States Assembly is needed to finalise the details of the Pyrotechnic Articles Regulations and access to expertise is still being sought to assist in the development of an Approved Code of Practice for Explosives. The Service still does not demonstrate compliance with professional practice and much still needs to be done to properly address the outcomes of the Grenfell Tower Inquiry and associated work. These things and some new initiatives already planned are found in the 2022 Justice and Home Affairs Departmental Operational Business Plan and the SJFRS Integrated Risk Management Plan.

After a year of disruption to the emergency planning agenda, the Emergency Planning Unit worked with partners in Government and elsewhere to regain the initiative, revitalising and restructuring the internal governance of civil contingencies work and re-establishing an ambitious work plan to improve safety and resilience for Islanders and their interests.

Business Support Unit

In 2021 JHA established for the first time a Business Support Unit (BSU), co-ordinated to support JHA and the individual services. The unit has gone from strength to strength, overseeing improvements in the areas of Health and Safety, co-ordinated corporate training and the management, and reporting of risk across all services. The BSU will continue to increase its support over the coming 12 months to improve overall good governance of corporate initiatives and individual services.

Rebalancing

JHA's rebalancing target for 2021 was £706,000. The target was delivered in full.

This included a one-off target of £450,000 to sell the domestic dwelling at the Western Fire Station. Delays in the process has meant that the house will now be put on the

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market in 2022, therefore this target was delivered by an alternative measure in 2021. The proceeds of the sale of the house will go directly into the Consolidated Fund when sold. Of the remaining £256,000, £101,000 was delivered as per the original plan, and £155,000 delivered by alternative measures on a recurring basis.

COVID Safe

In early 2021, the COVID Safe team was introduced, integrating teams from Contact Tracing, Monitoring and Enforcement. The team continued to work closely with emergency services, critical national infrastructure, businesses and both Honorary and States of Jersey Police.

Contact tracing accounted for around 25% of all positive cases in 2021. Policies relating to the testing and isolation changed during 2021 but identifying and notifying direct contacts remained an important element of suppressing transmission, as c7% of 62,800 direct contacts subsequently tested positive. In addition, providing Islanders with information regarding their increased risk helps individuals make informed choices about behaviours and activities – for example, choosing not to attend a social event, or visit a vulnerable relative if you are a direct contact.

Over the course of 2021, there was an increased focus on supporting workplaces, with specialist COVID Safe advice and guidance. This was provided reactively in response to identified outbreaks, and proactively in critical workplaces (including every school) and in businesses which requested additional support.

The COVID Safe team contributed to safer travel, by monitoring daily wellbeing SMS messages, authorising Pre-Departure Certificates and Critical Worker Exemptions.

They also supported positive individuals, keeping in touch during their isolation period, monitoring welfare and wellbeing and signposting individuals to additional support as required. Where necessary, they also secured hotel accommodation for those unable to isolate at home.

Working with States of Jersey Police and the Honorary Police, the COVID Safe team monitored compliance with legal requirements, including mask wearing and the collection of customer details for contact tracing purposes. Reports of possible breaches were investigated and, where appropriate, escalated for prosecution.

What does our service performance data tell us about the department's performance?

- A key area of concern is the increase in demand for Ambulances (not directly related to COVID-19). Emergency calls for Ambulances increased by 18.5%, during 2021 and at times, calls outstripped resources. Calls attended were up 12.2%. Of note is the impact on RED2 (second most urgent type of calls) average response times increasing from 8:08 minutes in 2020 to 9:07 minutes in 2021, although this remains within the 18 minutes target
- 2021 saw another year of significant disrupted border activity due to the global COVID impacts upon travel. Despite this there was an increase in smuggling as movements through the ports increased comparative to the previous year. JCIS drugs seizures totalled £665,000 for 2021 an increase from the £500,000 in 2020
- A reduction in the standard passport turnaround time (which has a non-obligatory turnaround time) was due to a spike in applications in 2021 as a result of an easing of

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COVID global travel restrictions and an associated surge in demand. This was also compounded by an increase in the demand for the express service which further stretched the limited resources to ensure the terms of those paying extra for this service were met

- A total of £89.3m in Customs and Excise duties was collected during 2021, up 13.3% on the £78.5m collected during 2020. Of note being revenue from spirits increased 30% from the base forecast from £7.1m to £9.3m, and tobacco (up 60% from the base forecast from £15.6m to £25.7m). Similar, but slightly less pronounced trends were also seen in 2020 where restrictions on people's travel to and from the Island led to a dramatic reduction in the quantities of duty-free excise products being imported. Goods declarations increased by 70% as result of new controls on goods being imported from the EU and because of a lower GST de-minimis. The impacts of Brexit resulted in large increases in Immigration Permissions (140%) and Work Permits (350%)
- Partial relaxation in restrictions meant that the States of Jersey Fire and Rescue Service were able to increase their number of 'Safe and Well Visits' from 99 in 2020 to 135 in 2021. The percentage of high-risk premises also increased from 18% in 2020 to 68.8% in 2021
- The number of emergencies increased from 907 in 2020 to 1,064 in 2021, against an aim to decrease the number
- 2018-2021 represents the equal longest period without a fire death (alongside 2009-2012) since, at least, 1962 Within the States of Jersey Prison Service there were no serious assaults in 2021 (1 in 2020). The more-or-less halving in Contact Hours and in Hours Out of Cells during 2021 was mainly due to COVID restrictions and staffing vacancies. Approximately 10 average minutes per prisoner during 2020 were over-reported in work areas.

Departmental Performance

Justice and Home Affairs Performance Measures

Measure	2019 Annual Data	2020 Annual Data	Baseline 2021	What we want to achieve 2021	2021 Annual Data	% Change against what we want to achieve 2021	DOT against what we want to achieve 2021
Total number of Serious Assaults	1	1	1 (2020)	Decrease	0	100.0%	🟢
Total number of self-harm incidents	17	15	15 (2020)	Decrease	34	126.6%	🔴
Contact hours - prisoners engaged in learning / employment programmes.	155,474 Hrs	135,939 Hrs	134,939 hrs (2020) 2:30hrs / prisoner /day	Increase	70,247 hrs	-48.0%	🔴
Average amount of hours that prisoners spend out of the cell during a day.			416,512 hrs (2020) 8hrs / prisoner /day	Increase	201,951 hrs	-51.5%	🔴
% prisoners with pre-release plan in place	96%	98%	98% (2020)	Maintain – 100%	94.0%	-6.0%	🔴
Prisoners with employment in place when leaving prison	66%	78%	Employment 78% (2020)	Increase	60.0%	-18%	🔴
Prisoners with accommodation in place when leaving prison	83%	95%	Accommodation 95% (2020)	Increase	96.0%	1.0%	🟢
No. of Fire Emergencies	1,004	907	907 (2020)	Decrease	1064	17.3%	🔴
% of emergency response within target	59.80%	50.97%	50.97% (2020)	Increase	N/A	N/A	🔵
No. Of fatal fire injuries	0	0	0 (2020)	Maintain	0	0.0%	🔵
No. Of non-fatal fire injuries	9	2	2 (2020)	Decrease	N/A	N/A	🔵
No. Of Safe and Well Visits	298	99	99 (2020)	Increase	135	36.0%	🟢
% of Safe and Well visits for target risk groups	97.3%	96.0%	96.0% (2020)	Maintain	96.7%	0.7%	🟢
% of high-risk premises inspected	98.18%	18.18%	18.18% (2020)	Increase	68.8%	50.6%	🟢
No. of reportable injuries to firefighters	2	0	0 (2020)	Maintain	0	0.0%	🔵

Departmental Performance

Justice and Home Affairs Performance Measures

Measure	2019 Annual Data	2020 Annual Data	Baseline 2021	What we want to achieve 2021	2021 Annual Data	% Change against what we want to achieve 2021	DOT against what we want to achieve 2021
Value of drug seizures	£3.68m	£0.50m	£0.5m (2020)	Maintain	£0.67m	34.0%	↑↑↑
Value of goods consignments processed	£1.87m	£2.9m	£2.9m (2020)	Increase	£3.25m	12.1%	↑↑↑
Value of goods declarations processed	£100k	£136k	£136k (2020)	Increase	£225k	65.4%	↑↑↑
Value of duties collected (excise, import GST and CCT)	£67.9m	£78.5m	£78.5m (2020)	Increase	£89.3m	13.3%	↑↑↑
% of non-express passports processed within 6 weeks	98%	100%	100% (2020)	Maintain	80.0%	-20.0%	↓↓↓
Number of 999 calls attended	9,845	9880	9980 (2020)	Maintain	11,081	12.2%	↑↑↑
% of 999 calls requiring transport to ED	65.70%	58.4%	58.30% (2020)	Maintain	59.7%	1.4%	↑↑↑
Red 1 Mean Average response time	00:06:37	00:07:03	7 minutes target	Decrease	00:07:33	7.8%	↑↑↑
Red 2 Mean average response time	00:07:44	00:08:08	18 minutes target	Decrease	00:09:07	49.3%	
Number of proactive inspections made to high risk workplaces	264	374	165 (Q4 2020)	Increase	249	50.9%	↑↑↑
Response time to complaints about working activities (in accordance with HIS complaints policy)	Cat 1: 100%	Cat 1: 100%	(2020) Cat 1: 100%	Maintain	Cat 1: 100%	Cat 1: 0.0%	↔↔
Response time to complaints about working activities (in accordance with HIS complaints policy)	Cat 2: 97%	Cat 2: 100%	Cat 2 100%	Maintain	Cat 2: 99%	Cat 2: -1.0%	↓↓↓

Further Information

Further information on the Department can be found at [Justice and Home Affairs \(gov.je\)](#).

Information on what the Department planned to change and improve, including the service performance measures it used, in 2021 can be found in the Departmental Operational Business Plans for 2021 [ID Business Plan JHA 2021.pdf \(gov.je\)](#).

More detail on the progress during 2021 of Government Plan and Departmental programmes and projects lead by the Department can be found in the [Annual Progress Report for 2021](#).

Information on what the Department will change and improve, including the service performance measures it will use, in 2022, can be found in the [ID Business Plan JHA 2022.pdf \(gov.je\)](#).



Catherine Madden
Chief of Staff

Office of the Chief Executive

Supporting Government Business and Mitigating Risk

In March 2021, the Government of Jersey welcomed Paul Martin as interim Chief Executive. The Office of the Chief Executive (OCE) played a principal role in mitigating the risk of any disruption to key Government initiatives, projects, and programmes through the provision of a comprehensive induction to the interim Chief Executive and by providing him with continued operational and strategic support thereafter. These activities enabled continuity in the delivery of key initiatives, such as Our Hospital and the new Office Project, as well as supporting the delivery of all the Common Strategic Priorities as outlined in the Government Plan. A comprehensive internal and external communications programme was developed by the Department

to introduce the interim CEO to the organisation and to ensure that his vision and work was clearly understood by colleagues and other stakeholders.

The OCE has also been essential in maintaining an effective framework of corporate governance that enables political decision-making and policy direction. By providing administrative and strategic support to the Council of Ministers and the Executive Leadership Team, the department has helped to facilitate high quality collective decision making. In 2021, the Ministerial Support Unit evolved to support Ministers in discharging their duties more efficiently, primarily through embedding the use of Microsoft Teams. This has enabled the Ministerial Office to play a key role in strategic projects, including the management of the Government Plan approval process. Alongside this, Departmental Heads of Communication have continued to support increased Ministerial engagement with the public, including digital opportunities through videos and live-streamed events, alongside traditional media engagements.

These functions also enabled the Department to continue its central co-ordination of the response to the COVID-19 pandemic. In addition to its support of the Council of Ministers and the Executive Leadership Team, the Office has supported the key decision-making bodies of the pandemic (the Competent Authorities Ministers and the Scientific and Technical Advisory Cell). The Communications Directorate has pursued a year-long public information and engagement campaign, supporting good hygiene and testing practices, informing Islanders of any changes to travel or local restrictions, and promoting the vaccination programme [see highlight above].

Developing and Promoting Jersey's International Identity

The UK's departure from the European Union, and new status as an independent trading nation had a significant impact on the work of the External Relations team within OCE in 2021. This affected Jersey's relationships with the United Kingdom, with Europe and the rest of the world. Jersey entered a new Customs Union with the UK on 1st January 2021, and – through the UK - joined the World Trade Organisation at the same time. External Relations

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helped negotiate Jersey's participation in these two Agreements and has been central to cross-Governmental implementation in Jersey of the Trade and Co-operation Agreement with the European Union.

The importance that the Government of Jersey places on its European relationships has been demonstrated by expanding the European Relations team. This has resulted in the ability to be able to continue establishing new partnerships and strengthening existing relationships – most notably in assisting with managing the complex Jersey-French relationship and the associated fishing licences discussions.

External Relations has continued to play a key role in developing the Island's response to international developments on tax and to represent Jersey's interests in strategic multilateral fora, such as the OECD, the Commonwealth Heads of Government meeting, the Commonwealth Enterprise and Investment Council, IMF and World Bank. In 2021, Jersey's positive reputation within the OECD was further enhanced when the Island was invited to take on a leadership position as Co-Chair of its Ad Hoc Group on Country-by-Country reporting.

The reintroduction of international travel has allowed both inward and outward Ministerial engagement led by the Global Relations team. In 2021 this included visits to the Island of the UAE Ambassador to the United Kingdom and the Rwandan High Commissioner. Alongside the successful completion of the Bilateral Investment Treaty (BIT) with the UAE [see highlight] the Global Relations and International Compliance teams facilitated the extension to Jersey of the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), Human Rights education work with China, climate diplomacy around COP26 with priority markets, the Chief Minister's visit to the UAE and high-impact visits by Minister for External Relations to Oman, the UAE and the United States.

Modernising Government

The Office has consolidated and strengthened governance arrangements across the Government of Jersey during 2021. One way it has done so is by developing the framework for monitoring corporate improvements, and therefore the capability of the organisation to deliver those advances. A primary tool that has been introduced to support this initiative is the development and embedding of the SharePoint Tracker for recommendations made by the Comptroller and Auditor General (C&AG), the Public Accounts Committee (PAC), and Scrutiny Panels. The Tracker has enabled the Government to have greater oversight of all recommendations and greater capability to manage them effectively. Its improved functionality allows for updating in real-time and grants ready access to information on individual recommendations, enhancing the ability of Director Generals to challenge progress and encouraging collaborative working across departments. These benefits were recognised by the C&G's report on the Tracker which also highlighted that the Government of Jersey was ahead of other jurisdictions in this respect. Furthermore, the establishment of the Arm's-Length Bodies Oversight Board in 2021, chaired by the Chief Executive, is an important step in ensuring that there is a consistent approach in business planning and providing assurance that arm's-length organisations operate to deliver the strategic aims and objectives of the Government of Jersey. These developments contribute towards a framework that supports good governance and advances a culture of continuous improvement.

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A key aspect of modernising Government is the encouragement of collaborative working and the breaking down of departmental silos. The Office has supported these objectives through its promotion and embedding of whole-organisation working in 2021. An important development has been the creation and then continued administrative and strategic support of cross-departmental working groups such as the Operating Committee (OpCo), the Senior Leadership Group, and the Senior Management Group. Similarly, in 2021 the Communications Directorate and Ministerial Office underwent reorganisation to ensure more effective and efficient working.

The Office has also continued to support the ongoing development of a positive culture and the implementation of the People Strategy. In their capacity as Chair of the Team Jersey Programme Board, the Chief of Staff has been instrumental in promoting a positive workplace culture throughout the organisation. With the support of significant promotion from the Communications Directorate, Team Jersey delivered 295 workshops in 2021, engaging over 3000 colleagues, with 86% of attendees rating their experience as good or very good. This was despite the ongoing challenges posed by the COVID-19 pandemic which necessitated the online delivery of workshops until April 2021, after which face-to-face workshops with additional social distancing measures returned.

In 2021, the Government reached key milestones in the delivery of major strategic projects. As the Accountable Officer for the first phase of the Office Modernisation Project, the Chief of Staff provided oversight of governance and decision-making to enable the project to be handed over to Infrastructure, Housing and Environment for the delivery phase in Spring 2021. As Chair of the Business Change Forum, the Chief of Staff, in collaboration with the Chief Operating Officer and colleagues in Treasury and Exchequer, has supported the Integrated Technological Solution (ITS) programme, which entered the design stage of the first release in May 2021. The Communications Directorate has provided critical support in ensuring that colleagues are aware of and prepared for the coming changes.

We continued to react to changing demands from the public to communicate in the ways that they find most accessible. 2021 saw the Marketing, Digital and Design team from within the Communications Directorate relocate to the Parade building, allowing the full development of The Parade Studio, a bespoke facility which significantly increased the capability for digital output by the Government, including photography, video production, live streaming and podcasts.

What does our service performance data tell us about the department's performance?

In 2021, the Government of Jersey closed 141 C&AG and PAC recommendations and progressed 161 Scrutiny recommendations. Recommendations made by these bodies and recorded in the Tracker vary significantly in complexity and scope, with some recommendations very easy to close and others requiring whole system change. In this context, any number of recommendations closed or progressed demonstrates corporate improvement. In addition, at the end of 2021, there are 293 open C&AG and PAC recommendations, an increase from the 246 that were held at the beginning of the year. This increase is due to more recommendations being made than being closed, primarily due to the suite of reviews relating to the Government's COVID-19 response. In 2022, the Office will refresh its performance measure to better reflect corporate improvement.

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Responding to Freedom of Information requests is an important aspect of ensuring that the Government of Jersey is transparent with the public. In 2021, this area came under increasing pressure due to the continued high volume of COVID-19 related requests, with valid requests increasing by 28% compared to 2020. With no corresponding increase in resources given to responding to such requests, the Freedom of Information Unit has been strained to produce accurate and timely responses to requests. Due to this sustained pressure, 88% of Freedom of Information requests were responded to within twenty days in 2021, short of the Government's target of 95%. Considering the circumstances, this does not represent poor performance with the accuracy and validity of responses remaining very high. Only 1% of responses were subjected to internal appeal in 2021, and none were referred to the Jersey Office of the Information Commissioner.

Despite the restrictions on travel imposed by the pandemic, the External Relations team have been able to exceed their targeted engagement with key decision-makers, such as Ministers, Parliamentarians, and senior Government officers in 2021, as well as exceeding the targeted participation in multilateral events. This included significant Ministerial visits to the UAE to complete a Bilateral Investment Treaty. Given the limitations on travel the team also adapted by hosting a bespoke webinar for small-island states as part of COP26.

The Communications Directorate has pursued positive trends in its key metrics in 2021, although the reduction in the number of COVID-related press conferences has seen an overall reduction in the percentage of engagement from digital impressions on social media. Improving engagement, through Likes, Shares and Comments, as well as reach will allow us to monitor the effectiveness of our online campaigns more accurately. Similarly, the effectiveness of internal communications campaigns is showing a positive year-end trend, with Managers continuing to engage with key updates. Through 2022 the Directorate will be ensuring that external media stakeholders are engaged to both improve the quality of the background briefings the Government provides, and to ensure more effective impact in local media reporting.

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Office of the Chief Executive
Performance Measures

Measure	2019 Annual Data	2020 Annual Data	Baseline 2021	What we want to achieve 2021	2021 Annual Data	% Change against what we want to achieve 2021	DOT against what we want to achieve 2021
% Satisfaction levels of ministers and assistant ministers with service levels	N/A	N/A	To be baselined Q1 2021	Increase baseline	Not Available till end of Q1 2022	N/A	<>
% of propositions and comments lodged on time	N/A	N/A	To be baselined Q1 2021	Increase baseline	74.5%	N/A	<>
% FOI requests responded to within 20 days	N/A	N/A	2019 97% (inc Extensions)	Increase baseline	88.0%	-9.3%	>>>
Number of live PAC and C&AG recommendations	N/A	N/A	246	Reduce baseline, subject to variation in complexity and number of recommendations issued in any given period	293	-19.0%	>>>
Number of PAC and C&AG recommendations closed	N/A	N/A	20	To demonstrate ongoing corporate improvement	141	76.2%	>>>
Number of scrutiny recommendations progressed	N/A	N/A	34	To demonstrate ongoing corporate improvement	161	19.1%	<>
% media satisfaction with background briefings	N/A	N/A	To be baselined Q1 2021	Increase	Positivity rating - 1.3	N/A	<>
NPS: Media impact	N/A	N/A	January 2021 Positive = 20.0% Negative = 18.0% Mixed = 30.0% Neutral = 32.0%	Increase	Positive - 31.5%, Negative - 23.7%, Mixed - 30.0%, Neutral - 14.7%	Positive - 11.5%, Negative - -5.7%, Mixed - 0.0%, Neutral - 17.3%	<>
% of engagements/impressions	N/A	N/A	6.0% from 375,331 engagements from 6,044,681 reach (Dec 20)	Increase	3.4%	-2.6%	>>>
Manager update - % opened	N/A	N/A	63%	Increase	62.1%	-0.9%	<>
We Are Team Jersey - % opened	N/A	N/A	N/A	Increase	N/A	N/A	>>>
NPS: International and local media coverage	N/A	N/A	61	Increase	171.5	181.1%	>>>
Participation in external/multilateral events.	N/A	N/A	5	Increase	16	220.0%	>>>

Office of the Chief Executive Performance Measures

Measure	2019 Annual Data	2020 Annual Data	Baseline 2021	What we want to achieve 2021	2021 Annual Data	% Change against what we want to achieve 2021	DOT against what we want to achieve 2021
Number of meaningful interactions with key decision-makers, such as Ministers, Parliamentarians, and senior government officers	N/A	N/A	132	Increase	186	40.9%	

Further Information

Further information on the Department can be found at [Office of the Chief Executive \(gov.je\)](#).

Information on what the Department planned to change and improve, including the service performance measures it used, in 2021 can be found in the Departmental Operational Business Plans for 2021 [ID Business Plan OCE 2021.pdf \(gov.je\)](#).

More detail on the progress during 2021 of Government Plan and Departmental programmes and projects lead by the Department can be found in the [Annual Progress Report for 2021](#).

Information on what the Department will change and improve, including the service performance measures it will use, in 2022, can be found in [ID Business Plan OCE 2022.pdf \(gov.je\)](#).



Tom Walker
Director General

Strategic Policy, Planning and Performance

This has been another very busy year for SPPP, as staff continued to meet the challenges of COVID-19 while working hard to regain ground in order to complete the planned Government programme of policy and projects before the General Election. Recognising the continued effect on wellbeing that the demands of being on the COVID-19 front line was having on the team, senior leaders commissioned an online debriefing exercise to encourage officers to share their experiences, which in turn fed into the work the Department has been doing throughout the year on the People and Culture Plan. This also took account of the Be Heard Staff Survey

results, and measures began, and will continue in 2022, designed to address the challenges of wellbeing, inclusion and staff development raised through these exercises. Ensuring sufficient staff or additional support to deliver important pieces of work has remained the greatest risk; the latter has been addressed by the creation of the first Policy Products Procurement Framework, which will launch formally in 2022, and provide transparent and immediate access to pre-approved providers, including many from Jersey. The Department would not have been able to deliver the high quality, innovative work it has done without its superb staff, who deserve full recognition and heartfelt thanks in this report.

Public Policy

The Public Policy Directorate has had a very busy year supporting the policy, legislative and guidance development required for the COVID-19 pandemic response, which transitioned into the Public Health Directorate by the end of 2021. The Public Policy Directorate balanced this alongside the significant existing priorities of the Council of Ministers' agenda. This included a major consultation with Islanders on the implications of an ageing population and the effect of migration, which resulted in the lodging of the Government's first annual Population Policy in December 2021. Consultations were also held on a range of other priorities, such as the creation of a new Statistics Law, families law reforms, protection from domestic abuse and the innovative Citizens' Jury held on the question of assisted dying. Subject to political priority, each of these should come to fruition as legislative proposals during 2022 and 2023.

The emphasis on putting children first was demonstrated throughout the year with progress on a new Children and Young People Law which will be debated in 2022 and further embedding of the steps needed to achieve the United Nations Convention and the Rights of the Child (UNCRC) Indirect Incorporation. Alongside all of these new reforms, the Directorate also maintained and updated key elements of existing Laws and Orders, such as those relating to employment, social benefit and the criminal justice system.

In 2021, a new approach to managing and reporting on these demands was introduced:

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the Government Legislative Programme (GLP). The Directorate led its creation, building on previous work to identify a Policy Pipeline. The GLP is a welcome development for Islanders as it facilitates better priority setting by the Council of Ministers for the work of policy teams across Government, the Law Officers' Department and the Legislative Drafting Office.

In parallel, the Directorate sought to reinvigorate pre-COVID-19 plans to create a Policy Profession in the Government of Jersey. Policy officers across Government helped clarify requirements and a series of training sessions were agreed to be delivered throughout 2022, including a focus on writing, speaking and public engagement. Alongside this, a new Policy Graduate scheme was created which will begin advertising in Q2 2022 and new Policy Profession Standards were agreed for each grade of existing staff. This investment will ensure that the Government of Jersey provides Ministers and Islanders with world class expertise and advice.

Statistics and Analytics

In addition to the 2021 Census and routine economic statistics (such as the RPI), Statistics Jersey, with the support of schools on the Island, carried out the bi-annual Children and Young Persons Survey in October 2021, with results due in spring 2022. New questions for appropriate age-groups were added on self-harm and whether young people had experienced any inappropriate comments or unwanted attention of a sexual nature. These should allow schools and Government to assess the extent of such issues and develop appropriate responses.

The 2019/20 Living Costs and Household Income Survey (LCHIS) had to be stopped in spring 2020 due to COVID restrictions. Statistics Jersey started a new survey in September 2021, which will run for a year. The survey will enable the weights for the 'basket of goods' for the RPI to be updated in 2023/4, and for income distribution analyses to be produced (with interim results in the second half of 2022 and final results in 2023).

Statistics Jersey has eight permanent members of staff, who have been supplemented during the year with staff for the census and the LCHIS. The challenges during the year related to a lack of leadership capacity, combined with the pressure of work from running the census; the Children and Young Persons Survey; and starting up the LCHIS. This has required tough prioritisation of work and projects and has led to delays in the analyses of the partial 2019/20 LCHIS data. It has also meant that Statistics Jersey had to end a year early a contract with Visit Jersey to run the Exit Survey (on pause because of COVID), as this would have had to be restarted at the same time as the ramp up of the LCHIS. The greatest risk to Statistics Jersey is the presence of many 'single points of failure' where loss of a single member of staff would jeopardise production of critical statistics.

The Central Analytics team worked with colleagues across Government to publish around 150 annual departmental service performance measures in the 2020 Annual report and Accounts (May 2021) for the first time. These measures indicate how well departments have performed against the targets they set themselves in their Departmental Operational Business Plans. Quarterly reporting against these measures was introduced during 2021. The Island Outcomes and Indicators (which measure long-term change at the Island level) were updated during 2021.

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Strategy and Innovation

Much of the Directorate's focus in 2021 was on the Island Plan Review and the development of a Carbon Neutral Roadmap. The rapid and extensive progress made by both programmes is covered in the key departmental achievements section. It is also worth reflecting though that both programmes were particularly effective in the innovative approaches they took to ensure wide-ranging public involvement against the backdrop of the COVID-19 pandemic. The use of online consultations sessions, pre-recorded briefings, haveyoursay.gov.je, climateconversation.je and the delivery of the fully digital Citizens' Assembly on Climate Change all ensured that Islanders could remain involved to a high standard in the development of these major policy areas.

2021 also brought an entirely new area of focus to the Strategy and Innovation Directorate, with the creation of a new Strategic Housing and Regeneration team. While recruitment to the team is still underway, early steps were taken to improve support to the Minister for Housing and Communities in providing strategic leadership, with rapid development of the Creating Better Homes action plan, creation of the Strategic Housing Partnership and Housing Political Oversight Group, as well as steps to progress a wide range of housing policies.

The full suite of corporate planning and reporting products was delivered on time in 2021, with improvements made to the accessibility and online integration of content. It is now possible to access information about Government activity, with clear and detailed annual plans for each department with related service performance measures, updated every three months, and both a six month and 12-month comprehensive performance and resources summary.

Finally, it is important to recognise the consistent and sustained hard work of the teams that have delivered across Strategy and Innovation. As with other public servants, they have frequently gone above and beyond to ensure that progress can be made in policy areas that are of fundamental importance to Islanders, despite the restrictions and challenges brought by the pandemic.

Arm's-length Functions

SPPP continued to support its arm's-length functions, maintaining framework agreements and Service Level Agreements as appropriate. A new Chief Inspector was recruited for the Care Commission, along with a new Commissioner. A new member of the Jersey Employment and Discrimination Tribunal was also appointed, as were two members of the Employment Forum. The Chair of the Safeguarding Partnership Boards recommended to Ministers in both Jersey and Guernsey that the current pan-island arrangements should continue, and a new Safeguarding Partnership Board Manager was appointed. Further information on activities in arm's-length bodies can be found in their own annual reports, and in the [Annual Progress Report](#).

Public Health

The directorate structure was published and recruitment to senior posts began; currently there are 30 staff. Public Health also now holds strategic leadership of COVID-19 policy, vaccination, testing and contact tracing and is responsible for areas previously undertaken by the Medical Officer of Health such as cremation. The success of the Vaccination

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Programme is set out in our departmental highlights, and more information on the Test and Trace Programme can be found in the Justice and Home Affairs Annual Report.

COVID-19 Health and Social Recovery plans were developed in recognition of the wider health and wellbeing impacts of the pandemic. Public Health supported other Government departments to identify and develop projects which address the impacts on Islanders most affected by the pandemic. A Political Oversight Group was convened to select projects for 2022 and 2023, including children and young people's education and health; wellbeing, and developing understanding of the impact of COVID on our population.

Food and nutrition interventions across primary schools were delayed until summer because of pandemic pressures. Three school communities have been supported to develop a range of school-based interventions with more planned for 2022.

A Health in All Policies (“HiAP”) framework for Jersey has been established, identifying policy areas and projects that cover factors not normally associated with health, such as employment, education and housing. In March 2020, the Government launched the Health and Wellbeing Framework as a new approach to address prevention through a cross-Government approach; despite COVID-19 pressures, community hubs to support preventative self-care and a review and development of existing nutritional and weight management services have been launched.

Public health intelligence throughout the year has published a weekly update to the R number, devised and published a weekly report on the uptake of COVID-19 vaccine across the different priority groups and published influenza vaccine uptake twice weekly, alongside a priority group report to support the vaccine programmes. The team continue to support the Scientific and Technical Advisory Cell (STAC), Competent Authority Ministers (CAM) and the multi-agency Strategic Co-ordination Group (SCG) with data, interpretation of trends and statistical modelling where appropriate. Alongside the COVID-19 response, the team have re-established the routine reporting of public health metrics and a Health, Activity and Wellbeing Survey was carried out.

Healthcare Public Health

In October, an interim Consultant in Public Health was recruited to provide support to the Jersey Care Model (JCM), and the team has been involved in a number of new health initiatives and strategies.

Health Protection

An internal review of health protection is being conducted jointly with environmental health, emergency planning and the consultant in communicable disease. This activity may also be supported by changes to the Public Health Law which will go through a second round of consultation in 2022.

What does our service performance data tell us about the department's performance?

Owing to unexpected COVID-19 policy pressures, which are also highlighted elsewhere in the Annual Report and Accounts, and the time required to build a consensus across Government to create a Government Legislative Programme, the implementation of the SPPP Service Performance Measures in 2021 proved difficult.

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It was not possible to develop the surveys which would have been needed in order to collect data for stakeholder satisfaction and satisfaction with SPPP's approach to consultation measures. The number of Analysts' Network (ANet) sessions was also affected by the statistical pressure of work in a census year, along with staffing issues.

The SPPP service performance measures have been totally refreshed for 2022, with 11 new indicators to provide measures which are more relevant.

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Strategic Policy, Planning and Performance Performance Measures

Measure	2019 Annual Data	2020 Annual Data	Baseline 2021	What we want to achieve 2021	2021 Annual Data	% Change against what we want to achieve 2021	DOT against what we want to achieve 2021
% Internal stakeholder satisfaction with approach to policy development	N/A	N/A	Survey to be developed in partnership with stakeholders by end of Q2 2021	70% satisfaction	N/A	N/A	<>
% of policies delivered on time	N/A	N/A	To be established by end of Q2 2021	70% on time	N/A	N/A	<>
% of course attendees who reported that training has improved their practice (after six months)	N/A	N/A	To be established by end of Q2 2021	70% strongly agree or agree	N/A	N/A	<>
% satisfaction with approach to consultation	N/A	N/A	To be established by end of Q2 2021	Increase	N/A	N/A	<>
Number of ANet Sessions	N/A	N/A	1 per quarter	1 per month	1	-75.0%	>>>
% of attendees who found ANet sessions useful	N/A	N/A	70% target	Achieve target	N/A	N/A	<>

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Further Information

Further information on the Department can be found at [Strategic Policy, Planning and Performance \(gov.je\)](#).

Information on what the Department planned to change and improve, including the service performance measures it used, in 2021 can be found in the Departmental Operational Business Plans for 2021 [ID Business Plan SPPP 2021.pdf \(gov.je\)](#).

More detail on the progress during 2021 of Government Plan and Departmental programmes and projects lead by the Department can be found in the [Annual Progress Report for 2021](#).

Information on what the Department will change and improve, including the service performance measures it will use, in 2022, can be found in the [ID Business Plan SPPP 2022.pdf \(gov.je\)](#).



Richard Bell
Director General

Treasury and Exchequer

This year the department has focussed a great deal on easing the Island out of the pandemic and providing continued support for health and other frontline services and our business community.

COVID Support

Our Business Partnering team provided real time business partnering information to aid decision making, ensure funding, arranging future debt facilities to support Government Plan initiatives and managing associated risks. The Finance Hub continued to support the provision of frontline services and the

Islands economy with the prompt payment of suppliers and efficient collection of income during the pandemic.

Annual Report and Accounts

Group Reporting provided a timely Annual Report and Accounts and information on the States' finances. The report covers what the Government has achieved over the last year, its response to COVID-19, and its financial performance. In an unprecedented year, the Department continued to deliver key initiatives from the Government Plan, while fundamentally shifting its ways of working to respond to the global pandemic. At a time when its operations, its governance, financial management and financial performance were tested to the limit, the Annual Report and Accounts provides an analysis of how it weathered these challenges and helped support Islanders and businesses.

Government Plan

The pandemic placed increased pressure on Government spending, and the need to balance budgets in the medium term and borrow to meet the costs of response and recovery in the short-term. The Treasury team worked with colleagues across Government to produce a Government Plan that met these challenges, whilst providing investment in areas identified in the Common Strategic Policy (CSP) and, notably in key projects such as Our Hospital, the largest infrastructure project undertaken by Government. The plan includes approvals for borrowing to finance the project, and to refinance pension liabilities. These decisions use affordable borrowing, with a plan to repay to ensure we can continue to deliver services whilst maintaining the long-term sustainability of finances.

Integrated Technology Solution (ITS)

We have also spent a substantial proportion of our time on preparing for ITS. The need to cleanse our data, improve our processes and define the solution have taken many hours in the Finance team. We are now in a strong position for the new system to be implemented in 2022. ITS will vastly improve the information we can work with and enable better decision

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making across Government, leading to better services for Islanders. You can see from our 2022 Business Plan that ITS will understandably be our focus in the new year.

Revenue Jersey

Revenue Jersey administered a number of GST and contributions deferment schemes during 2020 and 2021, running into 2022. Additional support was given to business through relaxation of various GST rules and the rules relating to “economic substance”. Revenue Jersey’s levels of interaction with taxpayers – business and personal – continued to be high in 2021 with the tax administration better equipped to tackle those increased volumes that had been the case in 2020.

Revenue Jersey, supported by additional resources, also continued to recover service levels and reduce backlogs of work following the pandemic lockdowns. The assessing of 2020 tax returns during 2021 was further accelerated using the new Revenue Management System and improved processes. Taxpayer enquiries via telephone were answered on average within 8 minutes with the average time to deal with each enquiry average around 6 minutes. Alongside this, Revenue Jersey’s 2021 compliance programme has delivered over £20 million in additional tax revenues arising from misunderstanding, error and other failures to declare tax correctly.

2021 saw the beginning of the move to Independent Taxation. In 2022, single Islanders and anyone who marries or enters a Civil Partnership on or after 31 December 2021, will be independently taxed. It will also apply to all new arrivals to the Island after this date. From January to the end of July 2022 married couples and civil partners can opt to move to Independent Taxation for 2023, if they wish.

2022 will also see the introduction of a single employer return, combining the four main reporting obligations of employers into one. Significant resources were deployed to continue to support international engagement with the OECD and others on reform of the international tax system. On the domestic front, we progressed to work to manage the collection of the 2019 frozen Prior-Year basis tax liabilities arising from the move of all taxpayers to the Current-year basis of paying taxes. Legislation was lodged and passed by the States Assembly to support the extension of “economic substance” provisions to partnerships. The Assembly also supported changes to the GST law to oblige large offshore retailers to register for GST, enabling them to charge GST at the point of sale from 1 January 2023. This should help reduce the complications of importing goods into Jersey for personal use and also deliver greater equity between the treatment of goods bought in the High Street and bought online.

Commercial Services

We will also expand our department by welcoming the move of Commercial Services from the Chief Operating Office. This will better align our financial end to end process, while improving commercial and financial thinking and development through utilising the synergies and close working relationships already in place, bolstering our commercial and financial governance.

A significant amount of work has been undertaken in Commercial Services this year. Our portfolio of work continues to grow as we provide further commercial and procurement expertise across the business, and continued support to Brexit and COVID-19 related

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activity. Added to this, has been the ongoing delivery of our own transformation and the Government's Integrated Technical Solution programme of work, where there has been clear synergy and overlap.

This year has included the development of processes, procedures, and key documentation to improve commercial and procurement working, enhance governance, and reduce commercial risk.

Commercial Services have focused on our people, taking the existing team through Consultation without any redundancies before embarking on a phased period of recruitment and training to grow our capacity and capability. 2022 will be about implementation and embedding of these changes to improve procurement activity and commercial ways of working and drive better value for money.

Our People and Culture

The department remains committed to providing development opportunities to its staff and to improving its culture. Using Be Heard survey feedback, the department drafted and began work on its People and Culture Plan. In addition, it conducted a Flexible Working pilot, and were the first team in Government to complete its pilot, analyse the results and make the decision to roll out its flexible working framework across Finance and Commercial Services divisions. Work will continue in this area within all divisions of Treasury and Exchequer in 2022.

In summary, a successful year for the Treasury and Exchequer Department, but one where hard decisions and compromise needed to be made to support multiple programmes of work and continued COVID and Brexit related activity.

What does our service performance data tell us about the department's performance?

The Treasury and Exchequer service measures for 2021 demonstrate the journey we are on as a department and how we are transforming our finance function 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 30% in 2020 to 43% in 2021. The majority of people who filed online received their tax assessments within 30 days. We can also see that we pay the vast majority (98%) of invoices electronically and receive most income via digital channels (89%).

We also demonstrated how important we feel our commitment to meeting the Department's external audit recommendations is. The Comptroller and Auditor General recommended that Treasury should distribute the financial monitor to the Government of Jersey Executive Leadership Team (ELT) within 10 working days of each month end. We have worked to reach this target and now all reports are being submitted within 10 working days. The achievement of this target was enabled by an increased speed of month end departmental finance report production which now only takes 1-1.5 days after ledger close, down from 15 days in 2020

In 2021, we also chose to track our quarterly reporting on progress and recommendations to PAC on C&AG, PAC and Scrutiny via the Recommendations Tracker and have further improved this service measure for inclusion in our 2022 Business Plan. Our progress on our Audit and Scrutiny recommendations have been used as part of the internal financial management maturity assessment conducted in 2021 to guide our plans for 2022

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deliverables. This reporting of recommendations has been enabled by new systems and processes and has increased internal scrutiny of the tracker. Continuous improvement is required to ensure that the process fully reflects the work done by departments to achieve the recommendations.

As a department we also track and report on quarterly updates on progress and recommendations to Risk and Audit Committee on the Internal Audit Plan and the percentage of internal audit recommendations agreed and completed by departments by agreed due date which has seen a decrease to 63% in 2021 (from 74% in 2020) due to ongoing resourcing constraints due to COVID and previously unfilled vacancies, over-optimism when setting target dates for recommendations, and a number of dependencies on projects such as ITS. Corporately and departmentally there is a need to set realistic timetables to close recommendations and this should be agreed on a risk prioritised basis as well as impact analysis. It should be clear who owns the recommendation and we need to ensure that there is a drive to embrace corporate lessons learnt. Our Internal Audit function provides a key role across Government as a critical friend both at the start, during and after projects and programmes.

The Treasury and Investment team have been involved in securing approval for borrowing alongside the Strategic Finance team. In addition, 2021 saw the rate of return from the investment portfolio perform more than the market benchmark throughout the year. The team have also achieved their target of 100% of key states funds fulfilling their long-term strategic aims, based on 3-year performance (Funds >£100m). A recent review of our Government credit rating demonstrated continued market confidence in the Island's finances.

The Treasury and Exchequer Risk Register is reviewed regularly at Senior Leadership Team meetings and is peer reviewed at Departmental Risk Group meetings, demonstrating a new maturity in terms of Risk reporting across Government.

During 2021, we have seen an increase in the percentage of budget holders accessing standardised budget reporting packs to get real time financial information; this was a new measure for 2021 and we are half-way to our target. As self-service will be an essential element of the new Integrated Technology Solution this is a promising direction of travel, however, we will be looking to increase this to 100% upon ITS's implementation. The improvements we have seen to date reflect the move to business partnering and ongoing training in accessing reports, as well as financial management training provided to budget holders.

In 2021 debt due to the Government was reduced by 1% compared to the opening debt balance at the start of the year. When the 25% reduction target was set it was not envisaged that we would be in a continued pandemic and an economic situation that involved providing financial support to businesses, including GST debt deferrals. It can be challenging for the Government to pursue companies and individuals robustly for debt when another part of Government is providing financial support to those same companies. Debt collection and enforcement were therefore suspended for periods in the year which means the target was not achieved. In the circumstances a 1% reduction in debt over the year is positive. We will continue to track and report on debt reduction in 2022.

We expect a leap in maturity with the advent of ITS for both Finance and Commercial services. This year has seen a marked improvement in Commercial Services' data capture,

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manipulation and reporting to better aid decision making, improve working, and steer transformation. Commercial Services key performance indicators highlight the changing behaviours across the business to register and store contracts in a central repository (239 and 639 respectively at the end of 2021 compared to 200 and 400 respectively at the end of 2020), significantly aiding contract management and improving governance.

The number of commercial exemptions received displays an improved understanding of guidance as well as better adherence to policy. Finally, the increased number of requests (57 a month in 2021 compared to 49 a month in 2020) make it clear that the business continues its- need for commercial and procurement support. In summary, our performance data signifies the start of the slow journey to improved commercial maturity across the business.

We have exceeded our target for additional tax revenues assessed – increasing the additional amount to £20.6 million in 2021 (£12m in 2020). 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. Despite the continued impact of the pandemic (which restricted audit visits), most of the activities outlined in the 2021 compliance programme have been undertaken.

Departmental Performance

Treasury and Exchequer Performance Measures

Measure	2019 Annual Data	2020 Annual Data	Baseline 2021	What we want to achieve 2021	2021 Annual Data	% Change against what we want to achieve 2021	DOT against what we want to achieve 2021
% of outcomes achieved for projects commissioned over £5m	N/A	N/A	N/A	Increase	N/A	N/A	<>
% financial monitoring reports delivered on time - departmental reports and corporate report (ELT and COM)	N/A	100%	Not yet available.	Target 100%	100.0%	0.0%	<>
% of reports/papers assessed as high quality	N/A	N/A	Not yet available	Increase	N/A	N/A	<>
Clear focussed offer: DG/ SLT perception of quality of input and contribution – (consider Net promoter score	N/A	N/A	To be agreed end Q1 2021	Increase	N/A	N/A	<>
% of invoiced debt recovered within 90 days	88.0%	87.0%	Baseline: 90.0%	Target 90.0%	90.0%	0.0%	<>
% suppliers paid within an average of 30 days and average number of days	N/A	N/A	Baseline: 80.0%	Increase	82.0% (24 days)	2.0%	>>>
% reduction in collectable Government debtors (now includes Income Tax debt)	N/A	N/A	Not yet available	Target: -25%	-1.0%	-24.0%	>>>
% of Income received via digital channels	83.0%	90.0%	Baseline (2018-20): 83.0%	Target: >87.0%	89.0%	2.0%	>>>
% of invoices paid electronically	94.0%	97.0%	Baseline: 95.0%	Target: >95.0%	98.0%	3.0%	>>>
5 year moving average % increase in shareholding value YoY	N/A	N/A	Baseline set at end of 2014: £285.4m	Increase	N/A	3.2%	>>>
Rate of return of investment portfolio vs benchmark -Outturn % (% above/below target) - 1 year performance	1.50%	0.90%	Performance in excess of the market benchmark	Maintain outperformance of benchmark	0.6%	0.6%	<>
Rate of return of investment portfolio vs benchmark -Outturn % (% above/below target) - 3 year performance	0.50%	0.50%	Performance in excess of the market benchmark	Maintain outperformance of benchmark	0.4%	0.4%	<>
% of states funds achieving their long-term strategic aims	100.0%	90.0%	Target: 100.0%	Target: 100.0%	100.0%	0.0%	<>
Coverage ratio for pension funds	100.0%	100.0%	Target >3	Target >3	100.0%	0.0%	<>
Additional Revenues Assessed (efficiency)	£2m	£12m	2021 target: £1.25m	2021 target: £1.25m	£20.6m	1648.0%	>>>

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Treasury and Exchequer Performance Measures

Measure	2019 Annual Data	2020 Annual Data	Baseline 2021	What we want to achieve 2021	2021 Annual Data	% Change against what we want to achieve 2021	DOT against what we want to achieve 2021
Cost to collect £1 of revenue	N/A	0.7p	2020: 0.7 pence	Decrease	0.8p	14.0%	
% of International data exchanges < 90 days (predicted % until year end)	63.0%	79.0%	Target 65.0%	Target 65.0%	85.0%	20.0%	
% of personal tax returns completed online	N/A	30.0%	2020: 30.0%	Increase	43.4%	13.4%	
% quarterly updates on progress and recommendations to Risk and Audit Committee on Internal Audit Plan.	60.0%	100.0%	Target 100.0%	Target 100.0%	100.0%	0.0%	
% of internal audit recommendations agreed and completed by departments by agreed due date	N/A	74.0%	Q4 2020: 74.0%	Increase	63.0%	-11.0%	
% of updates complete for quarterly reporting of Treasury and Exchequer Risk register at Senior Leadership Team and peer reviewed at Departmental Risk Group	100.0%	50.0%	Target 100.0%	Target 100.0%	100.0%	0.0%	
Average days taken to produce month end departmental finance report templates from ledger close	N/A	N/A	15 days/ month	Decrease	1.5 days	-900.0%	
% of departmental forecasts with underpinning data models	N/A	N/A	TBC	Increase	0	N/A	
% budget holders accessing standardised budget reporting packs	N/A	N/A	Target 100.0%	Target 100.0%	50.0%	-50.0%	
% of public service pension scheme administration tasks completed within target: 90% of tasks in 5 days	N/A	N/A	Baseline (3 year average): 90.0%	Target: >90.0%	94.0%	4.0%	
% quarterly reporting on progress and recommendations to PAC on C&AG, PAC and Scrutiny recommendations tracker	N/A	N/A	Target 100.0%	Target 100.0%	100.0%	0.0%	
Number of Open Internal Audit Actions for Commercial Services	N/A	N/A	2 in total	No more than 1 over 3 months old	1	0.0%	
Number of Exemptions received by Commercial Services for approval	N/A	N/A	Average of 13 a month	<25	20	-20.0%	

Departmental Performance

Treasury and Exchequer Performance Measures

Measure	2019 Annual Data	2020 Annual Data	Baseline 2021	What we want to achieve 2021	2021 Annual Data	% Change against what we want to achieve 2021	DOT against what we want to achieve 2021
Number of Requests received by Commercial Services	N/A	N/A	Average of 49 a month	<50	57	14.0%	
Number of Contracts stored centrally within the central repository	N/A	N/A	10 stored	>200 stored	239	19.5%	
Number of Contracts registered centrally within the central repository	N/A	N/A	20 Registered	>400 registered	639	59.7%	

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Further Information

Further information on the Department can be found at [Treasury and Exchequer \(gov.je\)](#).

Information on what the Department planned to change and improve, including the service performance measures it used, in 2021 can be found in the Departmental Operational Business Plans for 2021- [ID Business Plan TE 2021.pdf \(gov.je\)](#).

More detail on the progress during 2021 of Government Plan and Departmental programmes and projects lead by the Department can be found in the [Annual Progress Report for 2021](#).

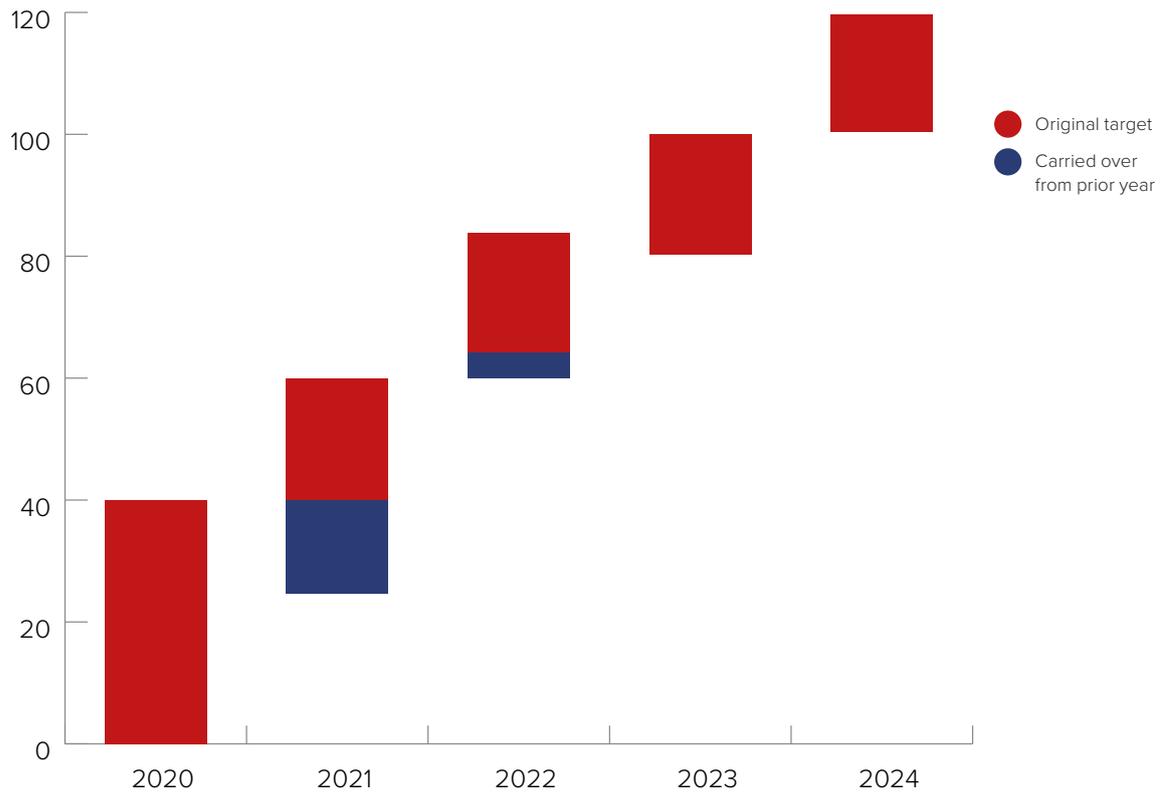
Information on what the Department will change and improve, including the service performance measures it will use, in 2022, can be found in the [ID Business Plan TE 2022.pdf \(gov.je\)](#).

Section 4

Delivering the Efficiencies Plan for 2021

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.

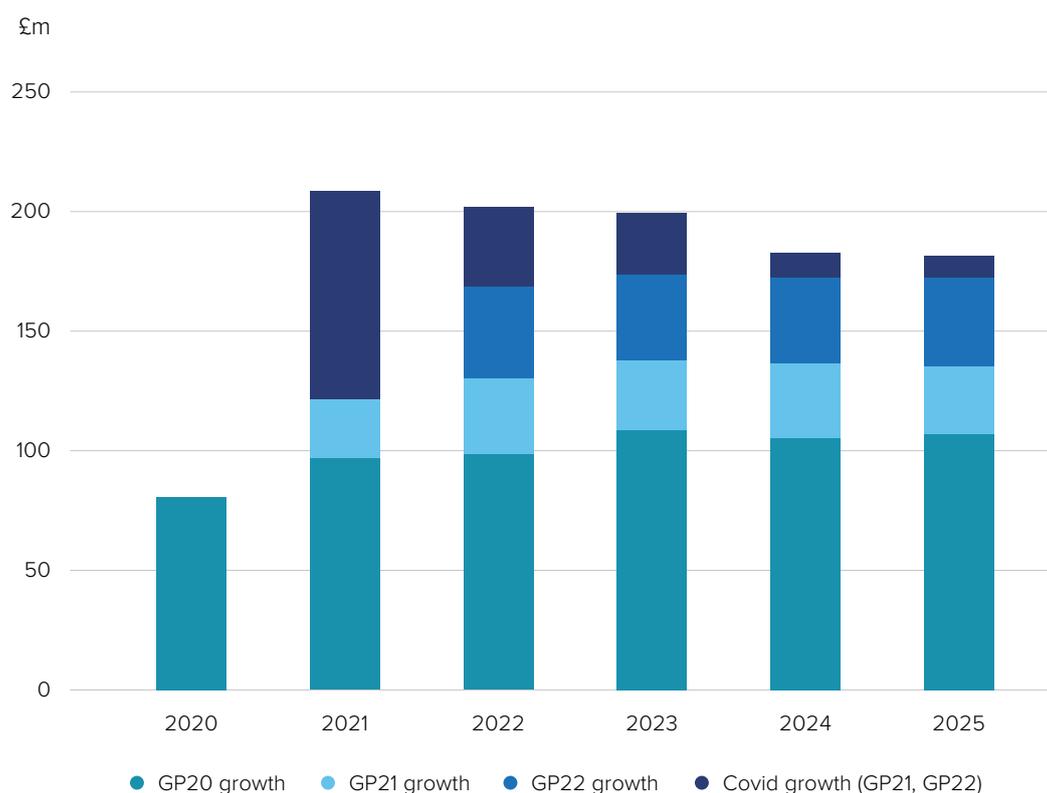
Delivering the Efficiencies Plan for 2021



Graph 1 - Profile of the rebalancing programme 2020-24

Delivery of the efficiency and rebalancing programme has enabled the Government of Jersey to include significant investment in the Government Plan 2020-23 and the Government Plan 2021-24.

Delivering the Efficiencies Plan for 2021



Graph 2 - Profile of Government Plan investment ('growth') and the rebalancing programme 2020-25

Item	2020 £m	2021 £m	2022 £m	2023 £m	2024 £m	2025 £m
GP20 growth	80.7	96.7	98.4	108.6	105.1	106.8
GP21 growth	-	24.7	31.8	29.0	31.3	28.5
GP22 growth	-	-	38.2	36.0	35.7	36.7
Covid-19 growth (GP21,GP22)	-	87.3	33.6	25.9	10.5	9.3
Rebalancing	(40)	(60)	(80)	(100)	(120)	-
Net growth	40.7	148.7	122.0	99.5	62.6	181.3
Net growth, excl. Covid	40.7	61.4	88.4	73.6	52.1	172.0

In 2019 the States Assembly agreed that the Council of Ministers “bring forward detailed proposals each year, to be included as a separate paragraph within the Government Plan proposition, seeking the Assembly’s specific endorsement of each of the efficiencies contained in the Government Plan”.

The plan for £40 million in 2020 was published in October 2019 and a performance update was published as part of the Government Plan Six Monthly Report in August 2020. As reported in the Annual Report and Accounts for 2020, the delivery of the £40m efficiency target for 2020 was achieved through £25 million of recurring efficiencies and a further £15 million of one-off measures, typically, but not wholly through deferral of growth funds. These deferrals were, in large part, as a consequence of prioritising the Government’s continued response to COVID-19 over some existing and new activities.

The value of one-off measures was carried forward for delivery on a recurring basis in 2021. This ensures continued focus on building a more efficient public sector.

Delivering the Efficiencies Plan for 2021

2021 was the second year of the programme with a cumulative total rebalancing target of £60m. £35.5m of that £60m needed to be delivered on a recurring basis including the £15.5m brought forward from 2020 as it was delivered by one-off reductions in spend. This section provides an update against that total target of £35.5m.

The plan for 2021 was developed in the context of the continuing impacts of the COVID-19 pandemic and multiple approaches have been required to balance Government finances, including a wide range of fiscal measures, borrowing strategies, economic stimulus, treatment of funds and the delivery of savings and efficiencies. This represented a shift to a broader set of financial rebalancing measures into which the efficiencies were subsumed.

The financial impact of these multiple approaches focuses on areas such as:

- A reduction in revenue spend, delivering better quality services for less
- More efficient collection of existing income and better debt management
- Increasing the Government's revenue through further recovery of existing costs, moving towards full cost recovery of services where appropriate
- The extension and increase of existing charges or the introduction of new charges as revenue raising measures

Governance

As planned, the financial performance management of the 2021 plan has transitioned into the enhanced monthly financial review process (Budget Monitor). This has provided the Executive Leadership Team (ELT) with monthly financial performance information for each efficiency and rebalancing measure, enabling appropriate management challenge and intervention. This is supplemented by monthly reporting on the Perform system which provides qualitative updates on delivery.

Impact

A critical aspect of assessing the delivery of each efficiency is understanding the impact of its delivery, particularly in the context of our customers, staff and services. This has been especially complex, and, in many cases, it has been difficult to isolate the relatively minor impact of the efficiency from the considerably more significant impact that the pandemic has had on customers, colleagues and services.

What have we achieved?

During 2021, £32.2m of the revised re-balancing target of £35.5m was delivered on a recurring basis and £1.8m was achieved on a one-off basis, therefore £3.3m of the target was not delivered but balanced by deferred growth. As a result, £4.8m will be added to the target in 2022.

As set out below in the detailed updates on progress, some departments are revisiting how they will deliver some of their efficiencies and rebalancing measures in 2022 to better reflect the current environment and the impact of the pandemic.

The Table below details performance against targets by Department. In assessing and managing delivery of efficiencies and rebalancing measures, departments are required

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to address variances within the framework agreed by the Council of Ministers in the original Efficiencies Plan 2020-23: 'Ministers agreed that if any of the efficiencies are not subsequently approved [or delivered], they will seek alternative departmental efficiencies to the same value to replace them and/or reduce or reprofile some of the planned spending by the equivalent amount, in order to ensure that income and spending remain in balance.'

Department	Budget (£'000)	Delivered (£'000)	Variance (£'000)
CLS	1,554	1,554	-
COO	2,367	1,732	635
CYPES	3,246	1,774	1,472
HCS	12,634	12,634	-
IHE	6,531	6,531	-
JHA	1,424	1,424	-
JHA: SoJP	265	265	-
JOA	8	8	-
Non-Mins	72	72	-
OCE	537	537	-
SA	5	5	-
SPPP	262	142	120
T&E	597	567	30
Departmental Sub Total	29,502	27,245	2,257
General Revenue Income	1,250	1,250	-
Unallocated	4,791	3,718	1,073
Grand Total	35,543	32,213	3,330

Table 2 - Total rebalancing measures to be delivered in 2021

Rounding

Minor variations exist between totals by classification as a consequence of rounding.

'Plan A, B or C' relate to the rebalancing measures in the first efficiencies/rebalancing report defined as follows:

- Plan A: The efficiency has been delivered or is on track for delivery on a recurring basis
- Plan B: An alternative efficiency has been/will be developed to cover any shortfall on a recurring basis
- Plan C: Government Plan growth will be deferred to cover any shortfall although other one-off approaches can be used where appropriate.

GP22-25 introduced Plan D: Non-pay inflation available to departments is reduced to the same value as undelivered targets.

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Departmental Rebalancing Measures

Customer and Local Services

Project	Care Needs at Home
Progress	The work on this project was delayed because of the government response to COVID-19 and will start in 2022. The planned savings were achieved.
Impact	The impact of these measures on the delivery of public services has resulted in delay to the Care Needs at Home Benefit project. It is taking longer than originally planned to develop and implement effective measures to support disabled individuals to live at home. This will have an impact on the individuals concerned, and other health and care services, as the benefits envisaged through the implementation of the project will materialise in 2022, later than originally intended. The project is expected to help approximately 100-200 households
Status	Measures fully delivered as Plan A.

Budget (£)	Delivered (£)	Variance (£)
£400k	£400k	0

Project	Reduction in the benefits forecast.
Progress	For 2020, based on both FPP forecasts and the impact of the Back to Work programme in reducing unemployment, the income support expenditure for 2020 and future years was forecast £944k lower. The budget for Income Support for 2020-2024 was therefore reduced by £944k reoccurring. The impact of Covid from March 2020 required additional one off monies to ensure the increase in claimants was still funded. Due to covid, no benefit uprate was applied in 2020, however, an additional one off payment was made to income support claimants as part of the fiscal stimulus programme. In 2021 further income support covid benefit funding was provided but not used as claimant levels reduced and expenditure returned to within the previously agreed 2020-2024 budgets (which had been reduced by £944k).
Impact	There has been no adverse impact on customers or staff and the activity is aligned with the CSP.
Status	The reduction in the benefits forecast has been achieved (Plan A).

Budget (£)	Delivered (£)	Variance (£)
944k	944k	0

Project	Customer Service Improvements
Progress	CLS continue to review, identify and implement improvements to their ways of working which are enabling savings to be made in respect of the staffing budget
Impact	The Department is continuing to deliver a customer focussed service, it is operating within budget through improved ways of working, increased use of technology and improved efficiency. The Department is not delivering these savings through reductions in services offered to the public.
Status	Measures fully delivered as Plan A.

Budget (£)	Delivered (£)	Variance (£)
61k	61k	0

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Project		Fees and Charges Policy Implementation	
Progress	Efficiencies achieved due to a reduction in the income budget. Increases in fees for Non-resident Licences and Housing Consents were approved in November 2021, and therefore planned delivery of efficiencies due to the increased income from new charges, and increased cost recovery of existing charged services, based on the initial implementation of a fees and charges framework, will be delivered from 2022.		
Impact	Implementation of these measures will have an impact on individuals and businesses due to a small increase in user-pays.		
Status	Measures fully delivered as Plan A.		
Budget (£)	Delivered (£)	Variance (£)	
52k	52k	0	

Project		Non-staff Spend Review	
Progress	CLS continue the best practice of reviewing and securing recurring reductions in non-staff budget, including locking in some of the spend reductions evidenced during the pandemic.		
Impact	There is no impact of these measures on the delivery of services offered to the public.		
Status	Measures fully delivered as Plan A.		
Budget (£)	Delivered (£)	Variance (£)	
97k	97k	0	

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Chief Operating Office

Project	Review and renegotiate the Government of Jersey Print Contract, securing some of the reductions in print volumes derived from an increase in home working and continued investment in technology.
Progress	Commercial Services successfully secured a set of revised costs in respect of Managed Print Services and these have been applied to billing to Government of Jersey since Sept 2020. The saving impacts on all departments, not just COO. The new contract has removed minimum volume requirements and associated charges, which has enabled behavioural change across departments through increased remote working and reduced print requirements.
Impact	There is no impact on the services provided.
Status	Measures fully delivered as Plan A.

Budget (£)	Delivered (£)	Variance (£)
100k	100k	0

Project	Merge the support, and re-plan commissioned research projects for the States Employment Board (SEB) and Jersey Appointments Commission (JAC). This measure was not delivered as it was superseded by the draft States of Jersey but the value was achieved through other means.
Progress	Employees' legislation to make the JAC independent and therefore merging the functions could not occur.
Impact	There is no impact on the services provided.
Status	Rebalancing measures were delivered via alternative recurring means (Plan B). It has been achieved through underspends on staff.

Efficiency savings in future years should be delivered by SPPP as part of the new JAC.

Budget (£)	Delivered (£)	Variance (£)
200k	200k	0

Project	Transfer technology functions from CYPES and HCS into Modernisation and Digital (M&D) continuing the application of OneGov principles
Progress	There were delays in the transfer of technology functions from CYPES and HCS into M&D.
Impact	Consolidating the technology functions had negative impacts on the staff within those teams and it was expected that less staff would be required in the resulting team. However, the consolidated function will benefit from the pooling of skills, knowledge and experience, and enable the standardisation of approach across departments.
Status	The rebalancing measure was not achieved in full due to delays in the transfer of functions.

Budget (£)	Delivered (£)	Variance (£)
900k	£265k	635K

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Project	Modern and Efficient Processes and Systems (Non-staff Spend Review)		
Progress	Continue the best practice of reviewing and securing recurring reductions in non-staff budget, including locking in some of the spend reductions evidenced during the COVID pandemic.		
Impact	There was no reduction in the service provided.		
Status	Rebalancing measure delivered as Plan A.		
Budget (£)	Delivered (£)	Variance (£)	
40.5k	40.5k	0	

Project	Cost Recovery – Recharging to Capital Schemes		
Progress	This efficiency recharges 'corporate overheads' across all Government capital projects. The impact of changes to the Capital Programme has reduced the scope of the charges which are currently being reviewed.		
Impact	The impact of the efficiency on the delivery of public services has been minimal, with an internal recharge to reflect corporate costs.		
Status	Rebalancing measure delivered through Plan A.		
Budget (£)	Delivered (£)	Variance (£m)	
500k	500k	0	

Project	Contract Efficiencies.		
Progress	Contract efficiencies involve the realisation of savings through the review of Government contracts, leading to savings through a range of interventions, such as: achieving economies of scale through aggregation of spend; standardising products; negotiating on commercial terms; and tendering for goods and services, where appropriate.		
Impact	There is no reduction in the service provided.		
Status	Rebalancing measure delivered through Plan A.		
Budget (£)	Delivered (£)	Variance (£)	
400k	400k	0	

Project	Modern and Efficient Workforce.		
Progress	The budget has been removed from base budgets which has allowed for tighter management of staffing budgets and the use of agency staff.		
Impact	There is no reduction in the service provided.		
Status	Due to the implementation of the TOM and changes in 2020, we are unable to track savings. Reduction taken from budget and managed within expectation		
Budget (£)	Delivered (£)	Variance (£)	
226k	226k	0	

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Children, Young People, Education and Skills

Project	Redesign the therapeutic support model for children with complex needs (including neuro assessment).		
Progress	The project relates to the review and realignment of service budgets with the demand for that service. The service includes the therapeutic support model.		
Impact	There was no reduction in the service provided.		
Status	Rebalancing measure delivered as Plan A.		
Budget (£)	Delivered (£)	Variance (£)	
200k	200k	0	

Project	Budget Realignment – Children’s Safeguarding, Care and Commissioning		
Progress	The project relates to the review and realignment of service budgets in line with the demand for that service. Budget reductions were made in contracted out antenatal services (£180k), care leavers provisions (£100k) and intensive fostering programme (£50k).		
Impact	There was no reduction in the service provided.		
Status	Rebalancing measure delivered as Plan A.		
Budget (£)	Delivered (£)	Variance (£)	
330k	330k	0	

Project	Non-staff Spend Review		
Progress	The project relates to continuing the best practice of reviewing and securing recurring reductions in non-staff budget, including locking in some of the spend reductions evidenced during the COVID pandemic.		
Impact	There was no reduction in service provided.		
Status	Rebalancing measure looking to be determined for savings to be delivered recurrently, in 2021 this has been delivered as Plan A through business as usual underspends.		
Budget (£)	Delivered (£)	Variance (£)	
158k	-	158k	

Project	Fees and Charges Policy		
Progress	The project relates to identifying additional opportunities to harmonise increases in fees charged in line with the policy.		
Impact	There was no reduction in service provided.		
Status	Rebalancing measure looking to be determined for savings to be delivered recurrently		
Budget (£)	Delivered (£)	Variance (£)	
172k	-	172k	

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Project	Efficient Commercial Operations: Contract Efficiencies and Cost Recovery		
Progress	Contract efficiencies and £495k of cost recovery has been delivered to date. CYPES are in the process of identifying additional opportunities to meet the remaining £571k which was previously related to cost recovery of Highlands College courses.		
Impact	There is no reduction in the service provided as budgets have been reorganised to accommodate the rebalancing measures.		
Status	This is partially complete through Plan A, and work is planned to identify further rebalancing measures.		
Budget (£)	Delivered (£)	Variance (£)	
1,066k	495k	571k	

Project	Efficient Organisational Structures: Accommodation Rationalisation and Business Support Review		
Progress	This has been partially achieved through a reorganisation of budgets within the department.		
Impact	There is no reduction in the service provided as budgets have been reorganised to accommodate the rebalancing measures.		
Status	Partially achieved through Plans A, B and C. Work is ongoing to identify further rebalancing measures.		
Budget (£)	Delivered (£)	Variance (£)	
1,135k	564k	571k	

Project	Modern and Efficient Workforce.		
Progress	This has been achieved through a reorganisation of budgets within the department.		
Impact	There is no reduction in the service provided as budgets have been reorganised to accommodate the rebalancing measures.		
Status	Rebalancing measure delivered through Plan A.		
Budget (£)	Delivered (£)	Variance (£)	
185k	185k	-	

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Health and Community Services

Project	Implement proposals from the HCS Zero Based Budget (ZBB) exercise
Progress	The ZBB exercise within HCS completed in November 2020 identified rebalancing opportunities totalling £5 million. Ongoing ZBB application and review of budgets have resulted in cross-cutting ZBB savings driven by correction and realignment of budgets based on refresh of ZBB. This is included £1.8 million in respect of Samarès Ward closure, circa £1 million in respect of bed reconfiguration and associated nursing posts, along with HCS cross-cutting non-pay and pay reductions. In addition, a further £1.1 million of savings in respect of agency expenditure has been realised as a direct consequence of improved financial control of establishment and vacancies resulting in rebalancing of £12.6 million for 2020 and 2021.
Impact	All efficiency schemes go through a Quality Impact Assessment (QIA) gateway to ensure no schemes adversely affect services or patients.
Status	Rebalancing delivered through Plan B

Budget (£)	Delivered (£)	Variance (£)
5,000k	6,146k	(1,146)k

Project	Operational Excellence
Progress	Productive Theatres: The productive theatre programme sought to improve efficiencies across the theatre suite by improving utilisation (including start-times, turnaround times, patient throughput, pre-op process, Patient Tracking Lists, reduction in over-runs, etc.) and modifications to the staffing model. It has not been possible to deliver these in year due to the impact of COVID-19. The opportunity for recurrent efficiencies is being reviewed as part of the revised operating model that is now essential in response to enhanced infection control standards and this will be considered/reinstated as part of the 2022 process review (Newton). Mental Health: Delivery of efficiencies through contract reviews with off-island providers has been significantly impacted through COVID-19. Schemes and placements are being reviewed again and incorporated into the Mental Health Operational Recovery Plan post-COVID-19 and the benefits from this revised approach should be realised in 2022 Support Services.
Impact	As described previously all efficiency and rebalancing schemes go through a Quality Impact Assessment (QIA) gateway to ensure no schemes adversely affect services or patients and risks are identified and managed throughout the entirety of the programme. Any consumable or medicines changes, used directly in patient care, also go through a rigorous clinical review process before being changed over. Consequently, there are no adverse effects on patients or services.
Status	Rebalancing measure partially delivered through Plan B. Remaining rebalancing delivered via overachievement against Commercial and Customer, primarily in respect of a reduction in agency expenditure

Budget (£)	Delivered (£)	Variance (£)
2,874k	1,042k	1832k

Project	Modern Workforce and Organisational Structures.
Progress	The Nurse establishment, Medical workforce, Acute Services workforce schemes and the Operating Model for HCS were significantly impacted by COVID-19. These have all been restarted in 2021 and with the increased utilisation of E-Roster, the reconfiguration of the bed state and the invigorated medical model HCS are on track to deliver.
Impact	All efficiency and rebalancing schemes go through a Quality Impact Assessment (QIA) gateway to ensure no schemes adversely affect services or patients and risks are identified and managed throughout the programme. Consequently, there are no adverse effects on patients or services.
Status	Rebalancing measure delivered through Plan B.

Budget (£)	Delivered (£)	Variance (£)
2,949k	2,302k	647k

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Project	Commercial and Customer.	
Progress	In addition to original rebalancing schemes in 2020, further scrutiny of budgets and associated expenditure identified additional rebalancing opportunities of £1.3 million from overstated budgets prior to 2020 for agency staffing. These were removed and reflected within the overall rebalancing outturn. Any consumable or medicines changes, used directly in patient care, also go through a rigorous clinical review process before being changed over.	
Impact	There are no adverse effects on patients or services.	
Status	Rebalancing measure delivered through Plan B.	
Budget (£)	Delivered (£)	Variance (£)
1,811k	3,144k	(1,333)k

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Infrastructure, Housing and Environment

Project	Revise and release a portion of the budget for the Health Estate in light of progress made with backlog maintenance and to reflect capital allocations within the HCS budget.
Progress	The budget for the Health Estate was released at the start of the year.
Impact	There is no reduction in the service provided.
Status	Rebalancing measure delivered as Plan A.

Budget (£)	Delivered (£)	Variance (£)
4 million	4 million	-

Project	Development of an IHE Target Operating Model (TOM) to include reviews of the overall structure, sports division, business administration and the transfer of customer facing services to CLS.
Progress	<p>The Operations and Transport element has been partially delivered. Work has been completed to transfer customer service activities from the Jersey Car Parking trading operation of IHE to CLS, to provide a better customer experience, and lead to future efficiencies and enhancements once customer service teams are aligned within the centralised model. These functions characteristically have operated with minimal staffing, and there were no structural savings identified during this stage of transfer of duties, however, there should be future opportunities under the development of the centralised customer service model.</p> <p>The sports division is undergoing a full review as part of the Inspiring Active Places Programme and the Fort Regent Decant Programme. The revised operating model will be finalised for consultation in early 2022; however, it is uncertain whether any savings opportunities will arise due to the teams' requirements to expand its services across additional sporting venues.</p> <p>Savings have been made within the IHE TOM with regards to capital recharging for roles, and a proportion saved against staff budgets, however these do not accomplish the overall target. A vacancy management factor has been built into the IHE budget as a recurring saving to deliver the whole target.</p>
Impact	There will be an improved customer servicing capability through the CLS centralised support. The Sport division impact is to be determined following the operating review in early 2022.
Status	Partially delivered through Plan B.

Budget (£)	Delivered (£)	Variance (£)
750k	443k (recurring, with balance achieved through vacancy management factor – reported under 2020 measures brought forward)	307k

Project	Reduce a portion of the property maintenance budget to reflect a reprioritisation of assets requiring maintenance; informed by the Office Accommodation Project.
Progress	IHE has identified recurring saving with regards to the leaseback of the bus depot as part of the Facilities and Asset Management Division.
Impact	There is no operational impact brought about by this saving.
Status	Rebalancing measure delivered through Plan A.

Budget (£)	Delivered (£)	Variance (£)
300k	300k	0

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Project	Re-structure Facilities Management across Government to create one centralised function, with hub and spoke delivery aligned with the OneGov principles.	
Progress	To achieve this savings target in 2021, IHE identified savings with regards to the leaseback of Maritime House as part of the Facilities and Asset Management division.	
Impact	There is no operational impact brought about by this saving.	
Status	Rebalancing measure delivered through Plan A.	
Budget (£)	Delivered (£)	Variance (£)
200k	200k	0

Project	Efficient Commercial Operations – Recharging to Capital Schemes (this relates to recharging ‘corporate overheads’ across all Government capital projects and the capital programmes).	
Progress	Appropriate recharges to Government capital schemes were identified to the value of the required savings target.	
Impact	While additional recharging reduces the budget available for capital spend, the amounts involved are comparatively small on a project-by-project basis and it is unlikely that any external impacts will be noticed.	
Status	Rebalancing measure delivered through Plan A.	
Budget (£)	Delivered (£)	Variance (£)
500k	500k	0

Project	Modern and Efficient Workforce – Vacancy Management	
Progress	Departmental budgets have historically been funded assuming all roles are always filled throughout the year. However, there will generally be a natural level of vacancies in departments. These arise from a multitude of factors, including natural turnover as employees retire or leave for other jobs, implementation of Target Operating Models and challenges in recruiting to specialist roles. IHE have applied a vacancy factor to their workforce costs to achieve these financial savings. This has been apportioned to department budgets and is tracked monthly to ensure department underspend validates the savings.	
Impact	There will be no direct impact on the workforce.	
Status	Rebalancing measures delivered through Plan B and additional savings in this area are being used to achieve other rebalancing measures in IHE including the 2021 Target Operating Model savings.	
Budget (£)	Delivered (£)	Variance (£)
475k	782k (overachievement offsets shortfall in 2021 Operating Model savings for IHE).	(307)k

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Justice and Home Affairs

Project	Commercial Opportunities: Sell a domestic dwelling no longer required by the Fire and Rescue Service and generate income through the introduction of a fee for asbestos licences.	
Progress	The asbestos licences fee is no longer a viable income stream and was delivered via alternative recurring means. Actual sale of domestic dwelling did not occur in 2021 and the one-off target was met from alternative measures.	
Impact	No impact on the service provided.	
Status	Rebalancing measures were delivered through alternative recurring measures.	
Budget (£)	Delivered (£)	Variance (£)
453k	453k	-

Project	Efficient Organisational Structures/Modern and Efficient Workforce: Continue the digital transformation of GST and Customs services.	
Progress	Recognising that the original planned efficiencies were not going to be achieved, JHA replaced them with a vacancy management factor.	
Impact	Additional expenditure was identified such as increased warehousing to store seized items as a result of the reduced deminimis.	
Status	Rebalancing measure delivered through alternative recurring measures.	
Budget (£)	Delivered (£)	Variance (£)
50k	50k	-

Project	Modern and Efficient Processes and Systems: Continue the organisational implementation of electronic rostering to replace paper based rostering processes.	
Progress	Original planned efficiencies were not achieved, JHA replaced them with a vacancy management factor.	
Impact	No impact on the services.	
Status	Planned measure replaced by alternative recurring measures.	
Budget (£)	Delivered (£)	Variance (£)
50k	50k	-

Project	Modern and Efficient Workforce: Restructuring Advisor and Frontline Posts	
Progress	In 2020, some posts were restructured, which resulted in a bigger one-off saving and a smaller recurring saving, therefore this reduces the overall rebalancing target of the department. £20k was delivered as planned, but the remaining £19k was used to reduce the vacancy management factor.	
Impact	No impact on the services.	
Status	£20k delivered as originally planned, £19k delivered through the vacancy management factor.	
Budget (£)	Delivered (£)	Variance (£)
(39k)	(39k)	-

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Project	Modern and Efficient Processes and Systems: Continue the best practice of reviewing and securing recurring reductions in non-staff budget, including locking in some of the spend reductions evidenced during the COVID pandemic.		
Progress	Original planned efficiencies were not achieved, JHA replaced them with a vacancy management factor.		
Impact	No impact on the services.		
Status	Rebalancing measure delivered through alternative recurring measures.		
Budget (£)	Delivered (£)	Variance (£)	
31k	31k	-	
Project	Commercial Operations: Increase income from new charges, and increased cost recovery of existing charged services, based on the initial implementation of a fees and charges framework.		
Progress	Delivered through increased activity on passport income.		
Impact	No impact on the services.		
Status	Rebalancing measure delivered through Plan A.		
Budget (£)	Delivered (£)	Variance (£)	
33k	33k	-	
Project	Efficient Commercial Operations: Customs and Immigration – Increased Passport Fees		
Progress	As a result of the COVID-19 pandemic, 2020 Passport income was not achieved, however the service overachieved in 2021 as travel restrictions eased and demand increased.		
Impact	No impact on the service provided.		
Status	Rebalancing measure delivered through Plan A.		
Budget (£)	Delivered (£)	Variance (£)	
193k	193k	-	
Project	Efficient Commercial Operations: Cost Recovery and Contract Efficiencies		
Efficient Organisational Structures:	Business support review and operating model phase 2.		
Progress	As a result of COVID-19, JHA reviewed their 2020 efficiencies that needed to be found recurrently in 2021. Recognising that the original planned efficiencies are not going to be achieved, JHA have replaced them with a vacancy management factor equivalent to 2.7% of their staff budget.		
Impact	There is no reduction in the services provided.		
Status	Rebalancing measure delivered on a recurring basis in 2021 through the alternative vacancy management measure.		
Budget (£)	Delivered (£)	Variance (£)	
626k	626k	-	

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Project	Modern and Efficient Workforce – Ambulance Service and Customs and Immigration		
Progress	JHA have reviewed and evaluated overtime pay in year and over prior years and identified where reductions can be made in year.		
Impact	There is no reduction in the services provided.		
Status	Rebalancing measure delivered through Plan A.		
Budget (£)	Delivered (£)	Variance (£)	
27k	27k	-	

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Office of the Chief Executive

Project	OCE Modern and Efficient Processes and Systems, and Efficient Commercial Operations		
Progress	Savings have been achieved non-recurring in 2021 through staff vacancies and reduced spend on non-pay as a result of the impact of COVID-19 (consultancy, travel and accommodation).		
Impact	There is no impact on the delivery of public services.		
Status	Rebalancing measure delivered through Plans B and C.		
Budget (£)	Delivered (£)	Variance (£)	
10k	10k	-	

Project	OCE Operating Costs, Business Support Review and Modern and Efficient Workforce.		
Progress	Savings have been achieved on a non-recurring basis in 2021 after the original joint London Office with Guernsey was redacted. The Director Generals within Office of the Chief Executive agreed to find a way in 2021 to meet the efficiency through staff vacancies and reduced spend on non-pay as a result of the impact of COVID-19 (consultancy, travel and accommodation). Moving forward into 2022 the External Relations team are investigating options within its current budget allocation on how this could be met on a recurring basis.		
Impact	This may result on an impact on the delivery of services.		
Status	Rebalancing measure delivered through Plans B and C.		
Budget (£)	Delivered (£)	Variance (£)	
200k	200k	-	

Office of the Chief Executive - Economy

Project	Financial Services and Digital Economy (FSDE) Operating Costs. and Modern and Efficient Processes and Systems		
Progress	Savings have been achieved non-recurring in 2021 through staff vacancies and reduced spend on non-pay as a result of the impact of COVID-19 (consultancy, travel and accommodation).		
Impact	There is no impact on the delivery of public services.		
Status	Rebalancing measure delivered through Plans B and C.		
Budget (£)	Delivered (£)	Variance (£)	
18k	18k	-	

Project	Economy Efficient Commercial Operations and Contract Efficiencies		
Progress	Savings have been achieved non-recurrently in both 2020 and 2021 through the new target operating model, staffing vacancies, non-pay underspends and as a result of new ways of working during the COVID-19 pandemic. More work is required to identify where these savings will be achieved on a recurrent basis. £80k Savings have been achieved from ensuring best value for money and completing activities with staff rather than the use of consultants.		
Impact	There is no impact on the delivery of public services.		
Status	Rebalancing measure delivered through Plans B and C.		
Budget (£)	Delivered (£)	Variance (£)	
308.5k	308.5k	-	

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States of Jersey Police

Project	Modern and Efficient Workforce: Through the application of enhanced workforce planning implement a vacancy factor equivalent to approximately 1% of staff costs.	
Progress	Delivered by holding a series of vacancies open for the duration of a staff review undertaken during the year.	
Impact	There has been little impact on services. Changes to the staff structure were made to ensure the new model delivers and maintains service delivery.	
Status	Rebalancing measure delivered through Plan A.	
Budget (£)	Delivered (£)	Variance (£)
215k	215k	-

Project	Modern and Efficient Workforce: Restructure the Intelligence Administration function to reflect known leavers and vacancies.	
Progress	Delivered by holding a series of vacancies open for the duration of a staff review undertaken during the year.	
Impact	Positions have been held vacant and the respective tasks have been temporarily covered by other employees. There has been little impact on service in the short-term.	
Status	Rebalancing measure delivered through Plan A.	
Budget (£)	Delivered (£)	Variance (£)
20k	20k	-

Project	Modern and Efficient Processes and Systems: Continue the best practice of reviewing and securing recurring reductions in non-staff budget, including locking in some of the spend reductions evidenced during the COVID pandemic.	
Progress	Delivered through lower spend on equipment purchases.	
Impact	There has been little impact on services.	
Status	Rebalancing measure delivered through Plan A.	
Budget (£)	Delivered (£)	Variance (£)
27k	27k	-

Project	Commercial Operations: Increase income from new charges, and increased cost recovery of existing charged services, based on the initial implementation of a fees and charges framework.	
Progress	Delivered through increased activity on income.	
Impact	There has been little impact on services.	
Status	Rebalancing measure delivered through Plan A.	
Budget (£)	Delivered (£)	Variance (£)
3k	3k	-

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Strategic Policy, Planning and Performance

Project	Project Deferrals: Defer the development of the Financial Independence in Old Age policy, the development of the Long-Term Housing policy, and the implementation of the Public Services Ombudsman by one year	
Progress	These project deferrals remain in place for 2021 and are due to start in 2022.	
Impact	There has been a delay in the development of policy and the implementation of the Public Services Ombudsmen, but these projects are still planned to occur, although at a later date than originally intended.	
Status	Rebalancing measure delivered through Plan A.	
Budget (£)	Delivered (£)	Variance (£)
128k	128k	-

Project	Modern and Efficient Processes and Systems: Continue the best practice of reviewing and securing recurring reductions in non-staff budget, including locking in some of the spend reductions evidenced during the COVID pandemic.	
Progress	Delivered through lower spend on administration costs and supplies.	
Impact	There has been little impact on services.	
Status	Rebalancing measure delivered through Plan A.	
Budget (£)	Delivered (£)	Variance (£)
14k	14k	-

Project	Commercial Operations: Increase income from new charges, and increased cost recovery of existing charged services, based on the initial implementation of a fees and charges framework.	
Progress	Delivered through general expenditure underspends.	
Impact	There has been little impact on services.	
Status	Rebalancing measure delivered through one-off underspends.	
Budget (£)	Delivered (£)	Variance (£)
7k	-	7k

Project	Recovery of Policy Costs	
Progress	Efficiency relates to recovery of some SPPP policy costs relating to fees administered by CLS under the Control of Housing and Work Law (CHWL). Due to the negative impact of the COVID-19 pandemic on CHWL fee income during 2020 and 2021, it is envisaged that the amount will be absorbed from other one-off savings within SPPP for the current year, before planned cost recovery begins in 2022.	
Impact	There is no impact on the delivery of public services.	
Status	Rebalancing measure to be delivered via other one-off means.	
Budget (£)	Delivered (£)	Variance (£)
113k	Nil recurrently	113k

Delivering the Efficiencies Plan for 2021

Treasury and Exchequer

Project	Reduce cash handling fees by increasing non-cash payment options	
Progress	This measure was not realised within T&E, although cash handling has reduced the fees incurred for other payment methods has increased. Discussions are ongoing with other Government Departments where the reduction in cash-handling has impacted to release resources for other activities.	
Impact	The impact is not yet known however there may be a reduction in full-time employees (FTE).	
Status	Discussions ongoing.	
Budget (£)	Delivered (£)	Variance (£)
30k	-	30k

Project	Fees and Charges Policy Implementation	
Progress	Increased income from new charges, and increased cost recovery of existing charged services, based on the initial implementation of a fees and charges framework.	
Impact	There is no reduction in the service provided.	
Status	Rebalancing measure delivered through Plans B & C	
Budget (£)	Delivered (£)	Variance (£)
9k	9k	-

Project	Modern and Efficient Processes and Systems (Non Staff Spend Review)	
Progress	Continue the best practice of reviewing and securing recurring reductions in non-staff budget, including locking in some of the spend reductions evidenced during the COVID pandemic.	
Impact	There is no reduction in the service provided.	
Status	Rebalancing measure delivered through Plans B & C.	
Budget (£)	Delivered (£)	Variance (£)
38k	38k	-

Project	Additional Tax Revenue	
Progress	Revenue Jersey continue to work on tax compliance to secure additional revenue, supported by the implementation of the target operating model and focussed resources. This has been further enhanced by the publication of the Code of Practice setting out clear guidelines for compliance interventions. Revenue Jersey are into the second year of the publication of its annual programme of compliance activities to be undertaken during 2021.	
Impact	The impact of the efficiency on the delivery of public services did not result in a cut to services.	
Status	Rebalancing measure delivered through Plan A.	
Budget (£)	Delivered (£)	Variance (£)
1,250k	1,250k	-

Delivering the Efficiencies Plan for 2021

Project		Reduction in costs arising from system transformation of finance function.
Progress	Work is ongoing to deliver reductions in costs. It is not anticipated that this rebalancing target will be met through the automation of bank reconciliations ahead of the implementation of ITS and T&E will review and evaluate how to achieve this going forward with other process and systems changes. The saving will be delivered on a one-off basis through other means.	
Impact	The impact of the efficiency on the delivery of public services over the last six months has not resulted in a cut to services and the same is expected over the next six months.	
Status	Discussions continue around opportunities in the department and how they should be achieved. Delivered via Plan B – through other means on a one-off basis	
Budget (£)	Delivered (£)	Variance (£)
230k	230k	-

Project		Modern and Efficient Workforce
Progress	The Department has continued to operate with a number of vacancies across most of the team. Recruitment continues to be a focus to reduce costs of interims and temporary staff where they are used in the department. Recruitment of suitably qualified and/or experienced staff continues to be a challenge and risk to service delivery. In quarter 4 of 2021, the restructure of the senior leadership team was agreed which will contribute to this savings. Furthermore, a strategic workforce plan is in development which will include consideration of the future workforce requirements post ITS implementation and any potential impact on workforce costs.	
Impact	This may result in a reduction in full-time employees (FTEs) within the Department.	
Status	Delivered via Plan B – through other means on a one-off basis - delivered through vacancies and other underspends in 2021, although secured in 2022 and ongoing.	
Budget (£)	Delivered (£)	Variance (£)
190k	190k	-

Project		Contract Efficiencies
Progress	Conversations are in progress to better understand T&E's non-staff spend and identify where potential budget reductions can be realised.	
Impact	This may result in a reduction in service(s) provided to other departments, but this is not yet known.	
Status	Discussions continue around opportunities in the department and how they should be achieved. Delivered via Plan B – through other means on a one-off basis	
Budget (£)	Delivered (£)	Variance (£)
100k	100k	-

Delivering the Efficiencies Plan for 2021

Unallocated

Project	Reduction in costs arising from system transformation of finance function.	
Progress	Commercial Operations: Extension to Car Parking Charging Hours.	
Impact	This was rejected by the States Assembly in the 2020 efficiencies programme. Since then, SPPP have been in the process of developing a Sustainable Transport Policy (STP) which will look holistically at transport across the Island, including the matter of parking. Once the STP is developed, the environmental taxes sub-group of the Revenue Policy Development Board can then appropriately consider any changes to car park charging and the associated impact.	
Status	The STP is in development so no changes to car parking charges have been proposed.	
Budget (£)	Delivered (£)	Variance (£)
700k	-	700k

2022 Efficiencies and Re-balancing Measures

The proposed plan to deliver £20 million of measures in 2022 was approved by the States Assembly during the Government Plan debate in December 2021.

Performance monitoring will continue to be undertaken on a monthly basis through the budget monitor process led by the Treasury and Exchequer and this will focus on financial delivery. Supplementary performance monitoring for any projects required to deliver efficiencies and rebalancing measures will also be undertaken through the Corporate Portfolio Management Office.

Measures will no longer be reported using the Plan A, B, C terminology. To simplify reporting measures will be classified as either reductions in expenditure or increases in income and will be further described as having either a recurring or one-off budget impact.

The impact assessment framework will continue to be developed in 2022. Performance reporting will continue the six-monthly cycle initiated in 2020.

Section 5

Financial Review



Deputy Susie Pinel
Minister for Treasury and Resources

Minister for Treasury and Resources Foreword

I am pleased to present the 2021 Annual Report and Accounts and I would like to take this opportunity to thank everyone who has been involved in producing it.

While we were still having to deal with the pandemic and its effects across the Island and our business community in 2021, the impact of the pandemic on our finances have been less than we envisaged.

Income streams continued to perform well, with net general revenue income increasing by £146 million from the low point of 2020. While some of this increase was anticipated in the Government Plan, the results have exceeded those estimates. The uplift was underpinned by higher than anticipated earnings and economic activity, leading to increases in taxation revenues of £72 million and Impôts Duties and Stamp Duty of £30 million. There was also a one-off £40 million dividend from JT Group, as a result of the sale of its Internet of Things business.

Tax revenues collected by Revenue Jersey amounted to £750 million in 2021, which included over £20 million through compliance activity. The move to online tax return filing continued last year, with 43% of personal taxpayers choosing to file online rather than complete a paper tax return. In addition, 75% of tax returns received in 2021 were assessed within 30 days.

We also incurred less expenditure than budgeted, and, in particular, spending in response to Covid-19, while considerable, was lower in 2021 at £109 million, compared to £190 million in 2020.

By early April 2021 we had approved £29.6 million under the Fiscal Stimulus Fund, for projects that met the criteria of being timely, targeted and temporary. A total of 11 projects were completed by the end of the year, with the remainder due to be finished between January and June 2022.

We also continued to support our business community in 2021 through a range of schemes, including the Co-Funded Payroll Scheme (CFPS), and the deferral of GST and Social Security contributions. Although the CFPS was discontinued in October 2021, I made the commitment that it would be started again if public health guidance led business sectors to suffer financial detriment.

With the emergence of the Omicron variant of Covid-19 and the recommendations made to slow its spread to the community, the CFPS was restarted for certain sectors and was

Financial Review

expanded in January 2022 to include hotels, bars, restaurants, retailers and event venues. In 2021 we paid businesses £29.9 million under the CFPS.

During the pandemic we have been prudently maintaining a higher level of approvals in the Reserve to meet unforeseen expenditure, and fortunately we have not needed to use £85 million of these. This allows us to reduce the amount of borrowing required to meet the financial impact of the pandemic.

While having previously agreed to run deficits at the States Assembly approved level in the short term, with a return to balanced budgets expected by 2025 in the Government Plan, it is pleasing that the combination of higher income and lower expenditure meant that we did in fact have a surplus of £59 million after depreciation. This is a positive position to be in as we begin to move into recovering from the pandemic.

Including Funds and subsidiaries, if the investment gains are removed, expenditure outstripped our income by £95 million, compared to £271 million in 2020.

We have been able to progress a number of our larger projects, including Our Hospital, the new Government headquarters and plans to re-finance pension liabilities.

In total, we have invested £258 million on capital projects, including £83 million acquiring sites for and developing social housing in Andium Homes and £32 million on the waterfront residential and office developments in Jersey Development Company.

However, there has been some rescheduling or delays to projects, with the vast majority of unspent approvals being transferred to allow them to be spent on these projects in 2022, as originally approved by the States Assembly.

Turning to the balance sheet, in 2021 net assets increased by £481 million, from £7.6 billion to £8.1 billion. This comprised £4.2 billion of property, plant and equipment and £4.1 billion of investments, including States Owned Entities.

Our investment performance remained strong. There were gains of £348 million compared to £253 million in 2020. The Common Investment Fund overall generated a net return of 10.3%, which was marginally below the market weighted benchmark of 11.9% for the year, but longer-term performance remains above benchmark.

The balance of the Strategic Reserve benefited from a good investment performance and increased over the course of 2021 by 7% to end the year at over £1 billion. The Strategic Reserve generated returns of 9.8% over three years and 6.9% over five years, with both exceeding the benchmarks by 5.3% and 2.1% respectively.

We have borrowed less from the Revolving Credit Facility (RCF) to meet the costs of the pandemic than forecast. The most recent Government Plan forecast a requirement of £120 million from the RCF, but in fact only £86 million was drawn down.

The strength of our balance sheet is key in the delivery of the strategy agreed by the Assembly to borrow to meet the costs of Our Hospital and the refinancing of pension liabilities. In January 2022, S&P confirmed that our long and short-term sovereign credit rating of AA-/A-1+ was unchanged. In its report, S&P noted its rating is based on a stable outlook for the Island, which is underpinned by the Government's strong balance sheet. Borrowing through public rated, sterling bonds will help deliver the borrowing approved

Financial Review

within the Government Plan and it is expected that the first bond will be issued in Spring 2022. For each element of borrowing a strategy for its repayment will be published in the Debt Framework. Amounts will be collected in the Strategic Reserve to build funds for the eventual repayment of the debt.

Our States Owned Entities had a busy year, responding to the ongoing pandemic and developing and delivering a range of projects. Andium Homes continued its building programme on several sites. The Samarès development alone provided 200 new affordable homes to buy or rent. The Jersey Development Company brought forward plans for South Hill and the Waterfront, with both incorporating a number of affordable homes, if approved. It also started work on the third International Finance Centre building. While Ports of Jersey started to see a recovery in its business in 2021, their revenues were around 26% down on pre-pandemic levels. They were, however, still able to invest in airport and harbour assets.

2021 was again a year of managing our public finance to ensure that we protected and supported the health and wellbeing of Islanders, and the livelihoods of our businesses. We have a robust plan in place to address the significant borrowing we will be starting to undertake this year, and our credit rating and reserves remain strong

I am once again extremely proud of the way Treasury and Exchequer colleagues and others across Government have risen to the challenges, mainly Covid-19-related, in 2021, while also pursuing all the other Treasury, Revenue Jersey and Commercial Services initiatives and projects.



Deputy Susie Pinel

Minister for Treasury and Resources

Date: 31 March 2022

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 & 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 188 and the information in Note 4.26 on page 400.

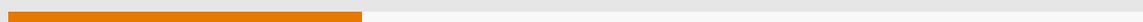
Impact of Covid-19 on Finances

As with 2020, the pandemic has brought substantial disruption to the work of Government, impacting on income and creating a significant increase in expenditure as steps were taken to meet the health, livelihoods, economic and fiscal challenges presented.

Departments have reported additional Covid-related costs and lost operational income of £109 million in 2021 (£190 million in 2020) including:

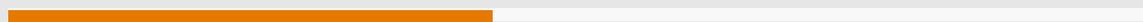
Payroll Co-Funding Scheme

£29.9m



Test and Trace

£41.6m



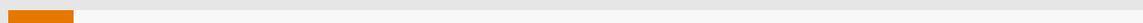
Economic Recovery Fund

£12.4m



Covid Vaccine

£5.0m



Additional costs across Health & Community Services

£6.0m



Financial Review

To isolate the costs of Covid-19 from normal service-delivery budgets in departments, the Government Plan 2021 established the 'Covid-19 Response' head of expenditure.

£87.3 million was identified in the Government Plan as the initial investment in responding to the pandemic in 2021. The majority of this investment was one-off. However, support will continue to be provided to specific sectors over the period of the Government Plan 2021-24 through the economic recovery programme, fiscal stimulus and additional funding for Government services where income is impacted (e.g. the bus service).

To support the additional Covid-19 related spending, a provision was also made for the costs of the revolving credit facility agreed early on in the pandemic. The £87.3 million comprised:

- Nightingale Field Hospital £8.4m
- Payroll Co-Funding Phase III £11.3m
- Revolving Credit Facility £3.7m
- Economic Recovery £15.5m
- Income Support Costs £7.5m
- Schools catch-up £0.9m
- Test and Tracing 2 £30.0m
- Covid-19 Vaccine £5.5m
- Other £4.5m

To address these additional costs in 2021 and to enable greater flexibility, the Minister for Treasury and Resources approved additional funding from Reserves during the year.

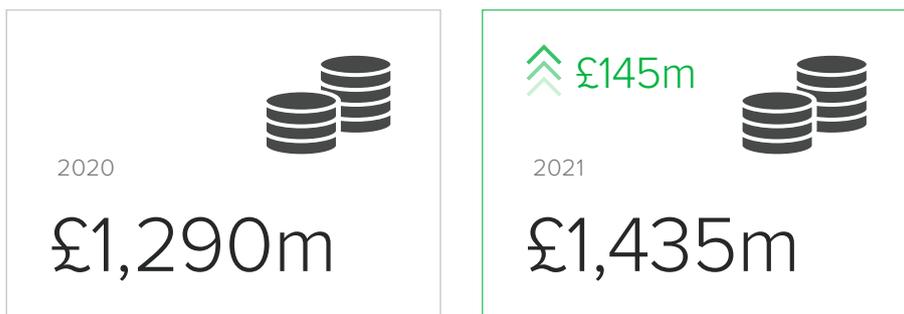
Budget	GP Budget, £87.3m	Additional Funding, £40.2m	Total £127.5m
Actuals	£108.9m		

A full breakdown of the £109 million of Covid-19 costs is provided in the Financial Review Appendix of this section on page 217.

Income

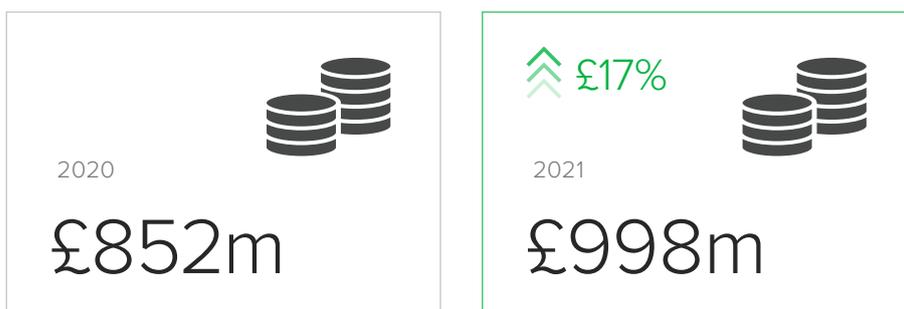
Consolidated Group

Income, excluding gains/losses on the revaluation of investments, increased by £145 million (11%) in 2021, compared to 2020. There was a £32 million (13%) increase in operational income largely due to the additional £40 million dividend from JT Group following the sale of their Internet of Things business. Income from taxation increased by £73 million (11%) with Impots and Stamp Duties income increasing by a combined £30 million (32%). More detail is provided later in this section on page 191.



States Assembly Approved

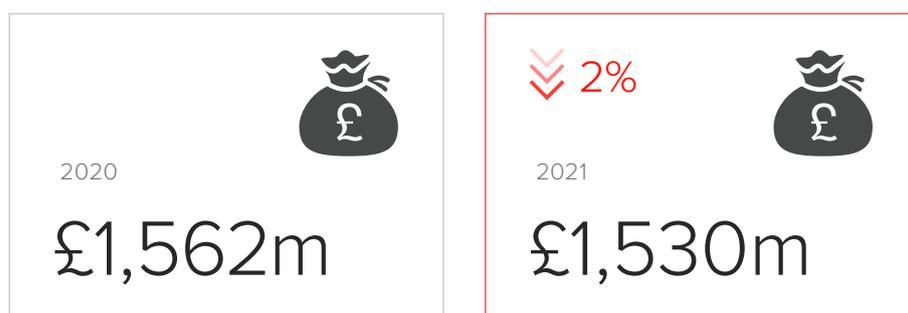
States Net General Revenues Income increased by £146 million (17%) from 2020. The increase does include a £40 million exceptional dividend from JT Group and £32 million of personal income tax relating to 2020 but there was also strong growth in 2021 personal income tax, stamp duty and GST with other income lines also showing smaller increases. While this is a positive indication that the economy overall has not been impacted as severely as previously forecast by the Covid-19 pandemic, certain sectors have been impacted more than others and there remains some uncertainty around the ongoing economic impacts. More detail is provided later in this section on page 194.



Expenditure

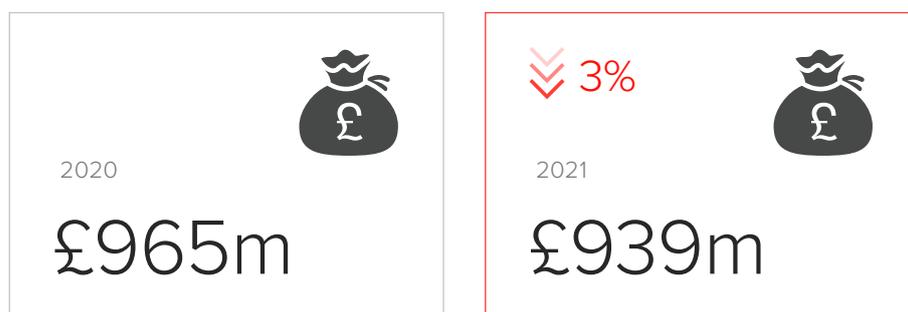
Consolidated Group

Expenditure decreased by £31 million (2%) from 2020 reflecting the reduced level of spending associated with the response to the pandemic. The biggest single decrease was in social benefits payments which fell by £76 million (14%) due to lower levels of spend on the Co-funded Payroll Scheme and other Covid-19 related support schemes. Impairments were £17 million (50%) lower in 2021 with these reductions offset by increases in staff costs of £24 million (5%), grants of £21 million (41%), other operating expenditure of £9 million (3%) and depreciation of £8 million (9%). More detail is provided later in this section on page 191.



States Assembly Approved

Departmental net expenditure, including depreciation, decreased by £26 million (3%), which is primarily the impact of reduced Covid-19 expenditure partly offset by increases in staff costs, grants and other operating expenditure, associated with additional investment in services, other than Covid related expenditure agreed in the Government Plan. More detail is provided later in this section on page 194.

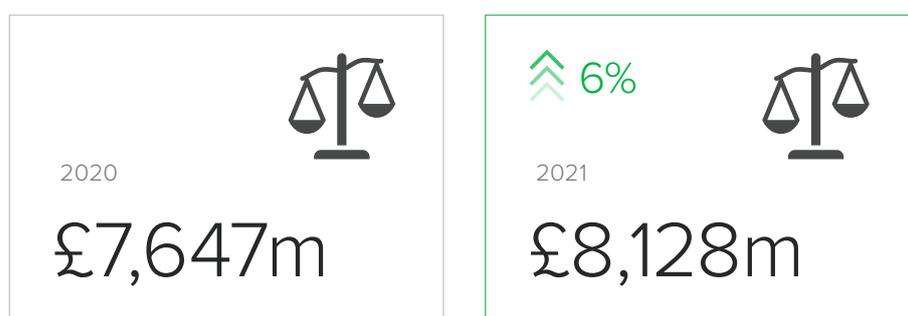


Balance Sheet

Consolidated Group

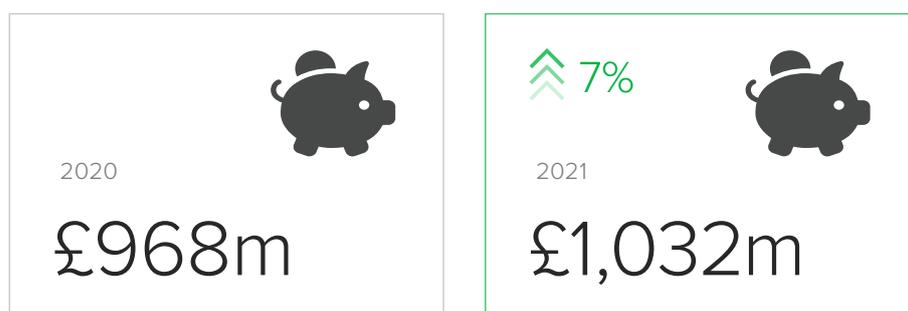
Notwithstanding the considerable additional support to Islanders and business arising from the pandemic, a strong balance sheet is maintained with a net asset position

of £8.1 billion. An increase in the net asset position of 6% is mainly attributable to the increase in the value of investments and the revaluation of infrastructure and property assets. More detail is provided later in this section on page 209.



Strategic Reserve

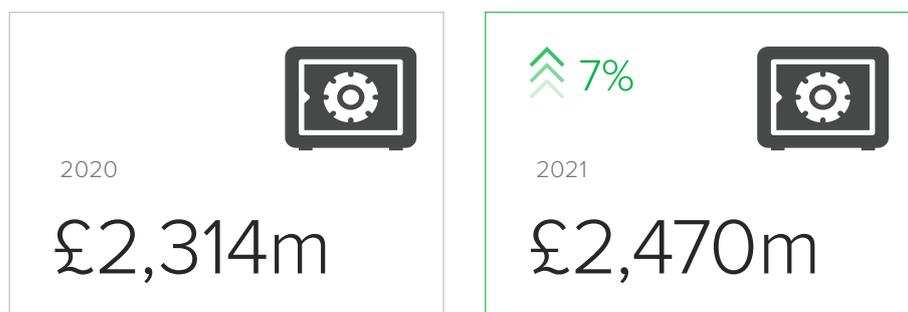
The Strategic Reserve remains in a strong position with a balance of £1,032 million. The increase reflects investment gains of £88 million, reflecting the overall investment performance as at the end of 2021, offset by transfers out of the fund to help manage the costs of financing as planned in the Government Plan.



Social Security Funds

The Social Security Funds have increased in value by £157 million (7%) from 2020 which is net of a £6 million transfer from the Health Insurance Fund to the Consolidated Fund to fund the Jersey Care Model and shows growth even without the usual States Grant to the Social Security Fund, which was cancelled to contribute to the funding of the Covid response.

The largest of these funds, the Social Security (Reserve) Fund, recognised investment gains of £230 million in 2021. 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 11.6%, exceeding benchmark by 0.1%. A transfer of £60 million was made from the Social Security (Reserve) Fund to the Social Security Fund in 2021 to offset the impact of cancelling the grant from States Treasury and Exchequer which was re-directed towards funding the Covid-19 response in 2021.



States of Jersey Group

The 2021 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 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 213.

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 4,500 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 ('JFReM') 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.

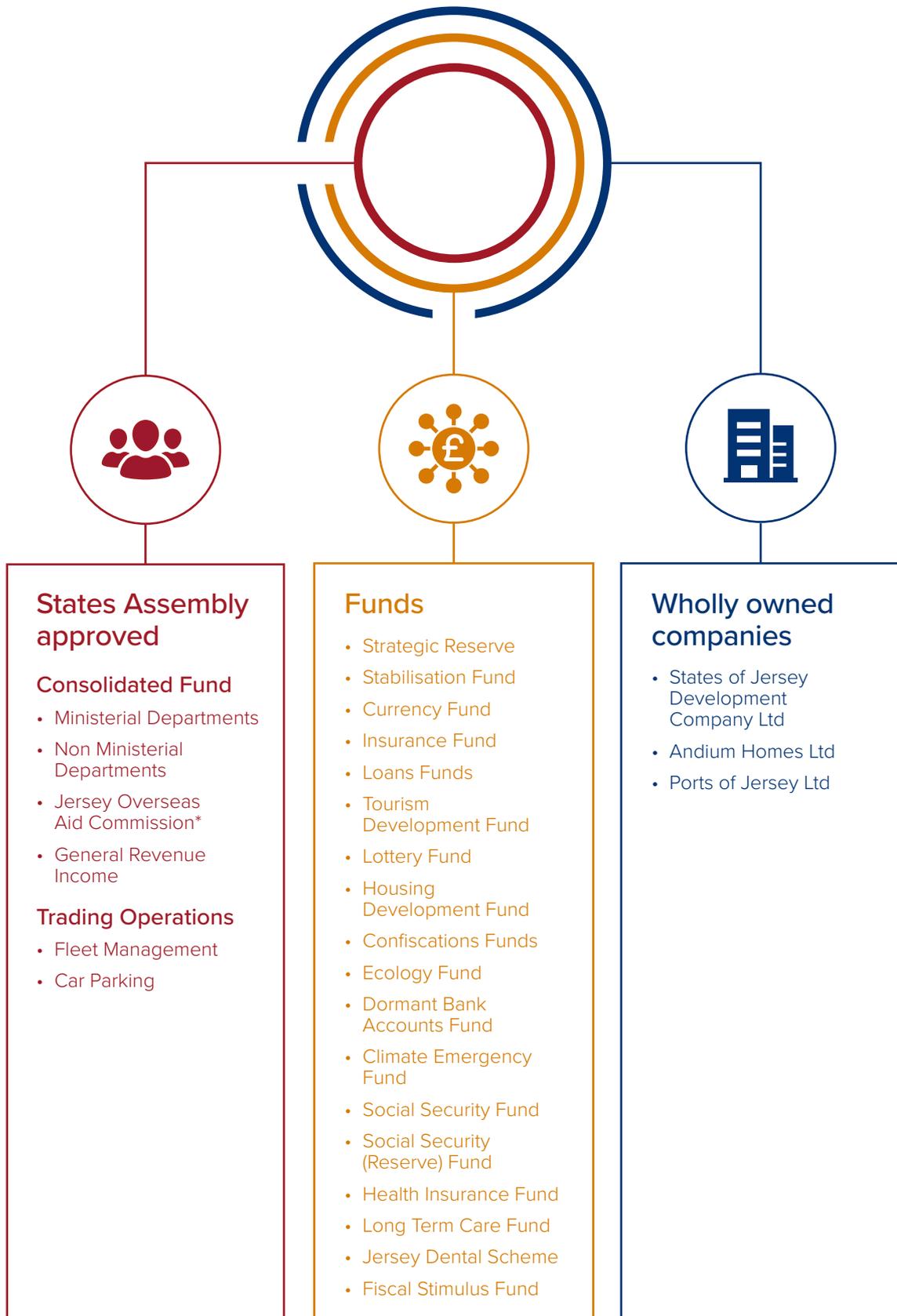
This judgement has been written in to the accounting boundary defined in the JFReM but it is anticipated it will be removed and these entities will also be consolidated within the States of Jersey accounting boundary in future years as part of the continual review of the JFReM against International Financial Reporting Standards ('IFRS').

More information about the valuation of these companies is given in Note 4.11.

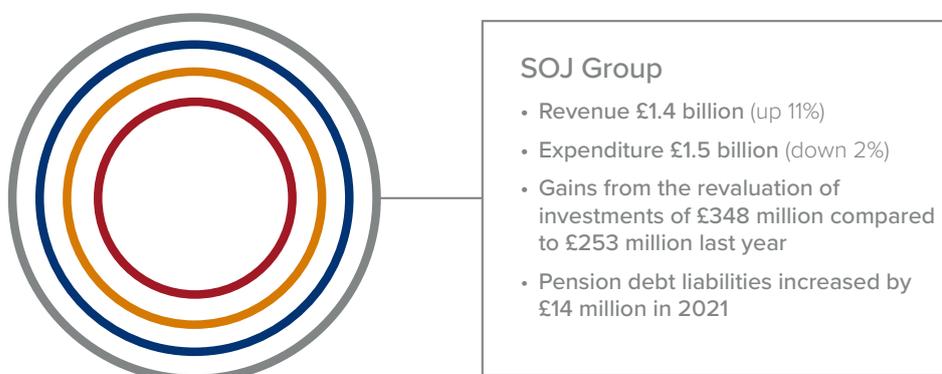
Independent bodies

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.

States of Jersey Group (SOJ Group)



SOJ Group – Financial Performance



States Assembly approved

Net General Revenue Income £998 million. £146 million (17%) increase from 2020. Includes:

- Income Tax £642 million (up 10%)
- GST £106 million (up 13%)
- Impôts and Stamp Duties £141 million (up 27%)

Department Net Expenditure £888 million. £31 million (3%) decrease from 2020. Includes:

- Staff Costs £477 million (up £28 million, 6%)
- Social Benefits Payments of £156 million (up £86 million, 36%)

Operating Surplus £110 million. (£66m deficit in 2020)

Surplus after depreciation £59 million. (£113 million deficit in 2020)



Funds

Income £659 million. £84 million (15%) decrease from 2020. Includes:

- £265 million of Social Security contributions excluding those from the States of Jersey (up 1%)
- Gains on the revaluation of investments of £343 million (up 35%)

Expenditure £404 million. £16 million (4%) increase from 2020. Includes:

- Social Security contributory benefits £352 million (up 3%)

Net Income £254 million. (£187 million in 2020)



Subsidiaries

Income £98 million. £9 million (10%) increase from 2020. Includes:

- £55 million of rental income through Andium Homes (up 4%)
- £21 million of sales in Ports of Jersey including landing dues (up 12%)
- £3 million of investment income

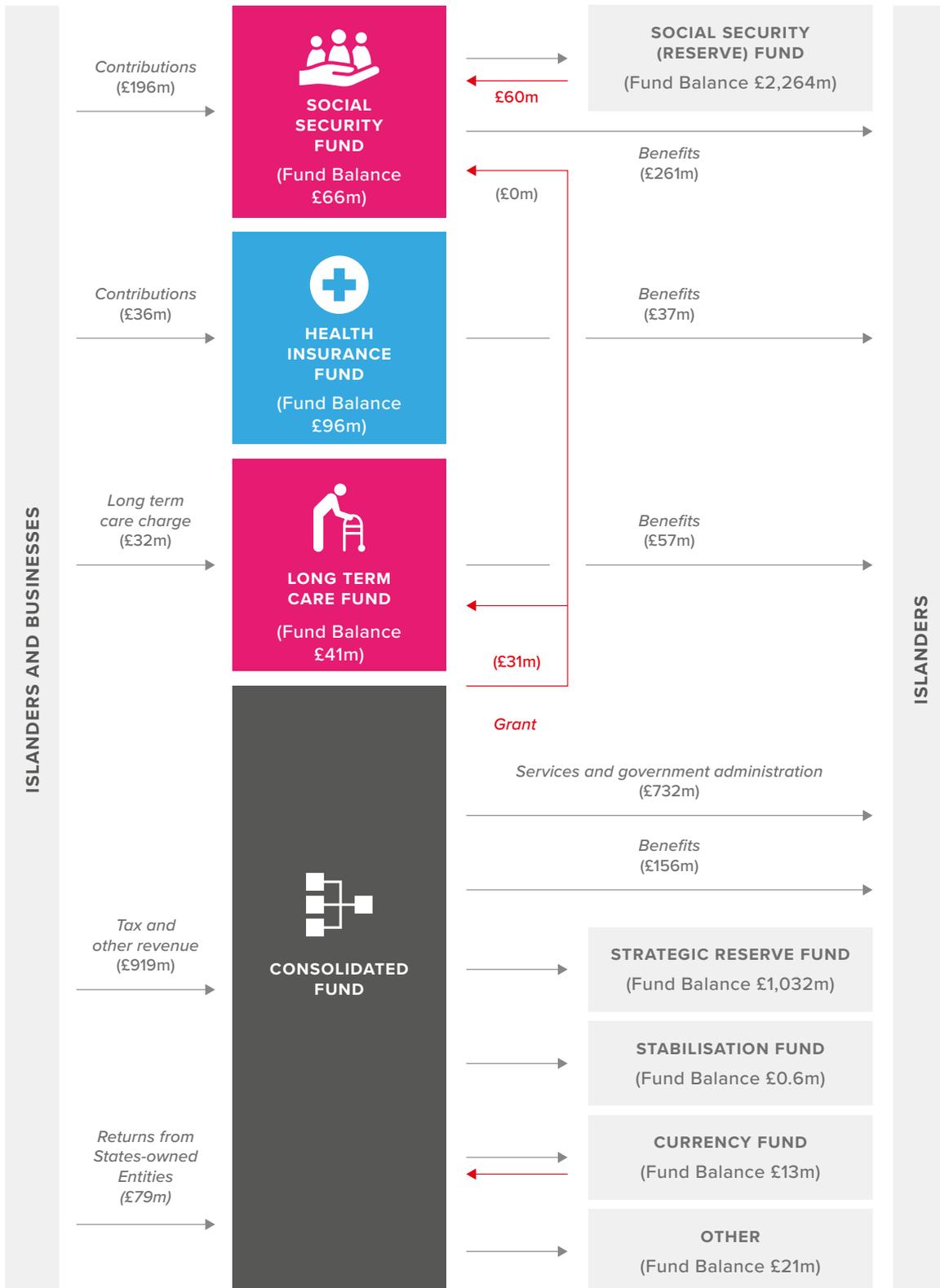
Expenditure £120 million. £17 million (16%) increase from 2020. Includes:

- £26 million of staff costs (down 15%)
- £30 million of financial returns to the States of Jersey from Andium Homes (same as 2020)
- £15 million of premises and maintenance costs (down 9%)

Net Expenditure £52 million. (£45 million in 2020)

(Rounding applied)

How Islanders' Money Is Used



Financial Summary 2021

States of Jersey Group

Revenue



Expenditure



Overall

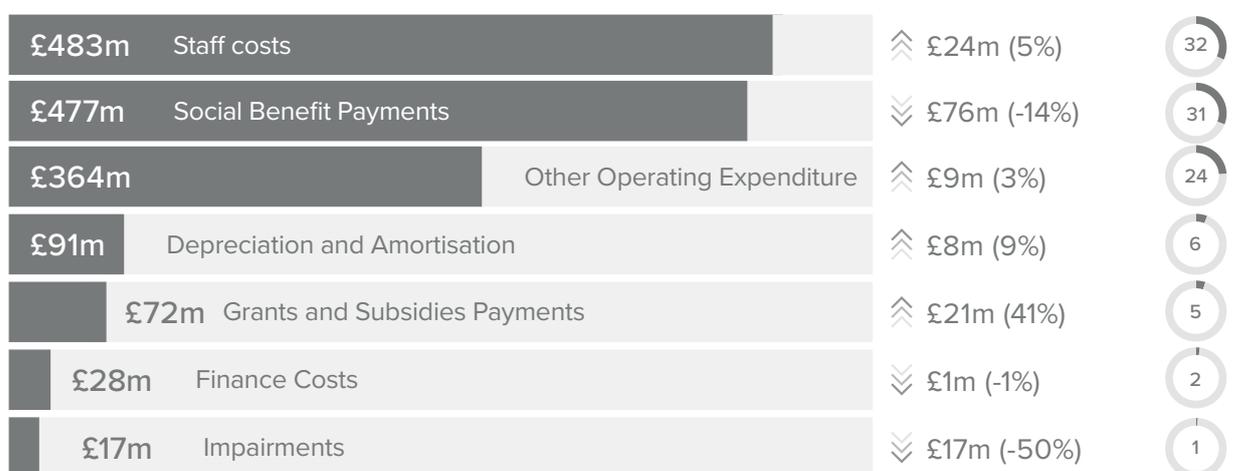
**£239m
Surplus**

(including investment gains and movements in pension past service liabilities)

Breakdown of Revenue



Breakdown of Expenditure



(Rounding applied)

Financial Review

Excluding gains on the revaluation of investments and the movement in the pension liabilities, expenditure exceeded income by £95.4 million in 2021, compared with

£271.6 million in 2020. (See the 'Operating Net Revenue Expenditure/(Income)' line in the Statement of Comprehensive Net Expenditure on page 311)

2021 was a year of recovering revenue and reduced expenditure reflecting the transition out of the more intense period of economic measures and operational impacts of Covid-19 across the Island and government in 2020.

Revenue increased across all main sources in 2021 with revenue from taxation and Island rates and duties increasing by £72.9 million (11%) and £38.0 million (30%) respectively compared to 2020. There was particularly strong growth in Stamp Duty which rose 64% and 2021 also includes a special dividend of £40 million from JT Group following the sale of the Internet of Things business.

Expenditure reduced overall by £31.3 million (2%) in 2021. Social benefits expenditure reduced by £75.9m (14%) which is the result of reduced levels of Covid-19 benefits in 2021 compared to 2020. This was principally the Co-Funded Payroll Scheme which cost £29.9m in 2021 compared to £97.9m in 2020.

Staff costs increased by £24.0m (5%) in 2021 reflecting an increase in the number of staff and pay awards in the year. There is more detail in the Staff Report

Spotlight on: Social Security Income (excluding States of Jersey contributions)

Social Security Contribution rates were changed for 2020 with a view to raising additional income to fund new paternity benefits. Specifically, the contribution rate above the Standard Earnings Limit and Upper Earnings Limit for employers increased from 2% to 2.5%. The Upper Earnings Limit was also increased from £176k to £250k.

As part of the package of measures to support Islanders and businesses through the economic impacts of the pandemic, employee contributions were reduced by 2% from October 2020.

This resulted in a reduction in contributions in 2020 which has seen some recovery in 2021. Social Security Fund (up £4.7 million/2%), and Health Insurance Fund (up £1.1 million/3%) contributions compared to 2020. This was offset by decrease in Long Term Care contributions of £3.2 million (9%).

Non-Operating Gains/Losses

The Common Investment Fund performed robustly in 2021 generating a net return of 10.3%, a high absolute return in excess of long-term expectations but below the weighted market benchmark of 11.9%. This resulted in gains of £348 million compared to £253 million in 2020.

Investments are subject to volatility when reviewed over a period as short as a single year and are best viewed over a long term investment horizon. Over three years the CIF generated a net annual return of 10.5% exceeding market benchmark by 0.3% and over 5

Financial Review

years a net return of 7.7%, exceeding market benchmark by 0.2%.

The movement in the pension debt liabilities was £14 million compared to £2 million in 2020.

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 surplus of £239 million in 2021 compared to a deficit of £24 million in 2020.

(See the 'Net Revenue Expenditure/(Income)' line in the Statement of Comprehensive Net Expenditure on page 311).

States Assembly Approved

Net General Revenue Income



Expenditure (including depreciation)



Overall

**£59m
Surplus**

(after depreciation)

Expenditure including depreciation was £59 million less than income compared to a deficit of expenditure exceeding income by £113 million in 2020.

Breakdown of Net General Revenue Income

		Movement from 2020	% of Total
£642m	Net Income Tax	⬆️ £60m (10%)	64
£ 106m	Goods and Services Tax (GST)	⬆️ £13m (13%)	11
£ 80m	Impôts Duties	⬆️ £6m (8%)	8
£ 61m	Stamp Duty	⬆️ £24m (64%)	6
£ 14m	Island Rate	⬆️ £0.5m (4%)	1
£ 49m	Other Income (Dividends)	⬆️ £38m (343%)	5
£ 16m	Other Income (Non Dividends)	⬆️ £7m (69%)	2
£ 30m	Other Income (Return from Housing Associations)	⬇️ (£0.7m) (-2%)	3

(Rounding applied)

£ Net Income Tax

2021	£610m	2020 Tax, £32m	Total £642m
2020	£582m		
2019	£587m		

Net General Revenue Income for 2021 was £998.2m compared to £852.0m for 2020 largely as a result of:

Net income tax was £59.8m (10%) higher than 2020 and comprised Personal Income Tax of £557.8m and Companies Income Tax of £85.5m.

Personal income tax for 2021 is £95.0m (21%) higher than reported in 2020. This is £88.7m higher than the estimate in the Government Plan 2021 and £46.8m higher than the most recent forecast used in Government Plan 2022-25. However, the 2021 outturn includes £32m from 2020 as the outturn was higher than the amount estimated in the 2020 Accounts.

While it is surprising how well personal income tax appears to have held up in both 2020 and 2021, it was always recognised that 2020 was a particularly difficult year to forecast – both in Jersey and elsewhere. The Income Forecasting Group ('IFG') were clear in their forecasts that 2020's forecast was 'highly uncertain' and it was unlikely to be a typical year. Recognising this, the IFG made a number of adjustments to the forecast to reflect the potential reductions to tax due to the Covid-19 pandemic and its impact on the economy.

The analysis of taxpayer assessments for 2021 indicates that there was higher than anticipated earnings growth, particularly in self-employed income. The support of the Co-Funded Payroll Scheme is also likely to have maintained earnings in this period.

Companies Tax decreased by £34.1 million (29%) from 2020 and was £11.5m lower than estimated in the Government Plan 2021 and £10.5m lower than the latest forecast used in the Government Plan 2022-25. As Company Tax is recognized one year in arrears, this reflects the impact of the pandemic on business.



GST

2021	£106m
2020	£94m
2019	£90m

Increased by £12.5 million (13%) compared to 2020. The outturn was £18.5 million higher than the estimate in the Government Plan 2021 and £6.9 million higher than the forecast included in the Government Plan 2022-25 which was developed based on a number of uncertain assumptions around the impact of the Covid-19 pandemic on economic conditions and the performance of various market sectors.

£4.1 million of income recognised in 2020 related to 2019 as the final returns were higher than the estimated amounts recognised in 2019. Adjusting for this, the increase to 2021 would be £16.6 million (18%).

ISE Fees increased by £4.0 million (46%) in 2021 which includes the planned increase in the Fees agreed in the Government Plan.

2020 and 2021 has seen reduced off-island travel and an increase in online shopping combined with the reduction in the de minimis for GST on imported goods introduced in 2021. These scenarios have led to an increase in import GST.

In addition, there is evidence that some sectors have seen growth in activity in 2021. For example, construction kept going through lockdown, house sales prevailed and the hospitality sector has shown a return to pre-covid levels of activity, albeit with some challenges associated with the availability of staff.

Overall, indications are that the spend that would normally have been taken off-island through Islanders travelling for holidays has been replaced with spend locally which has more than offset the GST impact of the lost tourism trade and potentially boosted revenue in certain sectors.

As part of the package of measures to support Islanders and businesses through the impacts of the pandemic, businesses were given the option to defer the payment of GST that they had collected from customers. £2.5 million was identified as deferred in 2020 and a further £0.1 million in 2021.



Impôts Duties

2021	£80m
2020	£74m
2019	£63m

Increased by £6.0 million (8%) from 2020 which is £12.4 million higher than estimate in the Government Plan 2021 and £6.7 million higher than the forecast included in the Government Plan 2022-25.

Income from Impôts was significantly higher than initially expected in 2020. This was largely attributed to the lack of opportunities for duty free imports with restricted travel and consumption habits shifting from hospitality venues to home settings. While travel was less restricted in 2021, it was still well below historic levels which has continued to have an impact on duty free sales.

The biggest increases in impots duties received were in fuel (£2.5 million) and tobacco (£1.8 million) duties which both saw above inflation increases imposed in the Government Plan 2021. Fuel duty was increased by inflation plus an extra 2p per litre to contribute to the Climate Emergency Fund. Tobacco products were increased by 5.5% and hand-rolling tobacco by 8.5% in line with the Government's Tobacco Strategy.

Alcohol duties also increased overall with the largest increase in spirits. Again, impots receipts have been boosted by Islanders having fewer opportunities to travel for holidays and other reasons.



Stamp Duty

2021	£61m
2020	£37m
2019	£35m

2021 was a very strong year for Stamp Duty. Duties increased by £23.9 million (64%) from 2020 which is £29.7 million higher than the estimate in the Government Plan 2021 and £17.1 million higher than the forecast included in the Government Plan 2022-25.

The volume of transactions processed through court in 2021 increased by 21% with the average Stamp Duty recognised each month increasing from £2.7 million to £4.5 million.

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There were 431 transactions with a consideration value of £1.0 million or more in 2021 compared to 254 in 2020. Four transactions alone yielded combined Stamp Duty of £5.2 million in 2021.

House prices have also 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 2021](#). The House Price Index was 16% higher in 2021 than 2020.



Other Income Sources

2021	£21m	£40m exceptional JT dividend
2020	£37m	
2019	£35m	

Other income increased by £44.0 million (68%) from 2020 which was £49.6 million higher than the estimate in Government Plan 2021 and £4.1 million higher than the forecast included in the Government Plan 2022-25.

2021 includes a special dividend of £40m from JT Group following the sale of its Internet of Things business which was not included in the Government Plan 2021 estimates.

Financial Review

Breakdown of Net Revenue Expenditure By Department

	Movement from 2020	% of Total
£228m Health and Community Services	⤴ £13m (6%)	26
£157m Children, Young People, Education and Skills	⤴ £8m (5%)	18
£92m Customer and Local Services	⤴ £4m (5%)	10
£75m Treasury and Exchequer	⤴ £10m (16%)	9
£46m Infrastructure, Housing and Environment	⤴ £1m (3%)	5
£33m Chief Operating Office	⤴ £6m (22%)	4
£32m Financial Services and Digital	⤴ £7m (26%)	4
£30m Justice and Home Affairs	⤴ £0.4m (1%)	3
£26m States of Jersey Police	⤴ £0.1m (1%)	3
£12m Jersey Oversea Aid	⤴ £0.1m (1%)	1
£9m Strategic Policy, Planning and Performance	⤵ (£1m) (-12%)	1
£8m Office of the Chief Executive	⤴ £1m (12%)	1
£29m Non Ministerial States Funded Bodies and the States Assembly	⤴ £1m (4%)	3
£109m Covid Response	⤵ (£81m) (-43%)	12
£0.1m Debt management	-	

(Rounding applied)

Breakdown of Net Revenue Expenditure By Type

	Movement from 2020
(£103m) Income	⤴ £8m (8%)
£156m Social Benefit Payments	⤵ (£86m) (-36%)
£477m Staff costs	⤴ £28m (6%)
£285m Other Expenditure	⤴ £12m (4%)
£73m Grants and Subsidies Payments	⤴ £23m (46%)

(Rounding applied)

Financial Review

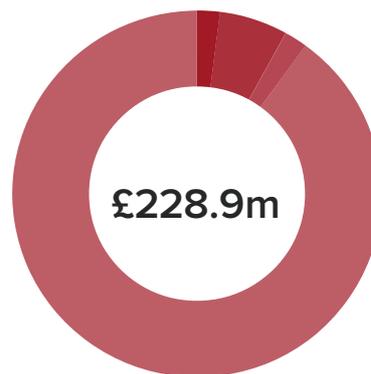
In 2021, Near Cash Net Revenue Expenditure for departments was £888 million (2020: £919 million). This included departmental income of £103 million (2020: £95 million), giving gross expenditure of £991 million (2020: £1,014 million).

The £31 million (3%) decrease in departmental net expenditure was largely driven by the reduced costs associated with the response and management of the Covid-19 pandemic in 2021. This was offset by increases in staff costs and grants and subsidies which includes the grants issued by departments from the Fiscal Stimulus Fund and the Economic Recovery Fund. Details are provided in the Staff Report and Grants and Subsidies Note.

Health and Community Services

Increased by £12.8 million (6%) from 2020 due to:

- Jersey Care Model expenditure of £5.1m (recurrent)
- Pay awards totaling £4.1m (recurrent)
- Special Payment of £2.4m in respect of a legal settlement (non-recurrent)
- Other expenditure variations against all other budgets £1.2m (less than 0.1% of total expenditure)



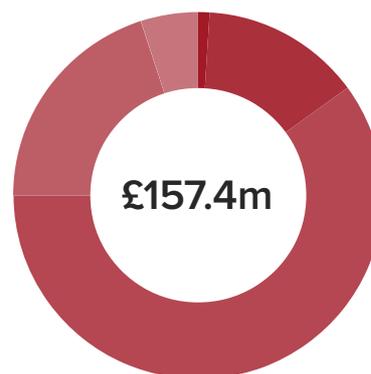
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Medical Director	£4.8m
Modernisation	£14.5m
Chief Nurse	£3.7m
Hospital and Community Service	£205.9m

Children, Young People, Education and Skills

Increased by £7.5 million (5%) from 2020 due to

- £2.3 million from increased use of supply teachers, agency social workers and other temporary staff
- £2.2 million due to new initiatives funded by the Education Reform Programme
- £1.5 million of pay awards
- £0.8 million of parental leave policy changes
- £0.7 million additional third-party grants to enhance the accommodation in the short-breaks facility for children with complex needs
- £0.5 million being increasing the entitlement to free nursery school places.
- £(0.7) million being increases in the fee income raised by fee-charging schools
- £0.24 million (0.16% variance) is the net impact of all other year on year movements.



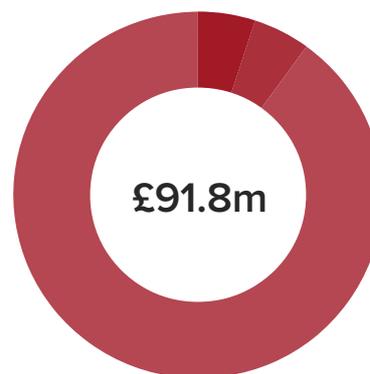
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Directorate	£1.6m
Children's Services	£22.1m
Education	£94m
Young People, Further Education	£32.1m
Integrated Service and Commission	£7.6m

Customer and Local Services

Increased by £4 million (5%) from 2020 the majority of which relates to:

- A total of £2.2 million of transfers between Heads of Expenditure occurred during the year, these related to:
- £1.76 million from the Health and Community Services (HCS) Department in relation to the Crematorium operational budgets and several services commissioned by HCS delivered by 3rd party charitable sector organisations
- £0.4 million from Children, Young People, Education and Skills Department in relation to Nursery Education Funding (NEF) and the Justice and Home Affairs Department to administer the change in the GST de minimis
- £1.2 million of increase Social Benefits Payments the majority of which relate to an increase in weekly benefits and is in line with proposed uprates to benefits applied annually in October as set out in the Government Plan.
- £0.6 million of increased staff costs, the department commenced the year with various vacancies which were recruited to during the year.
- £1 million increase in growth budget spend relating to the Disability and Social inclusion working with other Government departments and multiple external stakeholders to improve social inclusion by delivering the GOJ Disability Strategy and supporting diversity. The Migration Policy and IT implementation to improve current processes and enable future flexibility migration controls and the Tenants Rights (Housing & Homelessness) project supporting the completion of the Affordable Gateway review and supporting the development of specialist homelessness services which commenced during the latter part of the year.
- £1.2 million Reduction in impairments during the year of £1.2 million, these relate to a reduction in bad debts provisions raised against income receivable as a result of installment debt repayments set up to recoup debts payable during the year.



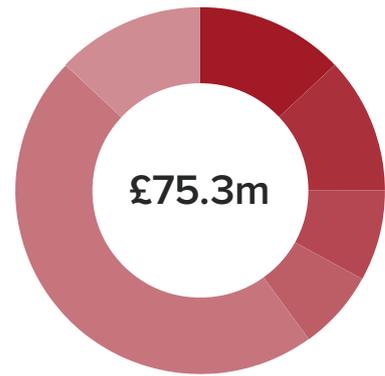
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Customer Services	£5.0m
Local Services	£4.5m
Customer Operations	£82.3m

Treasury and Exchequer

Increased by £10.2 million (16%) from 2020 due to:

- Commercial Services transfer into Treasury and Exchequer with further investment increased expenditure by £5.6 million
- Increase by Revenue Jersey expenditure mainly due to additional staff to deal with workloads and succession and associated office accommodation - £2.2 million
- Increase in the States grant to the Long Term Care Fund due to inflation - £1.1 million
- Increase in the contribution to the Climate Emergency fund based on fuel usage and the 2p increase in the hypothecated contribution per litre in 2021 - £1.0 million
- Increase in PECRS Pre 1987 past service liability payments - £0.5 million
- Increase in bank charges due to more cash transactions becoming digital - £0.3 million
- Other immaterial changes resulting in a reduction in expenditure - (£0.5 million)



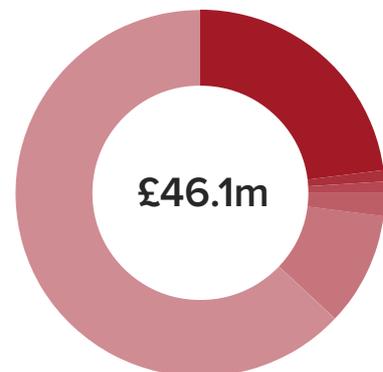
key

Shared services, audit and finance teams	£10.1m
Revenue Jersey	£9.3m
Treasury and investment management	£6.7
Commercial Services	£5.6m
Grants to Social Security Funds	£33.5
Pension and bank charges	£10.1m

Infrastructure, Housing and Environment

Increased by £1.4 million (3%) from 2020 due to:

- £1.0 million of additional staff costs including pay awards, incremental progression and recruitment of staff after a hiatus during the first wave of the covid pandemic.
- - £0.4 million net increase in non-staff spend including Brexit-related workstreams and a return to more normal levels of activity on maintenance and operational services which had been unable to be undertaken during periods of 2020.



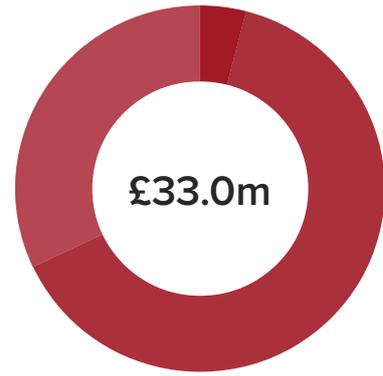
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Property and Special Projects	£10.4m
regulation	£0.5
Office of the DG	£0.1
Sport	£1.3m
Natural Environment	£4.4m
Operations and Transport	£29.4

Chief Operating Office

Increased by £6.0 million (22%) from 2020 due to:

- As part of the OneGov initiative to centralise technology teams, Digital Services transferred from States of Jersey Police (£1.4million) and CYPES (£2.0 million) into the Modernisation and Digital department.
- The Commercial Services team moved to the Treasury and Exchequer department which reduced the position by £3.4 million.
- Growth investment as part of the Target Operating Model of £4.8 million.
- The remaining £1.2 million is related to a number of smaller variances across the department including the impact of pay awards and the voluntary release scheme.



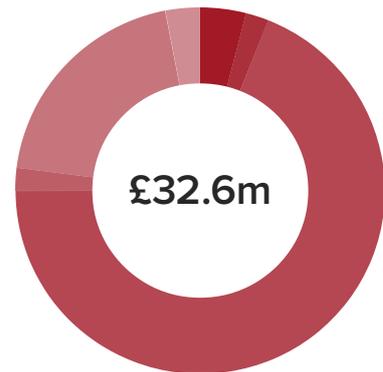
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Directorate	£1.4
Moderisation and Digital	£21.1
People and Corporate Services	£10.5

Financial Services and Digital

Increased by £6.7 million (26%) from 2020 due to:

- A £2.2 million net increase in grants including additional grants to Visit Jersey, Jersey Finance, Jersey Sport and the Jersey Competition Regulatory Authority.
- £0.9 million increase in hired services expenditure to cover vacancies in the department and to support the Moneyval project in the Financial Crimes Unit
- £0.8 million for the grant to Jersey Heritage for Elizabeth Castle
- £0.4 million increased expenditure in relation to staffing and implementing the new TOM model (Inclusive of 2021 pay awards). Various vacancies in 2020 (into early 2021) contributed to a lower expenditure in 2020.
- £0.3 million reduction of income in 2021 compared to 2020 in relation to the OFCOM licensing fees (this is now received centrally);
- £0.2 million increased expenditure against travel & accommodation to accommodate the British & Irish lions and their visit in 2021;
- £0.1 million increased expenditure related to growth bids for Staff within the Financial Crime Unit.



key

Economics	£1.4m
Management and Governance	£0.7m
Local and Digital Economy	£22.5m
Future Economy	£0.7m
Financial Services	£6.3m
Financial Crime	£1m

Spotlight on: Grants and Subsidies Costs

Grants and subsidies expenses increased by £23 million (46%) in 2021. While there was a £6.6 million increase in grants issued by departments outside of separate schemes, the majority of the increase is due to the Fiscal Stimulus scheme (£4.5 million) and the grants issued through the Economic Recovery Fund (£10.3 million).

The Economic Recovery Fund grants include those paid out under the following schemes:

Visitor Attraction and Events Support Scheme (VAES)

Vehicle Hire Car

Fixed Cost Support Scheme

More detail can be found in the Grants note on page 336.



States Funds

During 2021, the funds saw income exceed expenditure by £254 million compared to £187 million in 2020. The biggest impact in 2021 was the performance of investments which provided revaluation gains of £348 million in 2021 compared to £244 million in 2020 before group consolidation adjustments. These returns enabled the fund net asset values to grow despite the draw on the Social Security Funds as part of the response to the pandemic.

A more detailed look at investment performance in 2021 can be found on page 211.

The Social Security Fund was again impacted by the approval of the States Assembly to cancel the £65.3 million grant paid by the States Treasury and Exchequer from taxation income to supplement Social Security Contributions. The Fund managed that lost income in 2021 through a transfer of £60 million from the Social Security (Reserve) Fund.

Spotlight on: Fiscal Stimulus Fund

The Fiscal Stimulus Fund was established by the Government of Jersey in November 2020 by P.128/2020 as part of a range of measures designed to assist the economy to recover from the impact of COVID-19. The benefits of fiscal stimulus are principally to reduce the size of the temporary cyclical downturn in economic activity in the short term, and secondly reduce the size of the permanent structural loss of potential output and economic activity in the medium term. The aim of the programme was to accept applications up to February 2021 and then distribute funding in the form of grants with expenditure happening in the economy for 2021. The fund received over 170 individual applications which meant that the workload for administration and appraisal was significantly higher than anticipated. After careful consideration, 47 projects totalling £29 million were supported across 36 different organisations. At the end of 2021, 10 projects had been completed with a total expenditure of £7.4 million in the form of grants.

The Fund balances can be found later in this section on page 213



Subsidiary Companies

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

The headline performance of each is shown below including investment gains/ losses and payments made to or from the States of Jersey which are adjusted out in the group Accounts.

Jersey Development Company Net Income

£0.2m	2020
£0.8m	2021

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

In November 2021 Jersey Development Company announced the successful pre-let of the International Finance Centre 6 office building. It will be a Grade A office space, built to 'BREEAM Excellent' environmental standards. The substantial pre-let provided the comfort for a construction contract to be signed off at the same time.

Developments continue to be funded from retained earnings and financing.

Andium Homes Net (Expenditure)

(£15.6m)	2020
(£31.1m)	2021

Andium's performance remained stable in 2021 with a £1.7 million increase in operational income from £55.1 million to £56.8 million which is predominantly property rental from the social housing estate.

The increase in net expenditure in 2021 from £15.6 million in 2020 to £31.1 million in 2021 is largely due to the impairment of property values in 2021. This followed the States Assembly decision to freeze social housing rents and cap them at 80% of market rate compared to 90% previously. As the properties are valued based on future rental income, values were reduced.

This position also includes a financial return from Andium to the Government of £30.2 million in 2021.

Ports of Jersey Net (Expenditure)

	(£30.2m)	2020
	(£21.6m)	2021

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.

2021 was another challenging year for the air and maritime industry but there were some signs of recovery in each industry with both Airport and Harbour passengers showing improvement when compared to 2020.

This increase in numbers supported and increase in income of £6.1 million (20%) to £36.7 million in 2021. Costs were reduced in 2021 as the full year impact of the significant voluntary redundancy scheme that concluded in December 2020 took effect.

Overall, Ports of Jersey net expenditure decreased from £30.2 million in 2020 to £21.6 million in 2021.

The financial performance reported above for the subsidiary companies may vary from those reported directly by the entities due to adjustments made to conform with the accounting framework applied by the States of Jersey in the JFRoM.

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](#)

Capital and Project Expenditure

2021 saw significant capital and project expenditure. A total of £258 million (£173 million in 2020) - equivalent to 6% of the total value of property, plant and equipment - was spent on capital projects across the States of Jersey Group, comprising:

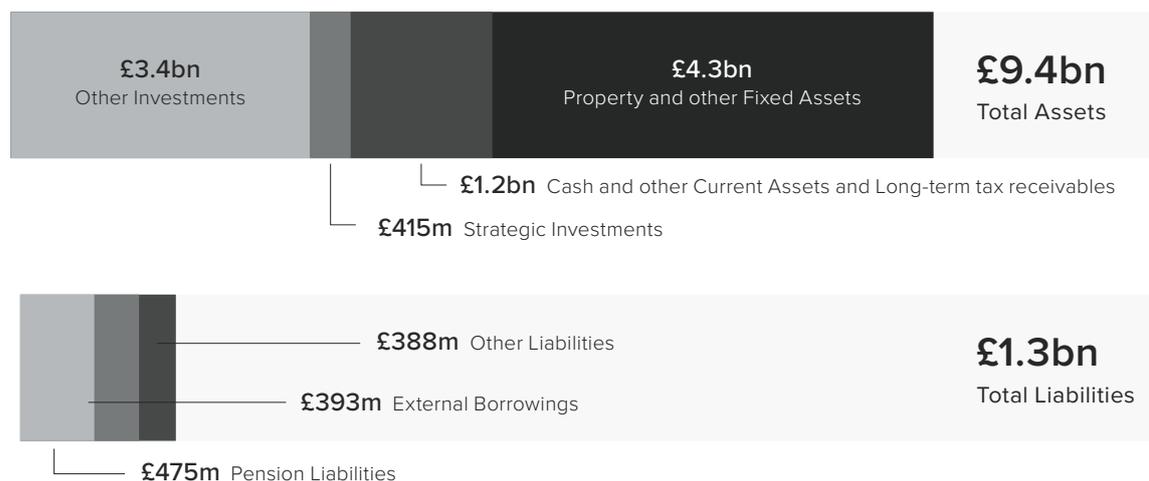
£258 million	<p>£127m</p> <p>by Departments including:</p>	<p>£52.2m on Our Hospital</p> <p>£15.3m on Integrated Technology Solution</p> <p>£12.3m on roads, drainage and sea defence Infrastructure projects</p>	
	<p>£3m</p> <p>by Trading Operations including:</p>	<p>£2.9m on vehicle and plant replacement</p> <p>£0.4m on Ann Court Car Park and other car park maintenance</p>	
	<p>£83m</p> <p>by Andium Homes including:</p>	<p>£17.9m on land acquisitions (St Helier hotels)</p> <p>£15.5m on La Collette Low Rise</p> <p>£9.1m on Summerland</p> <p>£8.2m on Ann Court</p> <p>£7.9m on Le Squez Phase 4</p>	
	<p>£13m</p> <p>by Ports of Jersey including:</p>	<p>£5.3m on Marine Service Vessel</p> <p>£4.9m on Albert Pier pontoon</p>	
	<p>£32m</p> <p>by States of Jersey Development Company on:</p>	<p>£25.5m on the Horizon Development</p> <p>£3.2m 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 2021 can be found in the Statement of Outturn against Approval section within the Accountability Report on page 281.

SOJ Group – Balance Sheet

The States net asset position of £8.1 billion is illustrated by the chart below. The States has total assets of £9.4 billion compared to total liabilities of £1.3 billion. This is an increase in the net asset position of £481 million from £7.6 billion in 2020.

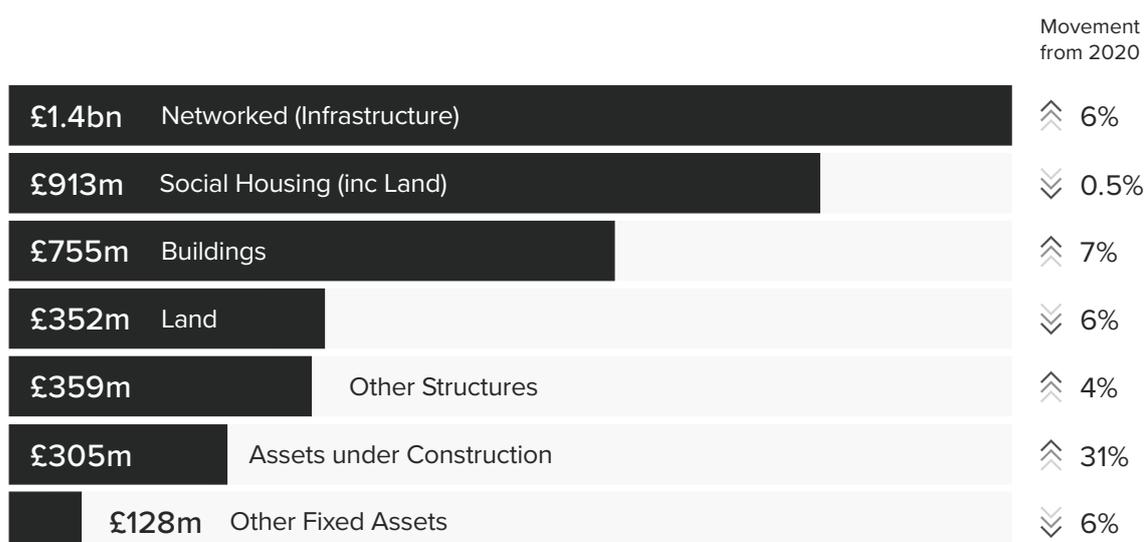
Breakdown of Assets and Liabilities



(Rounding applied)

The majority of the States assets comprise property, plant and equipment of £4.3 billion, which includes the Island's infrastructure assets, States land and buildings and the social housing stock administered by Andium Homes Limited.

Breakdown of Property and Other Fixed Asset Values



The second biggest group of assets totalling £4.1 billion comprises the cumulative investment holdings and includes the funds of the Strategic Reserve and Social Security Funds.

Spotlight on: External Borrowing

The borrowing is predominantly the bond taken out in 2014 to fund the development of social housing but also now includes the Rolling Credit Facility taken out to manage the impacts of the Covid-19 pandemic and borrowing facilities taken out by the subsidiary companies.

The Government Plan 2022 – 2025 forecast a draw down of £120 million from the Rolling Credit Facility in 2021 based on forecast income and expenditure for the year. £86 million was actually drawn down in 2021. While income was higher than estimated in the Government Plan and expenditure was lower, the level of borrowing drawn down was also affected by the impacts of the pandemic on working capital, and the need to maintain an operational cash balance to ensure that cash is available to meet day-to-day expenditure requirements.

Movements in Assets and Liabilities

The value of fixed assets such as land and buildings increased by £237 million (5.9%) in 2021. This follows external professional valuations of infrastructure and social housing assets and an internal review of land and building assets.

Cash balances reduced by £107 million in 2021. This was mainly due to reduced cash holdings across the investment managers and an increase in the cash equivalents recognised as short-term liquid investments.

Receivables have increased by £97 million in 2021. This includes increases in GST and Social Security Contributions receivables where taxpayers were given an opportunity to defer payment as part of the measures to manage the impacts of Covid-19 on Islanders and businesses. £2.6 million of GST has been identified as deferred with nearly all of it from 2020. £17.8 million of Social Security Contributions were deferred as at the end of 2021.

Removal of PYB Personal Income taxpayers took effect from January 2021. 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. This does not impact the total receivables but it has reduced current receivables due within one year and increased receivables due over one year by £331 million as at the end of 2021.

Pensions liabilities relating to past service have increased by £19.7 million, as set out in Note 4.20. The PECS pre-87 debt increased by £15.2 million and the provision for JTSF pre 2006 debt increased by £4.5 million. The value of both liabilities is calculated by the scheme actuaries and details of the assumptions are given in Note 4.20. The biggest single change in the assumptions driving the increase in the valuation is the movement in the discount rate reflecting the actuary's assessment of long-term investment returns specific to these arrangements.

Performance of States Investments

The GoJ 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 in the CIF follows an investment strategy determined in the Investment Strategy document presented to the States by the Minister at least annually and published online (January 2021 example [here](#)). Each strategy is specific to the investing 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 94% of the investment portfolio consolidated into the these accounts.

During 2021, the CIF, as a whole, generated a total net return of 10.3%, a high absolute return in excess of long-term expectations but below the weighted market benchmark of 11.9%. The CIF pursues an active investment strategy, with managers taking positions to outperform the market. These positions are expected to generate positive performance over time but can be subject to year-on-year volatility; an individual investment may take time to realise value and therefore performance is better measured over a long-term time horizon. Over three years the CIF generated a net annual return of 10.5% exceeding market benchmark by 0.3% and over 5 years a net return of 7.7%, exceeding market benchmark by 0.2%.

The three largest asset classes in order of size were Equity, Absolute Return and Absolute Return Bonds. The year-end value of each of these classes was £2.3 billion, £0.6 billion and £0.4 billion respectively. Of these classes, strong absolute performance was generated over 2021 by the Equity Class (13.6%) and Absolute Return Class (7.4%) with only the Absolute Return Bond Class delivering a marginally negative net return of -0.9%. Performance, although significantly positive, was below the benchmark with underperformance most notable in the Equity Pool which was below benchmark by 5.5%, as it struggled to keep up with the rapidly rising market and the volatility in the fourth quarter stemming from movements in inflation expectations and the impact on central bank interest rates.

The majority of Funds have long-term time horizons so volatility should not give undue cause for concern. The Minister’s independent Treasury Advisory Panel (“TAP”) has given due consideration to market conditions and various strategies which may serve to protect assets in a downturn and has concluded that each Fund has a robust strategy suitable for long-term investors. Nevertheless, TAP continues to take steps to diversify and rebalance each Fund's portfolio in order to protect gains that have been made to date.

Of the remaining asset classes, noteworthy performance included UK property, of which £0.2bn was held at year end and generated a return of 16% during the year and the Alternative Risk Premia class, of which a modest holding of £0.1bn was held at the year-end and generated a return of 15.9%.

Whilst the market benchmark for the CIF serves to compare performance to the markets in which we invest, more important to Government of Jersey is the target return of the

Financial Review

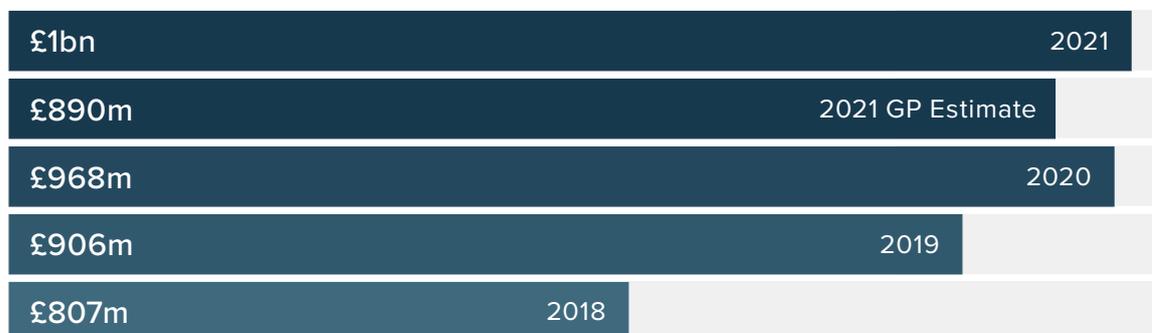
underlying Funds, which compares performance to that required to meet a Fund's objective. The largest invested Government of Jersey Fund within the CIF, the Social Security Reserve Fund, was valued at £2.3bn at year end and has a long-term target return of Jersey RPI(Y) + 3%. The Fund generated a return in 2021 of 11.1%, well in excess of the target return of 6.6%. As the Fund strategy is designed to generate the target return over a full market cycle, the Fund performance is better assessed over a long investment horizon; over three years the Fund has generated an annualised return of 11.7% vs a target of 5.3% and over five years the Fund has delivered an annualised return of 8.6% vs a target return of 5.8%. The Strategic Reserve, valued at £1.1bn at the year end, has seen similar outperformance against its target return of RPI(Y)+2%. Over 2021 the Fund saw performance of 9.0% vs 5.6% target, 9.8% vs 4.3% target over three years and 6.9% vs 4.8% target over five years.

The CIF's performance continues to be strong in absolute terms, with return seeking assets in particular performing well. Equities continue to be a driver of performance; however, interest rate and inflation fears have resulted in increased market volatility in the latter part of 2021 and in to 2022. The focus of the TAP has been to ensure the investment strategies of the underlying Funds are well diversified and to reduce the reliance on equity risk. An ongoing program of allocation to a diverse range of return drivers has continued over the course of 2021 with further allocations made, in particular, to the Opportunities Pool.

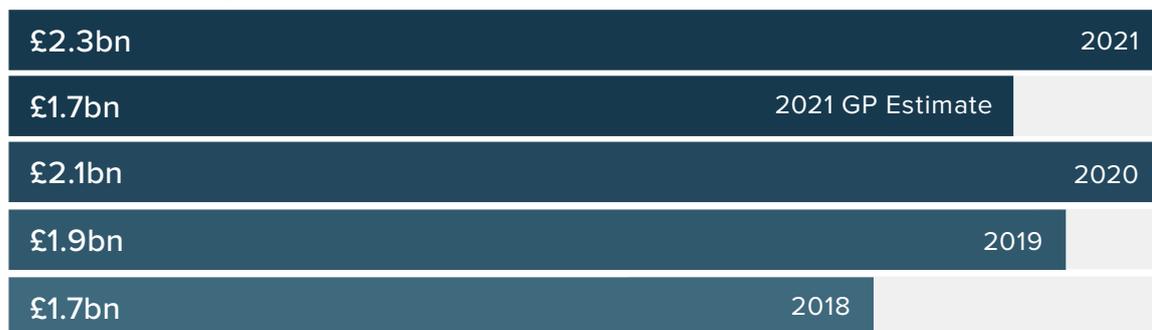
The TAP will continue to monitor the CIF's long-term strategic aims and individual managers closely. Periods of underperformance are expected and strategies may underperform across multiple time periods however through a systematic strategic approach to allocation, we have a high degree of confidence that we are well placed to meet our long-term investment objectives for the public of the island.

Summary of Key Funds

Strategic Reserve Fund



Social Security (Reserve) Fund



Climate Emergency Fund



Financial Review

States Funds

States Fund	2021	2020	Function
	£000	£000	
Strategic Reserve Fund	1,031,704	968,124	<p>The Strategic Reserve is embedded as a permanent Reserve Fund in the Public Finances (Jersey) Law 2019. The policy for the Reserve agreed by the States is that it should only be used:</p> <ul style="list-style-type: none"> 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.133/2006 refers); if necessary, for the purposes of providing up to £100 million for a Bank Depositors Compensation Scheme (P.84/2009); to support the Our Hospital Project (with the borrowing for this Project to be paid into the Fund; and transfers of up to £756 million made out of the Fund to the Consolidated Fund to meet the cashflow requirements to deliver the Project. The Strategic Reserve Fund may also provide the necessary funding to meet costs related to the borrowing, including debt financing costs, debt issuance costs and debt repayments and management and administration fees (P80/2021 refers).
Stabilisation Fund	611	632	<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	8,437	7,420	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	5,286	5,226	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	2,276	2,273	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	830	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	571	568	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. Approval of new loans to farmers has been suspended.
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.

Financial Review

States Funds (continued)

States Fund	2021	2020	Function
	£000	£000	
Channel Islands Lottery (Jersey) Fund	2,601	2,124	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	3,854	3,880	Established under P124/2012, the fund was set up to make investments in private and public sector projects to drive greater innovation in Jersey and improve competitive advantage.
Housing Development Fund	(14,625)	(15,713)	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	4,167	8,481	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. Funds are then distributed in accordance with the relevant legislation
Civil Asset Recovery Fund	11	4,241	
Ecology Fund	544	518	Established in 1991, the purpose of this fund was to support local environmental projects.
Dormant Bank Accounts	0	156	<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	13,000	10,593	<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 issue.</p>
Climate Emergency Fund	7,698	4,686	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 the projects tackling the climate emergency.
Fiscal Stimulus Fund	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.

Financial Review

Social Security Funds

States Fund	2021	2020	Function
	£000	£000	
Social Security Fund	66,253	76,245	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	2,263,659	2,092,889	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	99,744	107,898	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	41,031	36,557	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	29	27	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.

Financial Review Appendix

Breakdown of 2021 Covid-19 Costs/Lost Income

	2021
	£000
CLS	31,442
Agency staffing costs associated with the operation of the Covid Helpline	597
Enhanced Flu Vaccination	155
Income Support Costs (COVID)	817
Payroll Co-Funding Ph 3 (COVID)	11,300
Payroll Co-Funding Ph 4+5 (COVID)	18,573
COO	60
M&D Track and Trace related costs	60
CYPES	4,163
Additional incidental COVID19 operating costs	1,244
Carbon Dioxide Monitors in Schools	15
Children's Mental Health and Wellbeing	955
Devices for On-line Learning	177
Hardship grants to parents struggling with school fees at GoJ and private fee paying schools	64
Jersey College for Girls and Prep - incidental COVID19 operating costs	111
Lateral Flow Device Tests	27
Loss of Income	339
Schools' Coronavirus 'Catch-up' Package	1,082
Victoria College and Prep - incidental COVID19 operating costs	149
FSDE	12,448
Economic Recovery	12,448
HCS	11,987
Estimated additional staff non staff expenditure incurred as a result of COVID19 continuation from 2020 pressures (Includes COVID LV Beds)	3,967
Covid PPE Stock	366
COVID Vaccine	5,003
Nightingale Field Hospital	639
Service Recovery Costs due to Covid	1,716
Warehousing Staffing and logistics	296
IHE	4,534
Additional general expenditure incurred as a result of COVID19	585
Additional staff expenditure incurred as a result of COVID19	23
Closure of facilities has resulted in lost income	1,228
Continued hire of the Nightingale Wing of the General Hospital	2,698
JHA	183
Ambulance Service cost pressures	128
Customs and Immigration cost pressures	3
Fire and Rescue cost pressures	14
Prison Service cost pressures	38
JHA SoJP	16
Additional staff expenditure incurred as a result of COVID19	16

Breakdown of 2021 Covid-19 Costs/Lost Income (continued)

	2021
	£000
CLS	31,442
Agency staffing costs associated with the operation of the Covid Helpline	597
Non-Mins	173
Jury trials held at the Trinity Showground	173
SA	53
Additional Specialist Secretariat Support for critical Government Bodies	53
SPPP	41,644
Test & Tracing Programme 2	30,000
Test & Tracing Programme additional	10,424
Test & Tracing Technology	1,220
T&E	2,226
Revolving Credit Facility	2,226
Grand Total	108,929

Section 6
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), and 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 2021 the Government of Jersey adopted an Anti-Corruption Policy and are in the process of finalising an Anti-Corruption Strategy which is due to be adopted in 2022.

In addition, our [procurement tendering rules](#) are designed to help achieve compliance with the UN Convention against Corruption.

During 2022 the Government of Jersey will design and deliver Anti-Corruption training to employees of the States of Jersey.

The Privileges and Procedures Committee have proposed changes to arrangements for States Members, in particular in relation to declarations of interests.

Section 7

Environmental Sustainability Report

The Government of Jersey recognises its environmental responsibilities and the impacts of its many and varied operations upon the environment.

This section forms the Sustainability Report and is the ninth to be included in the Annual Report and Accounts in line with the Government of Jersey Financial Reporting Manual (JFRoM). The JFRoM is based on the UK version of the same document (with a one-year delay), which is prepared by HM Treasury and is subject to scrutiny by an independent board, the Financial Reporting and Advisory Board.

The Report includes information on key areas of environmental performance, such as emissions and finite resource consumption. The Government of Jersey will continue to develop and enhance this information in future years.

This report focuses on Government departments where data collection is better established. Wherever the data allows, the performance of the wider States of Jersey group, including the subsidiary companies, has been included. The report identifies where that is the case.

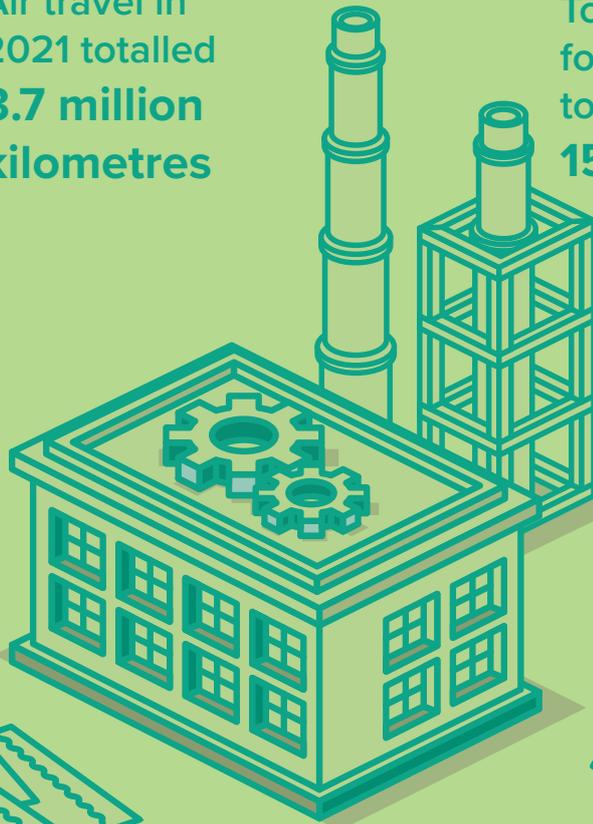
Environmental Key Statistics



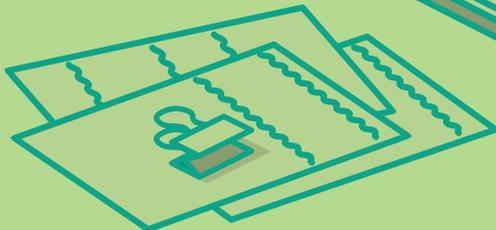
Air travel in 2021 totalled **3.7 million kilometres**

Total emissions for 2021 totalled **15.5 (ktCO₂e)**

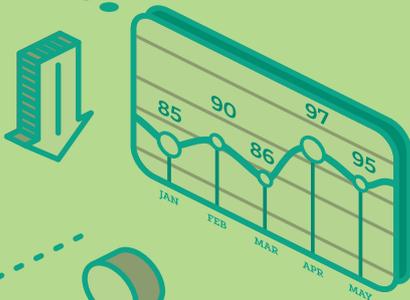
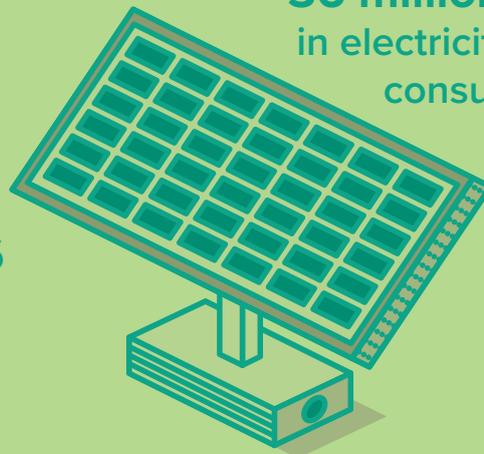
down by **2.9 (ktCO₂e)**



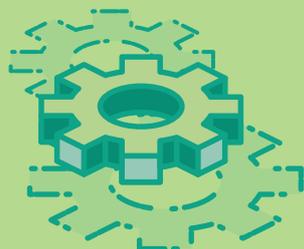
Reduced total print volume by **10% in 2021**



36 million kWh in electricity were consumed in 2021



Total water incidents **96** down by **33**



Metered water consumption **745 litres**
% of total water supply costs as metered water **100%**
Water supply costs **£2.0m**

Introduction

The Government of Jersey is committed to managing its environmental performance and resource use to help deliver efficiency savings. We remain committed to reducing the environmental impacts caused by the day-to-day operations of our services and activities.

We will work to reduce the negative environmental impact of departments by:

Complying with the requirements of environmental legislation and approved codes of practice

- Improving environmental performance
- Reducing pollution, emissions and waste arising from our activities
- Reducing the use of all raw materials, energy and supplies
- Raising awareness, encouraging participation and training employees in environmental matters
- Encouraging similar environmental standards from all suppliers and contractors
- Assisting customers and clients to use products and services in an environmentally sensitive way
- Liaising with the local community
- Participating in discussions about environmental issues.

Highlights in 2021 include

During 2021, a light touch programme of staff engagement and awareness took place due to the impact of the COVID-19 global pandemic on the organisation, with staff members working in a very different way throughout the year.

The People Strategy for the Government of Jersey was launched in 2021. It makes a commitment to working more sustainably, reducing the organisations impact on the environment and working towards the Island's carbon neutral ambition. The People Strategy 2022 delivery plan includes:

- Promoting agile working and practices that support diversity, attracting and retaining talent and supporting increased wellbeing and productivity
- Investing in technological solutions that enable sustainable and agile working practices and promote collaborative working.

The Island Public Estate Strategy 2021-35 was also launched in 2021. This provides the framework which will be used when determining how to meet competing needs for publicly owned land and buildings. The framework will be used to develop detailed property and asset management plans which will enable the Government of Jersey to make more informed choices about the utilisation of its estate. This includes improving and maintaining a sustainable environment. The Strategy ensures that new projects will consider green buildings technology to contribute to carbon reductions, improve air quality within buildings and ensure any discharges are compliant with regulations.

Throughout 2021, Commercial Services built upon and enhanced Government of Jersey's existing capabilities to enable the delivery of Social Value; providing economic, social and environmental benefits to the Island through Government spend.

The Government's Social Value approach makes a strong commitment to sustainable wellbeing and is central to the way the Government makes decisions. Embedding Social Value into Government procurement processes enables a shift in focus from the bottom-line price or cost of services/goods, towards the overall value and sustainability of commitments. These commitments will contribute to the long-term wellbeing and resilience of Islanders, the Island community and the wider environment.

The Government's Social Value approach is in line with the United Nation's Sustainable Development Goals and contributes towards the delivery of the priorities in Government's Common Strategic Policy

With the support of a Standard and Toolkit, the Government's Social Value approach aims to:

- Embed Social Value and benefits into existing processes
- Ensure that all goods and services are sourced and delivered in a sustainable way by considering the resources used; whether that be human, material or financial, and how they can benefit the Island
- Improve accessibility to Government contracts for micro, small and medium-sized enterprises and voluntary, community and social enterprises
- Effectively manage and monitor the delivery of Social Value to ensure receipt of the benefits promised
- Develop employees' Social Value skills, improve practices and promote Social Value across Government

In 2022, Commercial Services will continue to work with stakeholders to look for further opportunities to embed Social Value. Commercial Services will support and encourage the organisation to consistently consider sustainability in decision making, delivering maximum benefits across Government and the Island.

In 2021 the Government of Jersey began a pilot project of the Green Kitchen Standard to assess its suitability for Jersey. The pilot is taking place with the Hospital Catering team, the catering team at La Moye Prison and with Flourish (primary school meals partnership with local charity Caring Cooks). To be awarded with the standard, caterers must prove their environmental credentials which can mean cost savings as well as tackling energy and water consumption and waste management in line with the United Nation's Sustainable Development Goals. This pilot project is due to conclude in 2022.

Climate Emergency

In 2019, the States Assembly declared a Climate Emergency and in doing so recognised that climate change could have profound effects on Jersey. The Carbon Neutral Strategy was developed as a result and was unanimously agreed by the States Assembly in February 2020.

The Carbon Neutral Strategy identifies four areas of challenge and opportunity for decarbonising Government:

- 1. Our people:** supporting people to travel more sustainably and volunteer in support of carbon neutral projects
- 2. Our buildings:** putting carbon reductions at the heart of our new Public Estate Strategy
- 3. Our services:** ensuring emissions reductions in our partners and suppliers and delivering services that support the reduction of emissions across the Island
- 4. Our vehicles:** trialling biodiesel as a transition fuel, acquiring electric fleet where available and providing sustainable transport solutions to reduce mileage

Building on the Carbon Neutral Strategy, the draft Carbon Neutral Roadmap was published in December 2021, with the consultation closing 31 January. Policy EN1 'Decarbonising Government of Jersey' sets out how operational emissions will be reduced in line with the Paris Agreement. The policy proposes that a new decarbonisation unit will be established in 2022 to develop a comprehensive action plan, which will set quantified emissions reduction targets in Departmental Operational Business Plans from 2023. Second Generation Renewable Diesel (SGRD) will be phased into the Government of Jersey fleet from 2022, and a range of exemplar projects undertaken.

Greenhouse Gas Emissions

Jersey has lower carbon emissions per capita than other jurisdictions because the Island has little manufacturing or on-Island power generation. Most of the Island's emissions come from local transport, with this sector accounting for 44% of emissions in 2019. Significant emissions are also generated by heating and cooling the Island's homes and businesses.

In March 2007, the UK's ratification of the Kyoto Protocol was extended to Jersey. The protocol requires Jersey to reduce its carbon emissions by 80% by 2050, relative to 1990 levels. Adopted in 2014, Pathway 2050: An Energy Plan for Jersey set out a series of 27 actions to reduce on-Island greenhouse gas emissions in line with this reduction target.

The Kyoto Protocol ran from 2005 to 2020 and was superseded in 2016 by the Paris Agreement. The goal of the Paris Agreement on Climate Change is to limit global warming to well below 2°C, preferably to 1.5°C, compared to pre-industrial levels.

In Glasgow, 2021, Jersey was represented at a Conference of Parties for the first time. This was a pivotal conference where global ambition was focused and challenged, given the scientific evidence of the increased severity of climate degradation since Paris. Jersey's Minister for External Affairs, Senator Ian Gorst, attended and there was formal recognition of the intention of the UK to extend the Paris Agreement to the Island, aligning Jersey with the International community. The basis on which Jersey is considered eligible is the adoption of an emissions reduction pathway that is steered by the science to limit warming to well below 2°C.

Jersey's draft Carbon Neutral Roadmap was launched for public consultation in December 2021, setting out the policies needed for Jersey to meet Paris Agreement targets. Policy EN1 of the draft Roadmap sets out how Government of Jersey will reduce its operational emissions in line with the Paris Agreement trajectory. All policies in the draft Roadmap have been informed by ideas from Islanders and the recommendations from the Citizens' Assembly on Climate Change, as well as technical evidence and an understanding of what is working well elsewhere. The final Roadmap will be considered for adoption by the States Assembly in the Spring of 2022.

Reducing Emissions from Transport

The Sustainable Transport Policy (STP) was adopted by the States Assembly in early 2020. Both the Carbon Neutral Roadmap and Sustainable Transport Policy make clear the need to decarbonise the Government fleet.

The Government of Jersey vehicle fleet is made up of low emission lease hire pool cars which include a growing number of electric vehicles, together with a fleet of owned vehicles. The owned vehicle fleet, internally leased to Departments by Jersey Fleet Management (JFM), are subject to a fleet replacement policy that ensures ongoing compliance with European emission standards as they develop, as well as being in line with the vehicle's planned economic life. In line with the Government of Jersey's commitment to the environment, the owned fleet includes a growing number of electric and hybrid vehicles. In 2020 this stood at 26 EVs, growing to 45 EVs in 2021, with a further 24 EVs on order and due to arrive in early 2022.

Environmental Sustainability Report

During 2021 the Government of Jersey's fuel usage increased compared to 2020, this in part is due to working from home restrictions been eased, and an increase in commercial vehicles added to the Government of Jersey fleet. JFM's policy of timely fleet replacement provides the Government of Jersey fleet with the ability to maximise the environmental benefits of new technology in a planned manner as it comes online by the manufacturers.

In July 2021 Government commissioned a review of its vehicle fleet, undertaken by the Energy Saving Trust (EST). The EST investigated where carbon savings could be made within the fleet operation, and how renewing the fleet could be best undertaken to maximise opportunities to reduce emissions. JFM are leading work to develop a decarbonisation programme based on the recommendations from the EST review.

Following a successful trial of Second-Generation Renewable Diesel (SGRD) in 2020, this lower emission fuel will be phased into the Government of Jersey fleet in 2022.

Since 2015, Government of Jersey's off-Island travel has been booked through a travel provider, managed through the Corporate Procurement Service. Flights booked through this service include all Government departments and non-Ministerial departments. Jersey Hospital off-Island patient travel, including emergency transfers, is co-ordinated separately but are now included in sustainability reporting figures. Greenhouse gas emissions from air travel have been estimated using UK Government emissions factors for business travel by air.

COVID-19 restrictions significantly reduced travel activity in 2020 and reduced it further still in 2021. Associated greenhouse gas emissions from this activity have therefore also continued to decrease as a result.

Our air travel in 2021 totalled 1.4 million kilometres, which is approximately one fifth of pre-COVID levels. As a consequence, our travel expenditure reduced and resulted in just 0.3 kt CO₂e in greenhouse gas emissions.

		2019	2020	2021
Total distance travelled by air (km)	Corporate Procurement Service (km)	6.6m	2.1m	1.4m
	Jersey Hospital (km)	4.4m	2.0m	2.3m
GHG emissions (kt CO ₂ e)	Corporate Procurement Service (ktCO ₂ e)	2.6	0.5	0.3
	Jersey Hospital (ktCO ₂ e)	1.1	0.5	0.6
	Total GHG emissions from all air travel (ktCO₂e)	3.7	1	0.9

Environmental Sustainability Report

This table represents the energy consumption and emissions from all Government of Jersey departments within the Government of Jersey Accounting Boundary.

		2019	2020	2021
Energy consumption	Electricity (millions of kWh)	38.4	39.5	36.0
	Heating oil (millions of litres)	3.4	3.3	3.7
	Fleet vehicle fuel (millions of litres)	0.5	0.5	0.5
	Gas (millions of kWh)	4.5	5.3	5.6
Equivalent emissions ¹	Electricity (ktCO ₂ e)	3.9	4.0	2.9
	Heating oil (ktCO ₂ e)	10.3	10.5	9.0
	Fleet vehicle fuel (ktCO ₂ e)	1.4	1.6	1.4
	Gas (ktCO ₂ e)	1.1	1.3	1.3
	TOTAL emissions (ktCO₂e)	16.7	17.4	14.6
Financial indicators	Total energy expenditure (electricity, gas, heating oil and vehicle fuel) (£m)	8.7	9.3	9.9

Reducing emissions from heating and energy use in buildings

The COVID-19 pandemic has temporarily changed the way we work and use our buildings. This has seen changes in office occupancy and density patterns with significant numbers of people working from home. The need for increased fresh air ventilation rates and reduction in recirculating air movement also impacted overall energy use.

In 2021 we continued to deliver on and improve our building portfolio, including:

- Removing Fort Regent swimming pool and returning the land back to nature
- Refurbishing and extending St Marys Primary School
- Replacement of Phase 5 at Grainville Secondary School
- Installation of 3G pitches (limiting irrigation and maintenance requirements of sites)
- Refurbishing Haute Vallee Special Educational Needs and Reception

The promotion and continued increase of Photovoltaic Panels (PV) and LED lighting now forms part of standard installation. Heat pumps are our chosen heat generating equipment for new installations with fast acting heat generating boilers as back up. On existing sites, where possible, heat pumps are being added to existing fossil fuel-based heating systems to create hybrid systems. This will result in a reduction in greenhouse gas emissions but may also result in increases in energy use and cost. These refurbished and new projects have been delivered through a more holistic sustainable approach based on larger environmental issues rather than purely based on cost.

Finite resource consumption – Water

Water Use

The total amount of water purchased by the Government of Jersey includes all public toilets, showers and schools, plus the airport, hospital and all other Government of Jersey activities. This means that it is difficult to compare overall performance against recognised good practice benchmarks not all water usage is directly controllable (e.g. water use will increase if there are more visitors using public facilities).

By 2017, 100% of properties had water meters in place enabling more accurate reporting of water consumption. Water metering also makes it much easier to identify leaks and take corrective action more quickly to avoid waste. In reducing water consumption, there is potential for significant cost savings, as well as a reduction in energy that is used to collect, process, clean and transport potable water to the workplace.

		2019	2020	2021
Non-financial indicators	Metered water consumption (millions of litres)	781	807	745
	Metered water costs as % of total Water supply costs	100%	100%	100%
Financial indicators	Water supply costs (£m)	2.0	2.2	2.0

Water protection

The Regulation Directorate within the Department for Infrastructure, Housing and Environment respond to approximately 100 water pollution incidents per year. Oil is the pollutant at approximately a quarter of these, although other types of pollution include sewage, chemical, construction, agricultural and contaminated land. The Government of Jersey are responsible for a very small proportion of incidents each year, as set out in the table below. Pollution prevention campaigns and public engagement activities are run to raise awareness and to reduce incidents.

	2019	2020	2021
Total incidents	110	129	96
Government incidents	11	7	10
Government % of all incidents	10	5	10

Island farmers (diary and arable) continue their close liaison with officers from the Government's Natural Environment Department and Jersey Water through work on the 'Action for Cleaner Water Group'.

The power of differing sectors coming together to solve and deliver joint goals, in this case to improve the quality of our Island's water, has delivered real improvement. The annual average nitrate levels in streams and groundwater have continued to reduce year on year

from 83 mg/l in 1994 to below the EU limit of 50mg/l. The number of pesticide detections in surface waters has also reduced.

Government of Jersey Water Officers continued to meet to co-ordinate the work on PFAS in St Ouen's Bay and Pont Marquet water catchments. Monitoring of the quality of island waters and regulation of the water resources and various discharges have continued.

Finite resource consumption – Paper

In 2021, Government of Jersey continued to follow the Corporate Management Board endorsed policy of using recycled white A4 paper as its default primary paper product.

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 2021, a total of 357,261 A4 sheets were not printed due to the pull print function, which equates to saving of 4.4 trees and 1,607kgs CO₂ emissions.

Home working and other COVID related changes reduced total print volume by 10% in 2021 resulting in a knock-on reduction in overall paper consumption used for printing. Unsurprisingly, 2021 printing volumes mirror that of 2020.

Waste

The Government of Jersey has been working to Jersey's Waste Strategy as adopted in 2005. With significant changes to the Island Plan and the declaration of a Climate Emergency, a review of the Island Waste Strategy will commence in 2022 to ensure that it supports these key Island policies. The model will continue to prioritise the different waste management strategies with the greatest focus given to waste minimisation; followed by reuse; then recycling, recovery and disposal.

Government has continued to share this approach and encourage businesses, organisations and individuals to apply this model to their own waste management. This information has been shared through formal talks and meetings and online through social media channels during 2021.

Due to the changing circumstances presented by the ongoing COVID-19 pandemic, Government focused on maintaining core services for the Island by changing operating procedures to ensure its waste management facilities remained open and disruption to non-essential household recycling facilities kept to a minimum.

Legislation was passed in July 2021 to ban single use carrier bags in order to reduce waste and support Jersey's move towards a carbon neutral future. This legislation will come into effect on 22 July 2022. Work is ongoing between departments within IHE to deliver the changes required by this legislation. Actions identified during the consultation phase of this work for the removal of other single use items from Jersey's supply chain will be incorporated into the future review work on the overall Island Waste Strategy.

Following extensive review work of the waste glass delivered to La Collette, a new contract has been awarded for the receipt and processing of all material, to further develop plans for recycling Jersey's inert waste. The recycling of this material stream will help to continue with Government's aim to ensure that all inert waste received at La Collette can be reused or recycled to reduce the Islands requirements on the use of virgin materials.

Biodiversity and the natural environment

Jersey has international responsibilities through the Convention on Biological Diversity to protect habitats and wildlife, and to engage the public in these conservation efforts. In a move towards fulfilling these obligations, the Biodiversity Strategy and the Wildlife (Jersey) Law 2021 identify local habitats and species in need of protection. Jersey also has responsibilities under other Multi-lateral Environmental Agreements on biodiversity which are implemented through local legislation, policies, active conservation management activities, and education and awareness raising programmes. Full details of the Biodiversity Strategy and international commitments are available on www.gov.je.

The Wildlife (Jersey) Law was adopted in June 2021, replacing the Conservation of Wildlife (Jersey) Law 2000. The Wildlife Law will aid in the conservation and protection of wild animals, birds and plants, and the promotion of biodiversity in Jersey. It provides a strengthened framework for the regulation and enforcement of activities affecting wildlife and introduces a hierarchy of protection for different species according to their conservation status. New provision is included to further the conservation of biodiversity, including measures to control invasive non-native species, the designation of Areas of Special Protection and the need for public bodies to promote biodiversity in Jersey when carrying out their functions.

Work has commenced on the Island's first Tree Strategy through a broad stakeholder engagement process. In conjunction with other work streams the objective is to protect, maintain and enhance Jersey's current and future tree stock. The aim is to finalise and publish Jersey's Tree Strategy in early 2022.

Evidence collected during the COVID-19 lockdowns in 2021 has shown Islanders increased use and dependence on Jersey's open countryside and coast and the important contribution they make to people's health and wellbeing. The launch of the 'Respect Protect Enjoy' campaign in early 2022 aims to remind people of their responsibilities when enjoying Jersey's countryside and coast.

Other activities include:

- Delivery of the Wild About Jersey Campaign. Wild About Jersey helps Islanders improve their behaviours, encourages them to become environmental volunteers, promotes the monitoring of Jersey's wildlife, and connects organisations allowing increased collaboration. 2021 saw the delivery of the volunteer recording and training programme in collaboration with the Jersey Biodiversity Centre. The program covered Pondwatch JE, Reptilewatch JE, the Jersey Butterfly Monitoring Scheme and Flower Insect timed counts
- A report on Jersey's contribution towards the UK's biennial report for 2019/20 under the Bern Convention on the Conservation of European Wildlife and Natural Habitats was submitted

Environmental Sustainability Report

- The 2021 an inter-island environmental meeting was held in partnership with the Jersey Biodiversity Centre. The meeting showcased how biodiversity connects the Channel Islands, and how pan-Channel Island environmental projects can achieve more and create an ambitious way forward to tackle the biodiversity crisis. By protecting the biodiversity network and pooling our limited resources, the aim is to better protect and maintain healthy and sustainable ecosystems
- Technological advances to improve collection and recording of biodiversity datasets. This has been done through the creation of a mobile map package to support more accurate location capturing capability using Environmental Systems Research Institute (ESRI) apps. These improvements to data capture in the field support much of the biodiversity monitoring work of Government including freshwater and marine monitoring, bio-security monitoring, key habitat and species monitoring and surveying requirements
- Conservation sheep grazing expanded to further enhance semi natural habitats. Expanding the service across a more diverse range of key habitat areas seeks to improve the quality and value of some of our most important designated areas
- Partnership work with the Jersey Access Forum and the Jersey Access Providers Forum (groups established through the Countryside Access Strategy for Jersey 2016). Collaboration continues to identify opportunities for improvement to the Island's access network, linking existing access routes and improving the network for the different user groups
- Standardised approach to signage and interpretation across the countryside and coast. The agreed templates and formats will be rolled out by members of the Jersey Access Providers Forum in 2022.

Data Sources

The sustainability report above, which has not been audited, uses the following data sources:

Electricity usage

Based on information provided by Jersey Electricity Company.

Heating oil usage

Based on information provided by central procurement and relates to the total deliveries received rather than use.

Vehicle fuel usage

Based on information provided by Jersey Fleet Management (JFM) and fuel suppliers on fuel purchases.

Business miles by air

Based on information provided by the States corporate travel management provider. Jersey Hospital specific travel data provided directly by Health and Community Services.

Gas usage

Based on information provided by Jersey Gas.

Water usage

Based on information provided by the Jersey New Water Works Company.

Paper usage

Based on information provided by the States Corporate Supplier for Stationary.

Relevant amounts have been converted into emissions information using standard conversion factors in line with Jersey's Building Bye Laws. Emission factors for business air miles are based on UK Government emission reporting factors.

The Government of Jersey would like to thank all the companies and departments that have provided information to support the drafting of the 2021 Sustainability report.

Appendix 1: Key to Abbreviations

Key to Abbreviations

Abbreviation	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
MERFS	Minister for External Relations and Financial Services
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 Services
MTR	Minister for Treasury and Resources

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



Suzanne Wylie
Chief Executive

Date: 31 March 2022

Accountability Report

Corporate Governance Report

The Corporate Governance Report explains the composition and organisation of the States of Jersey and our governance structures and how they support the achievement of the States' objectives. It includes The Directors' Report and the Governance Statement, which includes descriptions of significant governance issues and key risks facing the organisation.

The purpose of this report is to demonstrate how we have implemented the principles of good corporate governance and to outline how we have reviewed our system of internal controls during 2021.

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 on the respective Member's pages on the States Assembly website.

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.

In accordance with the requirements of the Public Finances Manual, 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. For this section, Directors are defined as members of the Executive Leadership Team.

Details of Related Party Transactions, including those arising as a result of the interests of Ministers and Directors, are 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 were 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.

The following Ministers were in post during 2021:

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 from 29 June 2021 ¹ (Senator Vallois to 10 January 2021 ²) (Deputy Macon from 9 February to 7 June 2021)	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 from 9 February 2021 (Deputy Macon to 9 February 2021)	Minister for Housing and Communities
Deputy Gregory Guida from 29 June 2021 (Constable Norman to 2 June 2021)	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

¹This is the date a minister was formally appointed to role.

²Date of resignation.

The Council of Ministers



**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

The Council of Ministers can direct Ministers on policy matters, and as per the Code of Conduct, the more important and cross-cutting an item, the higher the obligation on an individual Minister to take a matter to Council. Council can make decisions acting as the collective government of Jersey, and where executive political decisions are not taken by individual Ministers, however so done, they are taken by the Council of Ministers.

Accountable Officers

The following table identifies the Accountable Officers serving during 2021.

Chief Executive Officer	Position	Accountable Officer
Principal Accountable Officer	Chief Executive	Charlie Parker to 31 March 2021 Paul Martin (interim CEO and PAO from 1 April 2021)
Ministerial Departments		
Office of the Chief Executive: Chief of Staff Communications External Relations	Chief of Staff Director of Communications Group Director	Catherine Madden Dirk Danino-Forsyth Kate Nutt
Treasury & Exchequer	Treasurer of the States and Director General	Richard Bell
Chief Operating Office	Chief Operating Officer and Director General	John Quinn
Strategic Policy, Planning and Performance	Director General	Tom Walker
Economy (formerly part of OCE)	Director General from 1 September 2021 Acting Director General – to 31 August 2021	Richard Corrigan
Justice and Home Affairs	Director General Acting Director	Julian Blazeby to 15 October 2021 Kate Briden from 15 October 2021
Health and Community Services	Director General	Carolyn Landon
Children Young People Education and Skills	Director General	Mark Rogers
States of Jersey Police	Chief of Police	Robin Smith
Infrastructure Housing and Environment	Director General	Andrew Scate
Customer and Local Services	Director General	Ian Burns
Non Ministerial Departments		
States Assembly (States Greffe)	Greffier of the States	Mark Egan
Law Officers' Department	Practice Director	Alec Le Sueur
Viscount	Viscount	Elaine Millar
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
Bailiffs 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		
Jersey Overseas Aid	Executive Director	Simon Boas
Trading Operations		
Jersey Car Parking	Director General - Infrastructure, Housing and Environment	Andrew Scate
Jersey Fleet Management	Director General - Infrastructure, Housing and Environment	Andrew Scate
States Body / Fund		
Strategic Reserve fund 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	Treasurer of the States and Director General Treasury and Exchequer	Richard Bell
Jersey Innovation Fund Jersey Reclaim Fund Fiscal Stimulus Fund	Director General – Economy from 1 September 2021 Acting Director General – Economy to 31 August 2021	Richard Corrigan
Climate Emergency Fund: Sustainable Transport Initiatives Strengthening Environmental Protection Island Plan Policy	Director General – Infrastructure, Housing and Environment	Andrew Scate
Climate Emergency Fund: Sustainable Transport Strategies Policy development of Carbon Neutral and Sustainable Transport Strategies	Director General – Strategic Policy, Planning and Performance	Tom Walker
Social Security Fund Health Insurance Fund Long Term Care Fund Jersey Dental Scheme	Director General - Customer and Local Services	Ian Burns

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.



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 the PAO 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 his/her control in accordance with the Law, any sub-ordinate legislation and financial directions, 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.

As part of the year end audit process, Accountable Officers provide a Governance Statement which consists of a declaration confirming they have properly discharged their duties for their area(s) of responsibility and details of any issues arising during the period that need to be reported.

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;
- the States of Jersey Law 2005;
- the 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 Finance (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 2021 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 detailed 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. Any governance issues arising from C&AG reports are reflected in the reviews of effectiveness section below.

The C&AG appoints the external auditors of the States of Jersey. The report of the auditor, Mazars LLP, is included within the accounts.

Governance and risk 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, the structures were retained due to the threat of a second and subsequent waves. During November 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 MHA has powers as a Competent Authority Minister over Gas and Postal Services, with the agreement of Emergencies Council. Outside of his or her areas of competency, a Competent Authority Minister is simply acting in his or her ministerial capacity, that is, not as a Competent Authority Minister.

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 Competent Authority Ministers, that are needed in the event of an emergency. The Treasury Minister and Minister for Education were invited to Competent Authority meetings and circulations given the importance of their portfolios.

Council of Ministers

The Council of Ministers can direct Ministers on policy matters, and as per the Code of Conduct, the more important and cross-cutting an item, the higher the obligation on an individual Minister to take a matter to Council. Council can make decisions acting as the collective government of Jersey, and where executive political decisions are not taken by individual Ministers, however so done, they are taken by the Council of Ministers.

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.

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 and the Risk and Audit Committee

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.

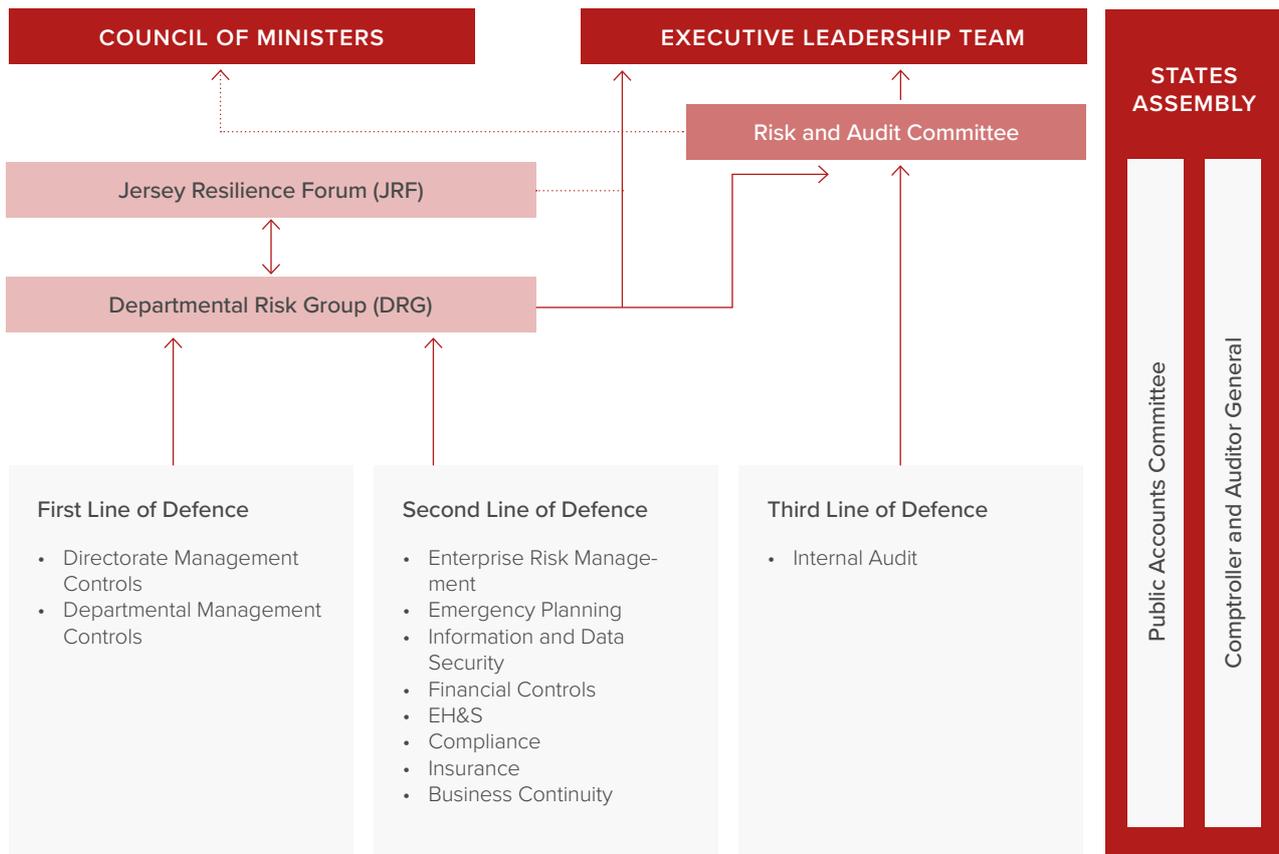
In order to help with the assessment and evaluation, risks are broadly categorised as follows:

- 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.

How risk is controlled

Our 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



A key component of Government’s risk management system is providing assurance, not only about the overall risk management system (which is the domain of the Risk and Audit Committee) but as importantly on the effectiveness of the controls put in place to mitigate the impact of any risk (which will be considered by the ELT or Departmental Risk Group as appropriate)

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 deliver 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 with the Government's Strategic Priorities.

Risk and Audit Committee

The Risk and Audit Committee is responsible for ensuring proper arrangements exist for risk management and establishing appropriate internal controls. 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 strategic risk strategy against strategic priorities and good practice.

For 2021, the membership of the Risk and Audit Committee comprised an independent chair and two other independent members with a requirement of two members 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.

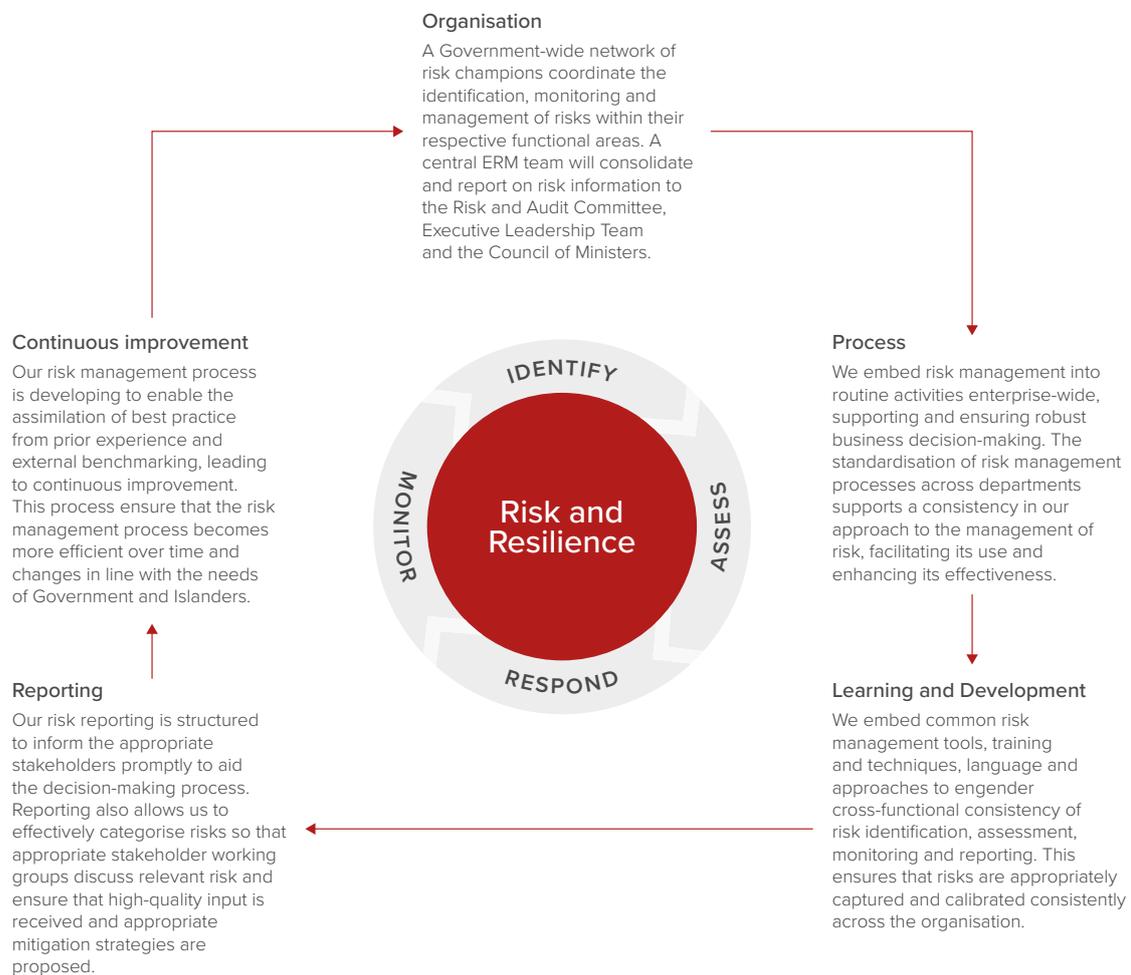
The membership of the Committee throughout 2021 comprised:

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 2021

We have continued to develop our 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 our ambition is to embed risk into the decision-making of the organisation in line with the process shown below.

The global risk landscape and how that translated into a local context in Jersey continued to be challenging with the continued compound effects of global pandemic, geopolitical tensions and socio-economic pressures. Further progress has been made on the approach to ERM during 2021 and a roadmap setting out key developments and goals is in place to deliver further improvement in 2022.



Notable developments in 2021 included the 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 will then become the responsibility of Justice and Home Affairs and the work of the Jersey Resilience Forum.

Work was undertaken in 2021 to embed new ERM system changes across Government of Jersey Departments through workshops and training and regular reviews.

The system of reviews includes quarterly risk management reports to the Risk and Audit Committee, Executive Leadership Team and Council of Ministers 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 discuss 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 introduction of a "Deep Dive" template which examines how risk is managed at departmental and corporate levels. A number of deep dives were carried out in 2021 and this work will be expanded in 2022 to require all Ministerial Departments to carry out deep dives into significant risks.

Other changes in 2021 included the following:

- The introduction of regular, collaborative working with Business Continuity colleagues;
- Head of Risk meeting quarterly with States-owned Entities and attending shareholder meetings;
- Providing advice to major projects and programmes on risk and insurance management, as required;
- Providing advice to the Jersey Care Commission and other arm's length bodies on risk management.

During 2021, 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 in 2021 were as follows:

1. Health and Wellbeing

The Covid pandemic inflicted considerable pressures on our provision of health and social care as well as requiring significant financial support for local businesses. The vaccination and other programmes has meant good progress was made in 2021 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, funds of £52m are held in reserve.

Assuming good progress is 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 the wards until the delivery of the Our Hospital Project later in the decade. Even with proposed mitigating actions, further delays to the delivery of a new hospital means increased risk of service failure and poor clinical outcomes for patients.

Staff recruitment and retention is a particular problem for health and community services.

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

2. Cyber Security and Information Technology

Like all governments, we face the constant threat of a cyber-attack, and as a consequence, we are 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 2022-2025 has significant resources dedicated to this area. Jersey also works closely with the UK's National Cyber Security Centre.

3. Estate Management

The Government maintains structures and assets across a wide variety of departments. This property requires continued renovation, or new construction, to ensure that Government assets are fit for purpose for the benefit of islanders.

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 includes specific funding to address relevant risks.

4. External Risks

External risks 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 adopted by Government in the period included:

- the recruitment of specialist staff to posts in environmental health, veterinary and plant health and marine resources;
- relationship building and regular liaison with other jurisdictions, including stakeholders, the UK government, France, Brussels, and key multilateral fora including the OECD;
- extensive programme of bilateral engagement with priority global markets to build broad, enduring friendships and to increase economic cooperation;
- development of the Future Economy programme and Policy Framework for the Financial Services Industry to grow and diversify Jersey's economy;
- effective political oversight and horizon scanning for future external trends, risks and opportunities.

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

5. Resourcing and Change Capacity

Like many organisations, the Government has experienced recruitment difficulties which endanger our capacity to improve services and, in some situations, maintain good levels of business-as-usual. Ongoing mitigation includes continually assessing our ability to deliver services, in terms of resource and priority through the Government Plan, and change planning and increasing political and senior officer oversight of major project risks.

Other challenges include staff wellbeing and burnout, especially when set against a backdrop of the continuing need to respond to a global pandemic.

Mitigating controls introduced include:

- development of the Central Portfolio Management Office;
- impact analysis;
- resilience and leading and managing effective change training;
- change management toolkits;
- health and wellbeing surveillance including mental first aid.

As set out in the Government Plan 2022-2025, money has been set aside to fund relevant counter-measures.

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.

Issue Identified in 2021 or a Prior Year	Actions Undertaken in 2021
<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 our people management policies. Recommendations from the Comptroller & 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 2021 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>A new human resource policy framework is still under development which is expected to be launched in 2022.</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. <p>Consultation with stakeholders on the law drafting for Phase 1 (amendments to the Employment of States of Jersey Employees Law) started in the latter part of 2021 and will continue into the first quarter of 2022.</p> <p>Phase 2 is scheduled to take place after the elections for the new Assembly.</p>

Issue Identified in 2021 or a Prior Year	Actions Undertaken in 2021
<p>People Strategy</p> <p>The need to update employment law and to develop an overarching People Strategy has been identified as key improvement required to overall governance arrangements.</p>	<p>The People Strategy was published in November 2021.</p> <p>The People Strategy is anchored by the following four core commitments: for it to be accessible to all, enduring, have long term ambitions and include a detailed delivery plan for prioritised efforts in 2022 with associated performance measures. Relevant metrics are also captured in the business plan of the Chief Operating Office.</p> <p>This issue is no longer considered an area of significant concern.</p>
<p>Organisational Change</p> <p>The One Gov agenda identified the need to fundamentally review the organisational structure and culture in order to facilitate the ambition change programme.</p>	<p>Changes to the organisational structure have largely been completed and will in future be influenced by individual service reviews.</p> <p>Team Jersey continued to be the engine for cultural change, though due to the Pandemic, Team Jersey sessions were delivered online for the first quarter of 2021 before returning to face-to-face from April 2021 but with reduced capacity to allow social distancing. Despite these constraints the programme has delivered 295 workshops to leaders and colleagues and engaged over 3,000 of the workforce to date. New content has been designed and delivered to support building positive relationships, enhance psychological safety in teams and encourage a balance of supportive and challenging behaviours in teams.</p> <p>The programme has focused on supporting departments to build and implement People and Culture plans that prioritise identified areas of need and focus on rebuilding teams and improving employee engagement and wellbeing post-Pandemic.</p> <p>This issue is no longer considered an area of significant concern.</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. Together with the recruitment of additional staff and work performed across information security, it is expected these steps are sufficient to address this weakness, and as a consequence, this issue is no longer considered an area of significant concern.</p> <p>Information Governance will continue to be developed in 2022 with a privacy framework and data strategy being delivered. At present controls are in place across information governance which has meant there are no material issues which impact the annual accounts.</p>

Issue Identified in 2021 or a Prior Year	Actions Undertaken in 2021
<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 Modernisation & 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>Anti-Money Laundering and Counter Fraud and Corruption</p> <p>The need to review and strengthen our approach to anti-money laundering and our counter-fraud and corruption strategy was identified in 2020.</p>	<p>In 2021, the Anti-Money Laundering (AML) Policy was updated, published and communicated across Government. A named Money Laundering Reporting Officer and Deputy were appointed.</p> <p>Other changes included a reduction in the maximum cash payment accepted by Government from £5,000 to £1,000 and a move to cashless transactions in a number of services. The money laundering risk in cash transactions is therefore significantly reduced.</p> <p>Work will continue in 2022 to review and embed the AML and Counter-Fraud Strategy.</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 last year is being embedded in our work practices.</p> <p>The 2022 programme of work consists of improving management information so that a more detailed picture of estate assets are held. This will allow better compliance with health and safety and planned maintenance requirements</p>

Issue Identified in 2021 or a Prior Year	Actions Undertaken in 2021
<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>Two frameworks enhancing the consistency and delivery of programmes and projects - the Project Delivery Framework and the Programme Delivery Framework, were launched by the Corporate Portfolio Management Office in 2021. Roll-out of training on these frameworks was commenced for Programme and Project Managers and to Sponsors/SROs. 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>In 2021, the CPMO also introduced standard format monthly project reporting. These reports are reviewed monthly with Director Generals in Departmental Portfolio Reviews with a focus on escalations, issues and risks. Portfolio level reporting is also presented each month to the Executive Leadership Team for review and the resolution of any escalations made. From 2022, this reporting will follow a formal quality review process and will include Governance and Control Health Checks, a process which was trialled on three Major projects in 2021. Health checks are deep dive assessments of project delivery against the approved frameworks. Governance control will also be assessed as projects progress through the stage gates and CPMO will undertake reviews of documentation prior to approving progression to the next stage of delivery.</p> <p>Internal audit coverage is planned in 2022 to assess the adoption and compliance by departments with the project management frameworks.</p>
<p>The States as Shareholder</p> <p>There is a need to strengthen the effectiveness of the oversight of States Owned Entities through the development of the Memoranda of Understanding for all States Owned Entities.</p>	<p>During 2021, work was undertaken to review, update and consult with stakeholders the Memoranda of Understanding (MoUs) for States' Owned Entities (SOEs). This has led to a significantly improved version of the MoUs being ready to be implemented early in 2022.</p> <p>The new MoUs improve standards for corporate governance best practice, reporting, meeting requirements and areas where the SOEs need to either inform, consult and/or seek the approval of the shareholder.</p> <p>In practice during 2021, the SOEs have operated against the provisions and requirements of the new MoUs. This has meant the quarterly shareholder meetings have been more productive, notes of meetings retained and there has been a steady flow of information from the SOEs during the year. Matters such as board succession planning and director remuneration are discussed in a candid and proactive manner.</p> <p>This issue is no longer considered an area of significant concern.</p>

Issue Identified in 2021 or a Prior Year	Actions Undertaken in 2021
<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. Work in 2022 will include developing and implementing robust oversight arrangements.</p>
<p>Decision Making - Major Projects</p> <p>Decision making for a number of major projects, including the Future Hospital project, has been identified as in need of improvement.</p>	<p>The Project Delivery Framework and the Programme Delivery Framework were launched by the Corporate Portfolio Management Office in 2021. These frameworks provide a structure for robust decision making which is informed and controlled through stage gates.</p>
<p>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 2021, work was launched with a discovery exercise (including central data collection) to classify the arm's length organisations (ALOs), quantify the funding they receive and identify the GoJ owners of these relationships.</p> <p>Work has begun on understanding the scope of a corporate-wide framework, the development approach and the process and controls that should be applied in the administration of grants and funding. A cross-government ALO Working Group has been founded and will continue to share experiences and build capability through 2022.</p>
<p>Management Information</p> <p>Inadequacies in performance information has been identified as an area for improvement.</p>	<p>A new Performance Management Framework has been established which includes the creation of a new team within Strategic Policy, Planning and Performance who collate service performance measures from our government departments.</p> <p>Service performance measures were included for the first time in the 2020 Departmental Operational Business Plans, and were reported on in the 2020 accounts. During 2021, the service performance measures were published online and updated quarterly.</p> <p>The 'Future Jersey' process lead to the development of originally 58 'Island Indicators' to track Jersey's progress. In January 2020, this original suite of indicators was extended to nearly 190 with the launch of the Jersey Performance Framework. These indicators focus on how the Island has performed in recent years, how Jersey is doing, and whether it is heading in the right direction.</p> <p>This issue is no longer considered an area of significant concern.</p>

Closing statement

The organisation has responded positively to the significant challenges faced and delivered a range of positive outcomes during 2021. 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 the transformation of the organisation 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 start to perform in a more efficient and effective way to deliver for Islanders.

The Government is confident that the governance arrangements in place during 2021 have been effective, with the exception of the governance issues identified above and in individual departmental 2021 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;
- Using the Government Plan and the Target Operating Model 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 is fair, balanced and understandable and represents a true and fair view of the financial performance of the organisation



Suzanne Wylie
Chief Executive
Date: 31 March 2022



Richard Bell
Treasurer of the States of Jersey
Date: 31 March 2022

Remuneration and Staff Report

Remuneration and Staff Report

Remuneration and Staff Report

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 (SEB) is responsible for the remuneration 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 of those who are office holders:

- 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
- Information Commissioner

SEB has policies on pay and reward to ensure fairness and consistency, 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 will be 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 trade 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.

Council of Ministers Remuneration

As elected members of the Government of Jersey, Members of the Council of Ministers are entitled to remuneration. For 2021 States Members were each entitled to remuneration of £48,000.

As members of the States Assembly, the Council of Ministers are remunerated in line with that of other Members at rates set by the States Assembly.

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.

£000 Unless Otherwise Stated	1 January 2021 – 31 December 2021				1 January 2020 – 31 December 2020			
	Salary and Allowances	Other Remuneration	Pension Related Benefits*	Total	Salary and Allowances	Other Remuneration	Pension-related benefits*	Total
Senator John Le Fondré	45 – 50	0 – 5	0 – 5	50 - 55	45 - 50	0 - 5	0 - 5	50 - 55
Chief Minister								
Senator Lyndon Farnham	45 – 50	0 – 5	0 – 5	50 - 55	45 - 50	0 - 5	0 - 5	50 - 55
Minister for Economic Development, Tourism, Sport and Culture								
Senator Ian Gorst	45 – 50	0 – 5	-	45 - 50	40 - 45	0 - 5		45 - 50
Minister for External Relations and Financial Services (Start date 03/02/21) Known as Minister for External Relations (Until March 02/03/21)								
Senator Ian Gorst	45 – 50	0 – 5	-	45 - 50	45 - 50	0 - 5	-	45 - 50
Minister for External Relations and Financial Services (Start date 03/02/21) Known as Minister for External Relations (Until March 02/03/21)								
Deputy Susie Pinel	45 – 50	0 – 5	-	45 - 50	45 - 50	0 - 5	-	45 - 50
Minister for Treasury and Resources								
Deputy Jeremy Maçon	0 – 5	0 – 5	0 - 5	0 - 5	40 - 45	0 - 5	-	40 - 45
Minister for Children and Housing (End Date 09/02/2021)								
Deputy Russell Labey	40 – 45	0 – 5	0 - 5	45 - 50	0 - 5	0 - 5	0 - 5	5 - 10
Minister for Housing and Communities (Start Date 09/02/2021) Known as Minister for Housing and Communities (Minister for Children and Housing (Until 02/03/21)								
Deputy Richard Renouf	45 – 50	0 – 5	0 – 5	50 - 55	45 - 50	0 - 5	0 - 5	50 - 55
Minister for Health and Social Services								
Deputy Judy Martin	45 – 50	0 – 5		45 - 50	45 - 50	0 - 5	-	45 - 50
Minister for Social Security								
Deputy John Young	45 – 50	0 – 5		45 - 50	45 - 50	0 - 5	-	45 - 50
Minister for the Environment								

£000 Unless Otherwise Stated	1 January 2021 – 31 December 2021				1 January 2020 – 31 December 2020			
	Salary and Allowances	Other Remuneration	Pension Related Benefits*	Total	Salary and Allowances	Other Remuneration	Pension-related benefits*	Total
Deputy Kevin Lewis Minister for Infrastructure	45 – 50	0 – 5	0 – 5	50 - 55	45 - 50	0 - 5	0 - 5	50 - 55
Connétable Len Norman Minister for Home Affairs (Died on 01/06/2021)	20 – 25	0 – 5	0 – 5	20 - 25	45 - 50	0 - 5	0 - 5	50 - 55
Deputy Gregory Guida Minister for Home Affairs (Start Date 29/06/2021)	20 – 25	0 – 5		20 - 25	-	-	-	-
Senator Tracey Vallois Minister for Education (Resigned on 19/01/2021)	0 – 5	0 – 5		0 - 5	45 - 50	0 - 5	-	45 - 50
Deputy Jeremy Maçon Minister for Children and Education (Start Date 09/02/2021, Resigned 08/06/2021) Known as Minister for Children (Until 02/03/21)	15 – 20	0 – 5	0 - 5	15 - 20	-	-	-	-
Deputy Scott Wickenden Minister for Children and Education (Start Date 29/06/2021)	20 – 25	0 – 5		20 - 25	-	-	-	-
Deputy Carolyn Labey Minister for International Develop- ment	45 – 50	0 – 5	0 - 5	50 - 55	45 - 50	0 - 5	0 - 5	50 - 55

Senior officer remuneration

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 2021.

Role	1 January 2021 - 31 December 2021					1 January 2020 - 31 December 2020				
	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
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Chief Executive Officer and Head of Public Service										
Charlie Parker (End date 31/03/21)	65-70	-	5-10	500-505	570-585	245-250	-	40-45	-	285-295
Paul Martin (start date 01/03/21)	205-210	5-10	-	-	210-220					
Chief Operating Officer										
John Quinn	175-180	5-10	25-30	-	205-220	165-170	5-10	25-30	-	195-210
Director General for Strategic Policy, Planning and Performance										
Tom Walker	150-155	-	20-25	-	170-180	140-145	-	20-25	-	160-170
Director General for Treasury and Exchequer (Treasurer of the States)										
Richard Bell	175-180	-	25-30	-	200-210	165-170	-	25-30	-	190-200
Director General for Health and Community Services										
Caroline Landon	185 – 190	-	25-30	-	210-220	170-175	-	25-30	-	195-205
Director General for Justice and Home Affairs										
Julian Blazeby (end date 31/10/2021)	140 – 145	-	20-25	-	160-170	140-145	-	20-25	-	160-170
Kate Briden ****(Acting DG from 15/10/21)	30 – 35	-	-	-	30 - 35					
Director General for Customer and Local Services										
Ian Burns	150-155	-	20-25	-	170-180	140-145	-	20-25	-	160-170

Role	1 January 2021 - 31 December 2021					1 January 2020 - 31 December 2020				
	* 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
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Director General for Infrastructure, Housing and Environment										
Andy Scate (Acting DG from April 2020, permanent from 10/06/21)	160-165	-	25-30	-	180-190	105-110	-	15-20	-	120-130
Director General for Children, Young People, Education and Skills										
Mark Rogers (End date 31/12/2021)	185-190	-	-	-	185-190	170-175	-	-	-	170-175
Director General for the Economy										
Richard Corrigan	160-165	40-45	30-35	-	230-245	140-145	55-60	30-35	-	225-240
Group Director for External Affairs										
Kate Nutt	135-140	5-10	20-25	-	160-175	125-130	5-10	10-15	-	105-120
Director of Communications										
Dirk Danino-Forsyth	120-125	-	15-20	-	135-145	90-95	5-10	10-15	-	105-120
Chief of Staff										
Catherine Madden	145-150	-	20-25	-	165-175	140-145	-	20-25	-	160-170
Greffier of the States										
Mark Egan	145-150	-	20-25	-	165-175	140-145	-	20-25	-	160-170
Practice Director (Law Officers' Department)										
Alec Le Sueur	110-115	-	15-20	-	125-135	95-100	-	10-15	-	105-115

*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

****Basic pay figure from October to December 2021

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.

	2021	2020
Pay ratio between the highest paid employee and the lowest paid employee	18:1	19:1
Pay ratio between the highest paid employee and the median pay of all employees	6:1	6:1
Upper quartile Remuneration	£54,769	£55,626
Median remuneration	£42,972	£42,805
Lower quartile remuneration	£13,850	£13,084
Gender Pay Gap	10.80%	15.90%

*Gender Pay June 2020/2021 figures

Pension benefits

The Government administers three public service pension schemes, the Public Employees Contributory Retirement Scheme (PECRS or the Final Salary Scheme) and 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 has around 17,600 scheme members, of whom over 7,300 are employed and accumulating benefits.

Around 7,000 employees were accumulating pensions in the Career Average Scheme at the end of 2021. 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.

There are only around 360 employees who continue to accumulate pensions in the Final Salary Scheme of the PEPF. These employees will reach their normal retirement age within four years. No new entrants can be admitted into final salary scheme.

The JTSF has around 2,900 scheme members, of whom around 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 and a further employer contribution of 5.6% of pensionable salaries to meet the JTSF Pension Increase Debt.

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 31/12/21	Annual Pension at retirement at 31/12/20	CETV at 31/12/21	CETV at 31/12/20	*Difference between 2020 and 2021 total CETVs
	£000	£000	£000	£000	£000
Mr R W Bell	45-50	45-50	974	902	72
Mr J Blazeby	5-10	5-10	112	78	34
Mr I Burns	20-25	15-20	359	316	43
Mr R Corrigan	10-15	5-10	176	135	41
Mr D Danino-Forsyth	0-5	0-5	29	12	17
Dr M Egan	10-15	5-10	172	139	33
Mrs K Halls-Nutt	10-15	5-10	125	99	26
Mrs C Landon	5-10	0-5	97	59	38
Mr A Le Sueur	30-35	25-30	721	579	142
Ms C Madden	85-90	80-85	1,587	1,526	61
Mr C Parker	10-15	5-10	N/A	176	N/A
Mr J Quinn	5-10	5-10	134	89	45
Mr M Rogers	N/A	N/A	N/A	N/A	N/A
Mr A Scate	60-65	50-55	1,038	873	165
Mr T Walker	35-40	30-35	648	559	89

* 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 general increases in transfer values shown above are due to an additional year of accrual of benefits in the PEPF. Comparative figures have been restated to use the same market adjustment factors applied at the end of 2021 in order to allow proper comparison between the two figures

Compensation on early retirement or loss of Office (Directors only)

Reason	2021		2020	
	Number	Amount	Number	Amount
Compensation for loss of office (compromise agreement)	0	0	2	*£692,500

* The 2020 figure includes a £500,000 payment for an agreement that was paid in 2021 but accrued in 2020.

Exit Packages (All States of Jersey Employees)

There was a total of 21 individuals who received £727,634 in severance and ex-gratia payments between them in 2021, in 2020 34 individuals received £1,282,709, in severance and ex-gratia payments between them, this is compared to 40 individuals receiving a total of £2,048,139 in 2019. This includes employees in the compensation figures. These payments were for compulsory and voluntary redundancy, loss of office, outsourcing roles, voluntary early retirements. 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	2021		2020	
	Number	Amount	Number	Amount
Compulsory or Voluntary Redundancy	3	£352,100	9	£374,071
Loss of Office	5	£304,856	18	£808,173
Outsourcing of Role	-	-	6	£57,876
Other Reasons	14	£194,915		
Voluntary Early Retirement	-	-	1	£42,589
Total	22	£851,871	34	£1,282,709

Voluntary Release Scheme

The Voluntary Release Scheme re-opened for applications on Monday 20th September 2021 and remained open until Friday 26th November 2021. 129 applications were received from employees, and after initial assessment by line-managers, 22 business cases were submitted for formal consideration.

The business cases were reviewed by Treasury and Exchequer, and currently 17 business cases have been approved, and settlement agreements are being prepared.

The estimated cost of this initiative is circa £1m and recurrent annual savings in the region of slightly under £1m.

Employee report

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

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

	2021				2020			
	Government of Jersey Core		Subsidiaries		Government of Jersey Core		Subsidiaries	
	Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE
Directors (ELT)	15	15	13	11	15	15	13	13
Senior staff	109	109	16	13	105	104	11	11
Other staff	7,446	6,750	295	288	7,096	6,427	391	347
Total Staff	7570	6874	324	312	7,216	6,546	415	371

Headcount by area 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	Headcount			
	2021		2020	
	Number of Employees	Full-time Equivalent	Number of Employees	Full-time Equivalent
Chief Operating Office	267	261	203	196
Children, Young People, Edu & Skills	2340	1,946	2,268	1,871
Customer and Local Services	323	303	287	268
Department for the Economy	33	32	N/A	N/A
Health and Community Services	2,475	2,294	2,371	2,194
Infrastructure, Housing and Environment	592	573	631	609
Justice and Home Affairs	756	731	744	721
Non-executives and legislature	217	201	213	196
Office of the Chief Executive	81	78	102	99
States Assembly	49	47	44	42
Strategic Policy, Performance & Pop.	113	97	96	92
Treasury and Exchequer	324	311	270	259
Subsidiaries	324	312	415	372
Total	7,894	7,185	7,644	6,919

Employee numbers

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

	2021				2020			
	Government of Jersey Core		Subsidiaries		Government of Jersey Core		Subsidiaries	
	Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE
Fixed Term Employees	774	629	15	15	580	447	45	11
Permanent Employees	6,758	6,170	350	344	6,566	5,958	260	152
Total Employees	7,502	6,799	365	359	7,146	6,405	305	163

The average Headcount and FTE by area

Department	Average Headcount and FTE			
	2021		2020	
	Number of Employees	Full-time Equivalent	Number of Employees	Full-time Equivalent
Chief Operating Office	258	252.3	181	174.0
Children, Young People, Education and Skills	2,355	1,902.8	2,291	1,850.0
Customer and Local Services	314	294.6	279	259.4
Department for the Economy	33	31.7	N/A	N/A
Health and Community Services	2,471	2,288.1	2,393	2,196.1
Infrastructure, Housing and Environment	583	562.8	585	563.6
Justice and Home Affairs	797	771.8	741	714.8
Non-executives and legislature	216	198.8	215	197.8
Office of the Chief Executive	108	104.9	91	87.2
States Assembly (States Greffe)	48	45.4	37	35.8
Strategic Policy, Performance and Planning	96	89.6	91	85.4
Treasury & Exchequer	297	285.7	254	244.1
Total	7,576	6,829	7,158	6,408.2
Subsidiaries	365	357	305	163
Total	7,941	7,186	7,463	6,571.2

The average headcount is calculated by the number of employees on the last working day of each month throughout 2021.

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	
	2021	2020	2021	2020
Chief Operating Office	13	4	4	4
Children, Young People, Education and Skills	44	35	3	3
Customer and Local Services	3	3	1	1
Infrastructure, Housing and Environment	18	17	2	2
Health and Community Services	65	74	80	76
Justice and Home Affairs	20	22	2	4
Non-Ministerial	32	35	14	13
Office of the Chief Executive	16	12	5	4
Strategic Policy, Planning and Performance	11	14	4	4
Treasury and Exchequer	18	17	4	5
Total	240	233	119	116

Subsidiaries remuneration	2021	2020
100,000 - 119,999	24	28
120,000 - 139,999	24	25
140,000 - 159,999	3	3
160,000 - 179,999	0	3
180,000 - 199,999	3	4
200,000 - 219,999	2	3
220,000 - 239,999	1	3
240,000 - 259,999	1	3
260,000 - 279,999	0	1
280,000 - 299,999	0	0
300,000 - 319,999	0	0
320,000 - 339,999	1	0
340,000 - 359,999	0	0
Total	59	73

Notes:

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

By Pay group

Remuneration and Pay

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

Department	£100,000 - £149,999		£150,000 and over	
	2021	2020	2021	2020
Civil Servants	94	73	5	2
Nurses and Midwives	3	7	0	0
Doctors	44	46	74	74
Manual workers	1	0	0	0
Workforce Modernisation Group	1	0	0	0
Headteachers and deputies	33	22	0	0
Prison Officers	1	2	0	0
Fire and Rescue Services	1	1	0	1
States of Jersey Police	10	11	1	1
Non-Ministerial Departments	23	27	5	5
Office Holders ¹	4	3	8	8
Individual Contract Holders ²	25	41	26	25
Total	240	233	119	116

Pay by Band (excluding social security)

Department	£0 – £19,999	£20,000 – £39,999	£40,000 – £59,000	£60,000 – £79,000	£80,000 – £99,999	£100,000+	Total
Civil Servants	1,286	1,528	1,025	698	220	99	4,856
Nurses and Midwives	316	304	404	350	65	3	1,442
Doctors	83	48	35	18	9	118	311
Manual workers	216	434	250	38	2	1	941
Workforce Modernisation Group	101	44	85	50	1	1	282
Teachers	168	154	242	463	98	0	1,125
Headteachers and deputies	0	1	1	3	41	33	79
Prison Officers	3	13	52	49	3	1	121
Fire and Rescue Services	32	3	38	22	4	1	100
States of Jersey Police	10	15	42	116	24	11	218
Non-Ministerial Departments	50	7	5	0	0	28	90
Office Holders ¹	0	0	0	0	0	12	12
Individual Contract Holders ²	0	0	0	0	0	51	51
Total	2,265	2,551	2,179	1,807	467	359	9,628

Notes:

1. These are roles as defined by the Employment of States of Jersey Employees (Law) 2005 Schedule 1.
2. 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 4.8 Employees Costs.

2021 Year End FTE	Department	Salaries and Wages £000	Pension £000	Social Security £000	Total £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
31.7	States Assembly (States)	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

2020 Year End FTE	Department	Salaries and Wages	Pension	Social Security	Total
		£000	£000	£000	£000
196	Chief Operating Office	10,419	1,478	589	12,486
1,871	Children, Young People, Education and Skills	96,784	14,270	5,891	116,945
268	Customer and Local Services	11,150	1,671	701	13,522
569.8	Infrastructure, Housing and Environment	26,378	3,677	1,607	31,662
2,194	Health and Community Services	125,857	16,548	7,293	149,698
721	Justice and Home Affairs	43,005	5,624	2,356	50,985
196	Non-Ministerial	13,424	1,974	784	16,182
99	Office of the Chief Executive	6,608	1,020	354	7,982
42	States Assembly (States Greffe) (Excluding States Members)	2,734	363	137	3,234
91.5	Strategic Policy, Planning and Performance	5,805	825	321	6,951
259	Treasury and Exchequer	13,344	2,21	718	16,276
6,508	Department Total	355,508	49,664	20,751	425,923
20	Jersey Car Parks	745	117	48	910
19	Jersey Fleet Management	862	120	56	1,038
39	Trading Operations Total	1,607	237	104	1,948
372	Subsidiaries	26,487	2,933	1,374	30,794
6,919	Total	383,602	52,834	22,229	458,665

By Pay Group

Pay Group	2021	2020
	£000	£000
Director's General, Judicial Greffe, Crown Appointments, Legislative Drafters and Other Personal Contract Holders	10,211	10,728
Civil Servants (Including A-Grades)	168,313	145,307
Doctors and Consultants	23,271	26,051
Energy Recovery Facility	1,608	1,583
Heads and Deputy Heads, Highlands Managers	6,557	6,702
Law Officers	3,564	3,125
Manual Workers	25,819	25,342
Nurses and Midwives	55,447	53,933
Other Health Pay Groups	4,846	4,855
Teachers and Lecturers	51,346	48,645
Uniformed Services	25,291	25,687
Youth Service	1,671	1,586
Subsidiaries	22,162	26,487
Other Accounting Adjustments	1766	5,086
Amount Shown in Other Employee Costs (see note 4.8)	895	(1,515)
Total Salaries and Wages	402,764	383,602
Pension	56,455	52,834
Social Security	23,526	22,229
Total	482,745	458,665

By Payment Type

Payment Type	2021	2020
	£000	£000
Ad Hoc Payments / Supplements	2,058	6,686
Basic Pay	372,661	351,952
Benefits	491	730
Business Expenses	50	29
Other Time Payments	317	264
Overtime	8,387	7,889
Relocation Expenses	242	299
Shift Allowances	12,242	11,448
Sickness Offsets From Social Security	(2,070)	(1,764)
Skill Related Payments	2,770	1,299
Standby Payments	2,311	2,206
Other Accounting Adjustments	2,505	4,079
Amount Shown in Other Employee Costs (see note 4.8)	799	(1,515)
Total Salaries and Wages	402,764	383,602
Pension	56,455	52,834
Social Security	23,526	22,229
Total	482,745	458,655

Employee sickness absence

Absence Type	Hours			Days		
	2021	2020	2019	2021	2020	2019
Sickness	426,531	265,227	313,986	57,639	35,841	42,430
CoronaVirus	36,823	167,880	-	4,976	22,686	-
Total	463,354	433,107	313,986	62,615	58,527	42,430
% Working Time Lost	4%	4%	3%	4%	4%	3%

Note: This table excludes subsidiaries companies' sickness

Employee well-being

A new contract with Occupational Health provider AXA was agreed and signed in November 2021 that included a number of negotiated improvements, notably increases in the required health surveillance offer, increases to new starter health assessments, increased on island presence of OHA and OHP's, improved administrative support and turn round times. The impact of Covid and increasing mental ill-health in some areas has led to more demand for counselling services which has been met by augmenting the AXA offer with a number of on island specialist providers being engaged to provide additional and specialist support as required. We have continued to expand our internal Mental Health First Aider (MHFA) network with additional training offered and have been actively promoting the Employee Assistance Offer (EAP) that is available 24/7.

The delivery of the annual winter flu vaccination programme for all employees other than those working in HCS (who have always previously administered their own programme for HCS staff) was managed through HCS this year with take up in line with previous years. A refined Wellbeing Strategy is in development with the People and Culture Plans held by departments now including dedicated sections on planned Wellbeing initiatives. The range of Wellbeing support available to all employees is promoted through our new internal Wellbeing magazine, titled 'Breathe' with the launch edition topping the most 'clicked' article on Our Gov and we use 'Wellbeing Wednesdays' to promote a wide range of Wellbeing articles, apps and resources

HCS well-being

Non-recurring funding was obtained from the Bailiff Covid Appeal Fund to develop a programme of wellbeing support for Health and Community services (HCS) staff. An HCS Wellbeing team including a senior counsellor and psychological wellbeing-practitioner have implemented wellbeing checks for all HCS employees who have tested Covid positive, one to one psychological therapy for HCS employees as well as delivering interventions to teams and managers to strengthen their resilience as they reconnect and return to business as usual.

An HCS Wellbeing Committee commenced in 2020 to co-ordinate and endorse the development of the employee wellbeing programme and act as an advisory forum about all wellbeing issues.

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 financial directions/the Public Finances Manual.

Expenditure accounted for as consultancy and temporary employees was £1.3 million and £15.2 million in 2021 compared to £4.7 million and £9.3 million respectively in 2020. 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 2021-2024.

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

2020		2021 Govern- ment Plan	2021 Final Ap- proved Budget*	2021 Actual	Difference from Approval
£'000		£'000	£'000	£'000	£'000
851,909	States Net General Revenue Income	806,350	806,350	998,068	(191,718)
(918,569)	Departmental Net Revenue Expenditure - Near Cash	(867,325)	(925,058)	(887,914)	(37,144)
(66,660)	Operating Surplus/(Deficit)	(60,975)	(118,708)	110,154	(228,862)
(46,699)	Departmental Depreciation/Amortisation	(54,646)	(54,646)	(42,418)	(12,228)
(113,359)	(Deficit)/Surplus of General Revenue Expenditure over Income	(115,621)	(173,354)	67,736	(241,090)
(12,096)	Revenue Expenditure on Projects			(11,860)	11,860
	Revenue Expenditure on Projects Reclassified in Year			(2,089)	
(22,940)	Departmental Net Revenue Expenditure - Other Non Cash	-	-		-
(196)	Trading Operations Net Revenue Income/(Expenditure)			2,303	
77,170	Net Revenue Income of Special Funds			85,506	
109,437	Net Revenue Income of Social Security Funds			168,450	
662	Net Revenue Income of SOJDC			540	
(15,563)	Net Revenue (Expenditure) of Andium Homes			(31,056)	
(32,060)	Net Revenue Income/(Expenditure) of Ports of Jersey			(21,596)	
(7,543)	Other (Expenditure)/Income ¹			(17,258)	
(7,800)	Consolidation Adjustments ²			(1,795)	
(24,288)	Net Revenue Income/(Expenditure) as Reported in the SoCNE	(113,198)	(170,931)	238,881	

Reconciliation of Approvals on page 288 provides a summary of the approved changes to the budgets approved by the States Assembly in the Government Plan to the Final Approved Budget.

In 2021, the bulk of the additional funding approved in departments related to covid costs as outlined in the Financial Review section.

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.

Reconciliation of movement in Unallocated Consolidated Fund Balance

	2021 £'000	2020 £'000
Opening balance	336,050	479,267
Carry forwards from previous year		
Departments	12,235	-
Projects	84,303	105,734
Reserves	59,055	25,265
Reallocate carry forwards		
Departments	(12,235)	
Projects	(19,842)	
Reserves	32,077	
	-	-
Net General Revenue Income	998,068	851,910
Net Departmental expenditure - near cash		
Expenditure	(887,914)	(918,570)
Capital	(4,328)	
Project spend		
Expenditure	(13,949)	(12,096)
Capital	(122,477)	(92,037)
Other near-cash spend		
Expenditure	(3,155)	529
Capital		
Asset disposal proceeds	86	4
Capital repayment to currency fund	(684)	(659)
Transfers from:		
Strategic reserve fund	21,000	
Stabilisation fund		50,000
Health insurance fund	6,332	5,322
Civil Asset Recovery Fund	4,200	
COCF funding previously spent from Consolidated fund	4,196	1,974
Transfers to:		
Climate Emergency Fund		(5,000)
Fund movement	156,968	12,376
Closing balance before carry forwards	493,018	491,643
Carry forward to subsequent year from:		
Department HOE	(5,732)	(12,235)
Project HOE	(67,472)	(84,303)
Reserves HOE	(32,949)	(59,055)
Closing balance	386,865	336,050
Less: PYB Tax Debtor >1yr	(331,373)	
Adjusted Closing Balance	55,492	336,050

Notes to the Statement of Outturn Against Approvals - Revenue Expenditure

a) Net General Revenue Income against Estimate

2020	2021 Budget	2021				
		Income	Expenditure	Actual	Difference from Budget	
£'000	£'000	£'000	£'000	£'000	£'000	
Income Tax						
462,799	Personal Income Tax	461,102	557,912	(114)	557,798	96,696
119,638	Companies	104,396	85,472	4	85,476	(18,920)
(260)	Provision for Bad Debts	(6,000)	-	(1,444)	(1,444)	4,556
582,177	Net Income Tax	559,498	643,384	(1,554)	641,830	82,332
93,887	Goods and Services Tax (GST)	88,712	106,601	(228)	106,373	17,661
Impôts Duties						
8,499	Spirits	7,185	9,312	-	9,312	2,127
9,413	Wines	8,986	9,640	-	9,640	654
940	Cider	860	881	-	881	21
6,168	Beer	6,569	6,041	-	6,041	(528)
23,860	Tobacco	16,463	25,669	-	25,669	9,206
22,636	Fuel	24,993	25,131	-	25,131	138
431	Goods (Customs)	200	1,145	-	1,145	945
2,311	Vehicle Emissions Duty	2,730	2,511	-	2,511	(219)
(4)	Impôts Other	-	-	37	37	37
74,254	Impôts Duties	67,986	80,330	37	80,367	12,381
Stamp Duty						
34,562	Stamp Duty	26,641	54,666	-	54,666	28,025
-	Probate	2,400	3,004	-	3,004	604
2,586	Land Transactions Tax	2,247	3,322	-	3,322	1,075
37,148	Stamp Duty	31,288	60,992	-	60,992	29,704
Fines and Other Income						
10,997	Dividends	8,133	48,667	-	48,667	40,534
9,374	Non Dividends	5,473	16,025	(84)	15,942	10,469
30,787	Returns from Housing Associations	31,774	30,143	-	30,143	(1,631)
51,158	Fines and Other Income	45,380	94,835	(84)	94,752	49,372
13,286	Island Rate	13,486	13,754	-	13,754	268
851,910	Net General Revenue Income	806,350	999,896	(1,829)	998,068	191,718

Political Accountability Report

Notes to the Statement of Outturn Against Approvals - Revenue Expenditure

b) Ministerial and Non-Ministerial Departments Net Revenue Expenditure (Near Cash) against Approval

2020		Government Plan 2021			Final Approved Budget*			2021 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											
35,094	Office of the Chief Executive	(145)	8,650	8,505	(152)	8,912	8,760	(1,040)	8,764	7,724	(1,036)
-	Financial Services and Digital	(54)	33,615	33,561	(1,162)	35,305	34,143	(1,237)	33,841	32,604	(1,539)
12,025	Jersey Overseas Aid	-	12,374	12,374	-	12,374	12,374	(100)	12,216	12,116	(258)
30,228	Chief Operating Office	(1,029)	37,667	36,638	(1,300)	35,996	34,696	(1,484)	34,515	33,031	(1,665)
153,355	Children, Young People, Education	(19,845)	180,131	160,286	(23,494)	183,615	160,121	(23,033)	180,423	157,390	(2,731)
206,703	Customer and Local Services	(9,486)	101,201	91,715	(11,321)	104,956	93,635	(11,446)	103,230	91,784	(1,851)
62,991	Infrastructure Housing and Environment	(32,592)	77,163	44,571	(31,974)	78,675	46,701	(26,652)	72,737	46,085	(616)
239,728	Health and Community Services	(25,031)	252,466	227,435	(24,660)	255,078	230,418	(24,643)	253,558	228,915	(1,503)
72,023	Justice and Home Affairs	(3,457)	33,070	29,613	(3,493)	33,962	30,469	(3,651)	33,904	30,253	(216)
-	States of Jersey Police Service	(234)	27,038	26,804	(381)	26,229	25,848	(275)	25,996	25,721	(127)
66,562	Treasury & Exchequer	(5,261)	72,416	67,155	(4,047)	80,529	76,482	(4,440)	79,710	75,270	(1,212)
12,307	Strategic Policy, Performance	(589)	10,586	9,997	(804)	10,875	10,071	(654)	10,041	9,387	(684)
Non Ministerial States Funded Bodies and the States Assembly											
1,971	Bailiff's Chambers	(68)	1,909	1,841	(68)	2,069	2,001	(31)	2,033	2,002	1
7,707	Law Officers' Department	(288)	8,740	8,452	(538)	9,144	8,606	(691)	9,075	8,384	(222)
6,865	Judicial Greffe	(1,292)	8,885	7,593	(1,292)	8,793	7,501	(1,331)	7,698	6,367	(1,134)
50	Viscount's Department	(806)	2,518	1,712	(863)	2,558	1,695	(1,794)	2,024	230	(1,465)
575	Official Analyst	(53)	656	603	(53)	662	609	(45)	587	542	(67)
757	Office of the Lieutenant Governor	(107)	911	804	(107)	920	813	(146)	923	777	(36)
2,103	Probation Department	(88)	2,459	2,371	(88)	2,492	2,404	(104)	2,380	2,276	(128)
872	Comptroller and Auditor General	(69)	939	870	(69)	1,012	943	(74)	957	883	(60)
6,654	States Assembly and its services	(96)	7,244	7,148	(96)	7,339	7,243	(72)	7,217	7,145	(98)
-	Covid 19 Response	-	87,277	87,277	3	127,522	127,525	(92)	109,020	108,928	(18,597)
-	Debt Management	-	-	-	-	2,000	2,000	-	100	100	(1,900)
918,570	Net Revenue Expenditure - Near Cash	(100,590)	967,915	867,325	(105,959)	1,031,017	925,058	(103,035)	990,949	887,914	(37,144)
Capital Spend in Ministerial Departments											
	Children, Young People, Education	-	-	-	-	32	32	-	32	32	-
	Infrastructure Housing and Environment	-	-	-	-	784	784	-	784	784	-
	Financial Services and Digital	-	-	-	-	3,512	3,512	-	3,512	3,512	-
	Total Capital on Departments	-	-	-	-	4,328	4,328	-	4,328	4,328	-
	Net Revenue Expenditure - Near Cash, including Capital	(100,590)	967,915	867,325	(105,959)	1,035,345	929,386	(103,035)	995,277	892,242	(37,144)

* e) Reconciliation of Approvals on page 288 provides a summary of the approved changes to the budgets approved by the States Assembly in the Government Plan to the Final Approved Budget.

Notes to the Statement of Outturn Against Approvals - Revenue Expenditure

d) Trading Operations Net Revenue Expenditure against Approval

2020	Government Plan 2021			Final Budget			2021 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
(774) Jersey Car Parking	6,199	(5,670)	529	6,199	(5,670)	529	7,287	(6,001)	1,286	757
578 Jersey Fleet Management	4,902	(3,008)	1,894	4,902	(3,008)	1,894	5,309	(4,292)	1,017	(877)
(196) Net Revenue Income/(Expenditure) – Trading Operations	11,101	(8,678)	2,423	11,101	(8,678)	2,423	12,596	(10,293)	2,303	(120)

Political Accountability Report

Notes to the Statement of Outturn Against Approvals - Revenue Expenditure

e) Reconciliation of Approvals

Department	2021 Government Plan As Amended	Carry Forward from 2020	Additional Funding	Fiscal Stimulus Expense	Fiscal Stimulus Income	Allocation of Reserves	Transfers to/from Projects	Departmental Transfers	2021 Approved Budget as at December Near Cash	2021 Capital Budget	2021 Approved Head of Expenditure	Gov Plan 2020 Total NRE Non Cash	In Year Adjustments	2021 Approved Budget as at December Non Cash	2021 Final Approved Budget with Capital Approvals
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Ministerial Departments															
Office of the Chief Executive	8,505					103		152	8,760		8,760				8,760
Financial Services and Digital	33,561			7,427	(7,427)	733		(152)	34,142	3,512	37,654				37,654
Jersey Overseas Aid	12,374					-		-	12,374	-	12,374				12,374
Chief Operating Office	36,638					1,801	(1,140)	(2,603)	34,696	-	34,696	659	(70)	589	35,285
Children, Young People, Education	160,286			4,210	(4,242)	1,304		(1,436)	160,122	32	160,154	204		204	160,358
Customer and Local Services	91,715			1,858	(1,858)	155		1,765	93,635	-	93,635	10	8	18	93,653
Infrastructure Housing and Environment	44,571		(684)	1,050	(1,834)	3,654		(56)	46,701	784	47,485	47,000		47,000	94,485
Health and Community Services	227,435			1,049	(1,049)	17,937	(11,167)	(3,788)	230,417	-	230,417	3,207	(8)	3,199	233,616
Justice and Home Affairs	29,613					948		(92)	30,469	-	30,469	1,534		1,534	32,003
States of Jersey Police Service	26,804					317		(1,273)	25,848	-	25,848	900		900	26,748
Treasury & Exchequer	67,155					1,794		7,532	76,481	-	76,481	925	70	995	77,476
Strategic Policy, Performance	9,997					123		(49)	10,071	-	10,071	37		37	10,108
Non Ministerial States Funded Bodies															
Bailiff's Chamber	1,841					11		150	2,002	-	2,002				2,002
Law Officers' Department	8,452					154		-	8,606	-	8,606				8,606
Judicial Greffe	7,593					58		(150)	7,501	-	7,501				7,501
Viscount's Department	1,712					(17)		-	1,695	-	1,695			41	1,736
Official Analyst	603					6		-	609	-	609	41		62	671
Office of the Lieutenant Governor	804					9		-	813	-	813	67		67	880
Probation Department	2,371					33		-	2,404	-	2,404				2,404
Comptroller and Auditor General	870					73		-	943	-	943				943
States Assembly and its services	7,148					95		-	7,243		7,243	-	-	-	7,243
Covid 19 Response	87,277					40,249		-	127,526	-	127,526				127,526
Debt Management	-		2,000			-		-	2,000	-	2,000				2,000
Allocation of Reserves	65,101	90,181				(73,051)			82,231	-	82,231	-	-	-	82,231
Net Revenue Expenditure	932,426	90,181	1,316	15,594	(16,410)	(3,511)	(12,307)	-	1,007,289	4,328	1,011,617	54,646	-	54,646	1,066,263

*See the Financial Review section for a breakdown of the additional funding agreed and the specific list of Covid-19 costs in 2021.

Political Accountability Report

Project Expenditure

a) Project Expenditure from the Consolidated Fund

Head of Expenditure	Department	2021 Government Plan Allocation	Net Budget Brought forward from 2020	Allocations from Reserves	Additional Funding	Capital From Department Revenue	Project to Project	Available Budget	2021 Capital Expenditure	2021 Revenue Expenditure	Total 2021 Expenditure	Unspent Project Approvals as at 31 December 21	Returns to the Consolidated Fund	Carry forward Project Approvals as at 31 December 21
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Central Planing Reserve	T&E	1,900	-	(1,200)	-	-	(250)	450	-	-	-	450	-	450
Discrimination law, safeguarding and regulation of care	IHE	3,600	-	-	-	-	(1,500)	2,100	370	-	370	1,730	1,157	573
Schools Extensions and Improvements	IHE	5,901	-	-	-	-	(1,586)	4,315	1,666	-	1,666	2,649	618	2,031
Infrastructure including the Rolling Vote	IHE	11,732	1,240	-	-	-	-	12,972	12,258	84	12,342	630	-	630
Drainage Foul Sewer Extension	IHE	1,000	-	-	-	-	(16)	984	105	-	105	879	-	879
Replacement assets	COO	5,000	-	-	-	-	-	5,000	4,616	384	5,000	-	-	-
Phoenix Software	Non Mins	45	-	-	-	-	-	45	-	-	-	45	-	45
Court Digitisation	Non Mins	1,648	-	-	-	-	(819)	829	154	392	546	283	-	283
Regulation Digital Assets	IHE	1,290	-	-	-	-	(1,000)	290	259	-	259	31	31	-
Combined Control IT	JHA	2,000	-	-	-	-	(400)	1,600	248	-	248	1,352	-	1,352
Electronic patient records	JHA	667	-	-	-	-	(130)	537	9	-	9	528	-	528
Electronic Document Management	COO	500	-	-	-	-	(500)	-	-	-	-	-	-	-
IT for Migration Services	COO	1,000	-	-	-	-	-	1,000	130	-	130	870	-	870
Service Digitisation	COO	1,000	-	-	-	-	-	1,000	741	-	741	259	-	259
Jersey Care Model	HCS	1,300	-	-	-	-	-	1,300	162	-	162	1,138	-	1,138
Replacement Assets & Minor Capital	CYPES	200	-	-	-	-	-	200	174	-	174	26	26	-
Replacement Assets (Various)	HCS	-	-	-	-	-	3,250	3,250	1,382	-	1,382	1,868	-	1,868
Replacement Assets HCS	HCS	3,250	-	-	-	-	(3,250)	-	-	-	-	-	-	-
Sports Division Refurbishment	IHE	1,300	-	-	-	-	(500)	800	642	105	747	53	-	53
New Skatepark	IHE	685	-	-	-	-	-	685	126	-	126	559	-	559
Replacement Assets and Minor Capital	IHE	3,500	-	-	-	-	16	3,516	3,501	15	3,516	-	-	-
Minor capital 2020	JHA	236	-	-	-	-	-	236	38	14	52	184	-	184
Police minor capital 2021	JHA - Police	200	-	-	-	-	-	200	-	-	-	200	-	200
Equipment replacement 2021	JHA - Police	170	-	-	-	-	-	170	118	52	170	-	-	-
Aerial ladder platform	JHA	768	-	-	-	-	(671)	97	-	-	-	97	-	97

Project Expenditure

a) Project Expenditure from the Consolidated Fund (continued)

Head of Expenditure	Department	2021 Government Plan Allocation	Net Budget Brought forward from 2020	Allocations from Reserves	Additional Funding	Capital From Department Revenue	Project to Project	Available Budget	2021 Capital Expenditure	2021 Revenue Expenditure	Total 2021 Expenditure	Unspent Project Approvals as at 31 December 21	Returns to the Consolidated Fund	Carry forward Project Approvals as at 31 December 21	
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Conversion Courtroom	Non Mins	440	-	-	-	-	-	440	2	-	2	438	-	438	
States of Jersey Police Firearms Range	JHA - Police	1,200	-	-	-	-	-	1,200	173	-	173	1,027	-	1,027	
Prison Phase 6	IHE	90	8,416	-	-	-	-	8,506	4,756	-	4,756	3,750	-	3,750	
Prison Phase 8	JHA	666	-	-	-	-	-	666	3	-	3	663	-	663	
Dewberry House SARC 2021	JHA - Police	1,800	-	-	-	-	-	1,800	-	-	-	1,800	-	1,800	
Piquet House - Family Court	Non Mins	1,071	-	-	-	-	-	1,071	6	-	6	1,065	1,065	-	
Health Services Improvements	HCS	5,000	-	-	-	-	-	5,000	796	2,621	3,417	1,583	-	1,583	
Five Oaks Refurbishment	HCS	2,550	-	-	-	-	-	2,550	2,492	-	2,492	58	-	58	
Rouge Bouillon Site Review	IHE	2,000	-	-	-	-	(1,500)	500	29	-	29	471	471	-	
In-patient/support services	HCS	1,044	-	-	-	-	-	1,044	5	-	5	1,039	-	1,039	
Central Risk & Inflation	T&E	1,500	-	-	-	-	-	1,500	-	-	-	1,500	-	1,500	
Total		-	66,253	9,656	(1,200)	-	(8,856)	65,853	34,961	3,667	38,628	27,225	3,368	23,857	
Major Projects															
MS Foundation	COO	2,570	1,427	-	-	-	-	3,997	1,782	-	1,782	2,215	-	2,215	
Integrated Tech Solution	COO	9,200	2,612	-	7,900	-	-	19,712	15,253	1,926	17,179	2,533	-	2,533	
Cyber	COO	6,500	2,168	-	-	-	(2,000)	6,668	3,506	-	3,506	3,162	-	3,162	
Vehicle Testing Centre	IHE	2,000	-	-	-	-	(1,800)	200	7	-	7	193	-	193	
Learning Difficulties - Special Needs	HCS	2,000	-	-	-	-	-	2,000	1,174	-	1,174	826	-	826	
Fort Regent (Early Phase)	IHE	4,800	-	-	-	-	-	4,800	406	117	523	4,277	1,500	2,777	
Our Hospital (Phase Two)	HCS	20,000	-	-	21,037	11,167	17,796	70,000	52,218	-	52,218	17,782	-	17,782	
Digital Care Strategy	HCS	3,400	-	-	-	-	-	3,400	1,069	-	1,069	2,331	-	2,331	
Office Modernisation	OCE	650	-	-	-	-	-	650	171	-	171	479	-	479	
Total		51,120	6,207	-	28,937	11,167	13,996	111,427	75,586	2,043	77,629	33,798	1,500	32,298	
Other Projects															
Jerseysy Instrumental Music Service	IHE	-	-	100	-	-	-	100	-	17	17	83	-	83	

Political Accountability Report

Project Expenditure

a) Project Expenditure from the Consolidated Fund (continued)

Head of Expenditure	Department	2021 Government Plan Allocation	Net Budget Brought forward from 2020	Allocations from Reserves	Additional Funding	Capital From Department Revenue	Project to Project	Available Budget	2021 Capital Expenditure	2021 Revenue Expenditure	Total 2021 Expenditure	Unspent Project Approvals as at 31 December 21	Returns to the Consolidated Fund	Carry forward Project Approvals as at 31 December 21
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Victoria College Prep Replacement School	IHE	-	-	150	-	-	-	150	1	9	10	140	-	140
North of St Helier Youth Club	IHE	-	-	350	-	-	-	350	5	9	14	336	336	-
Le Squez Youth Centre	IHE	-	-	250	-	-	-	250	-	13	13	237	237	-
Rouge Bouillon	IHE	-	-	50	-	-	-	50	41	9	50	-	-	-
Grainville Phase 5	IHE	-	4,596	-	-	-	(600)	3,996	3,434	73	3,507	489	441	48
Demoliti Fort Regent Pool	IHE	-	1,009	-	-	-	(400)	609	(1,151)	1,694	543	66	-	66
Orchard House	IHE	-	5,575	-	1,202	-	-	6,777	2,460	-	2,460	4,317	-	4,317
Refit & Replacement of Fisheries Vessel	IHE	-	402	-	-	-	(100)	302	254	-	254	48	48	-
Review of Greenfields	IHE	-	-	100	-	-	-	100	-	-	-	100	-	100
Island Sports Facilities, Inspiring Active Places	IHE	-	-	200	-	-	-	200	162	38	200	-	-	-
La Collette Waste Site Development	IHE	-	2,950	-	-	-	(1,800)	1,150	-	-	-	1,150	60	1,090
Road Safety Improvements	IHE	-	78	-	-	-	-	78	229	(151)	78	-	-	-
Les Quennevis Rep School	IHE	-	145	-	-	-	-	145	87	(6)	81	64	58	6
St Mary School	IHE	-	991	-	-	-	-	991	678	-	678	313	200	113
DVS Systems	IHE	-	34	-	-	-	-	34	28	-	28	6	6	-
Sewage Treatment Works	IHE	-	18,200	-	-	-	-	18,200	7,324	-	7,324	10,876	4,503	6,373
Our Hospital	HCS	-	14	-	-	-	-	14	-	-	-	14	14	-
Replacement RIS/PACS IT Assets	HCS	-	219	-	-	-	-	219	49	-	49	170	170	-
Minor Capital	JHA	-	476	-	-	-	-	476	428	45	473	3	3	-
Taxes Office System Renewal	T&E	-	1,914	-	-	1,140	-	3,054	2,312	-	2,312	742	-	742
Non-Mins Minor Capital	NMD	-	477	-	-	-	-	477	146	2	148	329	126	203
Total		-	37,080	1,200	1,202	1,140	(2,900)	37,722	16,487	1,752	18,239	19,483	6,202	13,281
Grand Total		117,373	52,943	-	30,139	12,307	2,240	215,002	127,034	7,462	134,496	80,506	11,070	69,436

Capital Expenditure

b) Capital Expenditure from Trading Funds

	2021 Expenditure - Revenue £'000	Total Project Expenditure £'000	Total Allocated Budget £'000	Remaining Unspent Budget £'000
Jersey Car Parking				
Anne Court Car Park	-	3,430	6,985	3,555
Automated Charging System	-	281	312	31
Car Park Maintenance & Refurbishment	-	8,286	17,274	8,988
Jersey Car Parking Total	-	11,997	24,571	12,574
Jersey Fleet Management				
Car Park Maint & Refurbishment	-	19,222	21,229	2,007
Jersey Fleet Management Total	-	19,222	21,229	2,007
Total	-	31,219	45,800	14,581

Other Accountability Disclosures

Personal Data Related Incidents

There were 64 personal data related incidents reported to the Office of the Information Commissioner in 2021. 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 2021 (2020: nil)

	2021	2020
	£000	£000
Losses	2,367	1,593
Fruitless payments	-	-
Special payments	3,054	1,996
Total	5,421	3,589

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.

Special payments in 2021 include a confidential out of court settlement made to Mr Alwity in

respect of a terminated employment contract. The States' Employment Board agreed to pay Mr Alwitry £2,369,000 gross in respect of his claimed losses as a result of the termination of his contract of employment and neither party is entitled to comment further on the terms of this settlement.

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 2021 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 new Public Finances (Jersey) Law 2019 came into force in June 2019 and confirmed the arrangements in the Machinery of Government (Miscellaneous Amendments) (Jersey) Law 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 the Accountable Officers (Directors General) for departments.

This was an important change to strengthen accountability and modernise the public service and was complimented by the restructuring of senior management decision-making forums to create a collective strategic oversight.

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: 31 March 2022

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 2021 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 2021 Government of Jersey Financial Reporting Manual (the 'JFRoM'), 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 2021 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 JFRoM;
- 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 JFReM;
- 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 Risk and Audit Committee in relation to the appropriateness of the adoption of the going concern assumption;
- 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 Report.

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>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>The basis for the estimate is disclosed in Note 4.5, accounting policies, section 4, revenue recognition. In addition, the personal income taxation estimate is identified as a key source of estimation uncertainty in Note 4.3.</p> <p>As disclosed in note 4.5 to the financial statements, the personal income tax recognised in 2021 is £558m. Of this, £524m is based on the personal income tax estimate for 2021. The remaining £33m relates to 2020 where the estimated income was lower than the actuals collected in 2021.</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 key controls over the tax estimation methodology; • engaging an in-house expert to consider and challenge the methodology and the assumptions used in the tax estimate; • considering the historical accuracy of the estimates made for the 2020 financial year against actual tax revenues; • considering and challenging any changes to the current year estimate compared to prior year, including how the impact of Covid-19 was addressed; and • testing the source data used in the estimate. This included testing of a sample of tax returns. <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 2021.</p>
<p>Valuation of land, buildings, networked assets and other structures (States of Jersey Core Entities and Group)</p> <p>As disclosed in note 4.3 to the financial statements, management have identified valuation of social housing, drainage within networked assets and valuation of property, plant and equipment as key sources of estimation uncertainty. Note 4.9 discloses the following net book values at 31 December 2021:</p> <ul style="list-style-type: none"> • Land: £352m • Buildings: £755m • Social Housing: £913m • Networked Assets (including land): £1,419m • Other Structures £359m. <p>Management make 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"> • evaluation of the design and implementation of key controls over the valuation process; • considering the reasonableness of the valuations, including challenging the key assumptions used in the valuation. We engaged our own in-house valuations expert to support this work; • assessing the competence, skills and experience of the valuer and the instructions issued to the valuer by management; • testing the source data provided by management to and used by the valuer. In particular, evaluating the appropriateness of data provided to the valuer by management; and • testing a sample of individual assets to ensure the basis of valuations completed in 2021 were appropriate. <p>As noted above we engaged an in-house valuations expert to challenge the valuation work. This included consideration of the methodology and assumptions used in the 2021 valuations.</p> <p>We also engaged our in-house valuations expert to support our audit work on the valuation of assets held by Ports of Jersey Limited, since these assets are valued on a different basis in the financial statements compared to the financial statements of Ports of Jersey Limited.</p>

Key Audit Matter	How our scope addressed this matter
<p>Valuation of strategic investments (States of Jersey Core Entities)</p> <p>Strategic investments as at 31 December 2021 are £415m, and represent the four subsidiaries that the JFRm requires to be valued rather than consolidated in the group accounts. 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.</p> <p>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.</p> <p>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.</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, networked assets and other structures was not materially misstated as at 31 December 2021.</p>
<p>Valuation of unquoted investments for which a market price is not readily available (States of Jersey Core Entities)</p> <p>As at 31 December 2021, the Common Investment Fund had assets of over £3bn. This includes £934m of assets valued as Level 3 investments.</p> <p>Valuation of these assets involves significant judgements given the unobservable inputs.</p> <p>As disclosed in the note 4.3 of the financial statements, these valuations are identified as a key source of estimation uncertainty. Note 4.15 of the financial statements detail the sensitivity of Level 3 investments to movements assumptions.</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 key controls over the valuation process; • Engaging an in-house expert to assess and challenge the valuation methodology and the assumptions used by management; • testing the accuracy of the source data used in the valuation, in particular the comparative companies; and • confirming the valuations had been accurately reflected in the financial statements. <p>Our observations</p> <p>We obtained sufficient, appropriate audit evidence that the valuation of strategic investments was not materially misstated as at 31 December 2021.</p>
<p>Valuation of unquoted investments for which a market price is not readily available (States of Jersey Core Entities)</p> <p>As at 31 December 2021, the Common Investment Fund had assets of over £3bn. This includes £934m of assets valued as Level 3 investments.</p> <p>Valuation of these assets involves significant judgements given the unobservable inputs.</p> <p>As disclosed in the note 4.3 of the financial statements, these valuations are identified as a key source of estimation uncertainty. Note 4.15 of the financial statements detail the sensitivity of Level 3 investments to movements assumptions.</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 key controls over the valuation process; • agreeing the valuation to supporting documentation, including the investment manager valuation statements that were obtained directly by us and cash flows for any adjustments made to the investment manager valuation; • assessing methodologies used to value the investments as set out in investment manager valuation policies or other relevant documentation; and • inspecting control reports, and where relevant, bridging letters, from investment managers to identify any matters impacting on the valuation. <p>Our observations</p> <p>We obtained sufficient, appropriate audit evidence that the valuation of unquoted investments was not materially misstated as at 31 December 2021.</p>

Key Audit Matter	How our scope addressed this matter
<p>Valuation of past service debt (States of Jersey Core Entities)</p> <p>The Statement of Financial Position includes liabilities associated with the Public Employees Contributory Retirement Scheme (PECRS) and Jersey Teachers Superannuation Fund (JTSF) pension schemes.</p> <p>The value of these liabilities as at 31 December 2021 is £466m.</p> <p>Valuations are provided by an external actuary. Changes in the actuarial assumptions, particularly the discount rate, can affect the value of the liabilities and this is recognised as a key source of estimation uncertainty in note 4.3 to the financial statements.</p>	<p>We addressed this area of enhanced risk by carrying out the following audit procedures:</p> <ul style="list-style-type: none"> • evaluation of the design and implementation of key controls over the valuation process; and • assessment and challenge of the valuation methodology and assumptions applied by management's actuary, including the basis of the discount rate applied. <p>We confirmed the valuations have been accurately reflected in the financial statements.</p> <p>Our observations</p> <p>We obtained sufficient, appropriate audit evidence that the valuation of past service debt was not materially misstated as at 31 December 2021.</p>

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	£79.3m	£93.8m
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	£63.4m	£75.1m
	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	£2.4m	£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 £14.2m, performance materiality of £11.4m 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 2021 Group Total Assets of £9.4 billion	Share of 2021 Group Total Expenditure of £1.4 billion	Scope
States of Jersey Core Entities	82.3%	92.2%	Full scope audit (Mazars)
Andium Homes Limited	11.5%	3.8%	Full scope audit (separate component auditor)
Ports of Jersey Limited	5.1%	3.8%	Full scope audit (separate component auditor)
Jersey Development Company	1.1%	0.2%	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.

Extent to which our audit was considered capable of detecting irregularities, including fraud

Under ISAs (UK), we are required to explain to what extent our audit was considered capable of detecting irregularities, including fraud.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, as set out in the “Auditor’s responsibilities for the audit of the financial statements” section of this report, 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.

We evaluated the Treasurer’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.

In identifying and assessing risks of material misstatement in respect to irregularities, including fraud, 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.

Our procedures in relation to fraud included but were not limited to:

- making enquiries of the Treasurer, 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 by performing journal entry testing.

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.

As a result of our procedures, we did not identify any key audit matters relating to irregularities.

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.

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.

In connection with our audit of the financial statements, 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.

A further description of our responsibilities is available on the Financial Reporting Council’s website at [frc.org.uk/auditorsresponsibilities](https://www.frc.org.uk/auditorsresponsibilities).

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 two years, covering the year ended 31 December 2020 and the year ended 31 December 2021.

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 Report 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 2021 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 2021 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: 31 March 2022

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 2021 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: 31 March 2022

Primary Statements

3.1 Consolidated Statement of Comprehensive Net Expenditure (SoCNE) for the year ended 31 December 2021

	Note ⁱ	States of Jersey Core Entities 2021 £'000	States of Jersey Group 2021 £'000	States of Jersey Core Entities 2020 £'000	States of Jersey Group 2020 £'000
Revenue					
Levied by the States of Jersey	5	(1,158,553)	(1,157,323)	(1,045,595)	(1,044,964)
Earned through Operations	5	(223,176)	(277,738)	(198,615)	(245,013)
Total Revenue		(1,381,729)	(1,435,061)	(1,244,210)	(1,289,977)
Expenditure					
Social Benefit Payments	6	476,633	476,633	552,467	552,467
Staff Costs	7	457,710	482,745	429,245	458,665
Other Operating Expenses		339,725	363,413	321,079	354,301
Grants and Subsidies Payments	8	71,640	71,724	50,654	50,713
Depreciation and Amortisation		54,156	90,987	50,127	83,199
Impairments	11	(6,515)	16,828	23,999	33,701
Finance Costs	11	26,184	27,573	26,613	27,750
Net Foreign-Exchange Losses		637	593	766	760
Total Expenditure		1,420,170	1,530,496	1,454,950	1,561,556
Operating Net Revenue Expenditure/(Income)		38,441	95,435	210,740	271,579
Other Non-Operating Revenue/Expenditure					
Loss/(Gains) on Disposal of Non-Current Assets		(114)	(119)	3,853	3,738
Gains on Other Financial Assets	11	(342,595)	(347,907)	(252,911)	(253,158)
Movement in Past Service Liability		14,270	14,270	2,129	2,129
Fair value loss/(gains) on Investment property		-	(560)	-	-
Net Revenue Expenditure/(Income)		(289,998)	(238,881)	(36,189)	24,288
Other Comprehensive Income					
Items that will not be reclassified to Net Revenue Expenditure					
Revaluation of Property, Plant and Equipment	9	(144,083)	(167,926)	(7,013)	(109,745)
Remeasurements of the Net Defined Benefit Pension Scheme Liability	21	(452)	(452)	(359)	(359)
Items that may be reclassified subsequently to Net Revenue Expenditure					
(Gain)/Loss on Revaluation of Financial Instruments held at FVTOCI	11	(73,706)	(73,750)	(9,490)	(9,490)
Total Other Comprehensive Income		(218,241)	(242,128)	(16,862)	(119,594)
Total Comprehensive Income		(508,239)	(481,009)	(53,051)	(95,306)

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 2021

		States of Jersey Group	States of Jersey Group
	Note ⁱ	31 Dec 2021 £'000	31 Dec 2020 £'000
Non-Current Assets			
Property, Plant and Equipment	9	4,229,174	3,993,038
Investment Property	10	17,900	17,340
Intangible Assets		37,872	17,950
Other Financial Assets > 1 year	11	3,856,160	3,511,526
Interest in Joint Venture		6,882	7,112
Trade and Other Receivables > 1 year	13	342,930	25,186
Total Non-Current Assets		8,490,918	7,572,152
Current Assets			
Other Non-Current Assets Classified as Held for Sale		3,262	4,565
Inventories	12	38,171	32,345
Other Financial Assets < 1 year	11	202,984	110,377
Derivative Financial Instruments Expiring < 1 year	11	804	14,368
Trade and Other Receivables < 1 year	13	452,586	681,143
Cash and Cash Equivalents	14	195,376	302,524
Total Current Assets		893,183	1,145,322
Total Assets		9,384,101	8,717,474
Current Liabilities			
Trade and Other Payables < 1 year	15	(228,889)	(213,118)
Past Service Pension Provision < 1 year	20	(9,003)	(8,603)
External Borrowings < 1 year	16	(96,518)	(687)
Currency in Circulation	17	(116,935)	(115,191)
Provisions < 1 year	19	(4,758)	(1,209)
Total Current Liabilities		(456,103)	(338,808)
Total Assets Less Current Liabilities		8,927,998	8,378,666
Non-Current Liabilities			
Trade and Other Payables > 1 year	15	-	(73)
External Borrowing > 1 year	16	(296,052)	(253,984)
Provisions > 1 year	19	(34,638)	(26,873)
Past Service Pension Provision > 1 year	20	(466,112)	(446,814)
Defined Benefit Pension Schemes Net Liability > 1 year	21	(3,269)	(4,004)
Total Non-Current Liabilities		(800,071)	(731,748)
Assets Less Liabilities		8,127,927	7,646,918
Taxpayers' Equity			
Accumulated Revenue and Other Reserves		(6,108,724)	(5,852,886)
Revaluation Reserve		(1,665,758)	(1,514,337)
Investment Reserve		(353,445)	(279,695)
Total Taxpayers' Equity		(8,127,927)	(7,646,918)

The financial statements were approved and authorised for issue on:



Deputy Susie Pinel
Minister for Treasury and Resources

Date: 31 March 2022



Richard Bell
Treasurer of the States

Date: 31 March 2022

3.3 Consolidated Statement of Changes in Taxpayers' Equity (SoCiTE) for the year ended 31 December 2021

States of Jersey Group					
	Note ⁱ	Accumulated Revenue and Other Reserves £'000	Revaluation Reserve £'000	Investment Reserve £'000	Total £'000
Balance 1 January 2020		5,860,468	1,415,251	275,893	7,551,612
Net Revenue Expenditure		(24,288)	-	-	(24,288)
Other Comprehensive Income					
Revaluation of Property, Plant and Equipment	9	-	109,745		109,745
Revaluation Losses for Financial Instrument held at FVTOCI	11		-	9,490	9,490
Remeasurements of the Net Defined Benefit Pension Scheme Liability	21	359	-	-	359
Other Movements					
Release of Revaluation Reserve on Disposal of Property, Plant and Equipment		10,659	(10,659)	-	-
Reclassification of Financial Instruments		5,688	-	(5,688)	-
Total Other Movements		16,347	(10,659)	(5,688)	-
Total Other Comprehensive Income		16,706	99,086	3,802	119,594
Total Comprehensive Income		(7,582)	99,086	3,802	95,306
Balance 31 December 2020		5,852,886	1,514,337	279,695	7,646,918
Net Revenue Income		238,881	-	-	238,881
Other Comprehensive Income					
Revaluation of Property, Plant and Equipment	9	-	167,926		167,926
Revaluation Gains for Financial Instrument held at FVTOCI	11		-	73,750	73,750
Remeasurements of the Net Defined Benefit Pension Scheme Liability	21	452	-	-	452
Other Movements					
Release of Revaluation Reserve on Disposal		16,505	(16,505)	-	-
Total Other Movements		16,505	(16,505)	-	-
Total Other Comprehensive Income		16,957	151,421	73,750	242,128
Total Comprehensive Income		255,838	151,421	73,750	481,009
Balance 31 December 2021		6,108,724	1,665,758	353,445	8,127,927

Note

i. The Notes in section 4 of this report form part of the financial statements.

3.4 Consolidated Statement of Cash Flows (SoCF) for the year ended 31 December 2021

		States of Jersey Group	
		2021	2020
		£'000	£'000
	Note ⁱ		
Cash Flows from Operating Activities			
Net Revenue (Expenditure)/Income	SoCNE	238,881	(24,288)
Adjustments for Non-Cash Transactions			
Depreciation of Property, Plant and Equipment	9	89,424	81,811
Amortisation of Intangible Assets		1,563	1,386
Impairments & Abortive Costs	SoCNE	16,828	33,695
Investment Income	5	(73,874)	(39,993)
Finance Costs	SoCNE	27,573	27,750
Adjustments for Non-Operating Activities			
Gains on Financial Assets	SoCNE	(347,907)	(253,158)
Losses/(Gain) on Disposal of Non-Current Assets	SoCNE	(119)	3,738
Movement in Pension Liabilities		16,764	2,127
Payment of Pension Liability	20	(12,789)	(8,529)
Net Foreign Exchange Loss	SoCNE	593	760
Fair value losses/(gains) on Investment property		(560)	-
Movement in Other Liabilities			
Increase/(Decrease) in Provisions	19	11,314	2,132
Increase in Currency in Circulation	17	1,744	2,241
Operating Cash Flows before movements in Working Capital		(30,565)	(170,328)
Adjustments for movements in Working Capital			
(Increase)/Decrease in Inventories	12	(5,826)	(845)
Increase in Trade and Other Receivables	13	(98,756)	(83,795)
(Decrease)/Increase in Trade and Other Payables	15	15,698	(187,701)
Net Cash (Outflow)/Inflow from Operating Activities		(119,449)	(442,669)
Cash Flows from Investing Activities			
Purchases of Property, Plant and Equipment	9	(204,100)	(151,291)
Proceeds from disposal of Property, Plant and Equipment	9	880	630
Purchases of Intangible Assets		(21,485)	(4,352)
Proceeds from disposal of Assets Held for Sale		33,186	20,070
Interest Received	5	1,065	1,177
Dividends Received	5	72,809	38,816
Interest in Joint Venture		230	(117)
Net (Purchases)/Proceeds from disposal/purchase of Financial Assets ⁱⁱ		5,414	361,665
Net Cash Inflow from Investing Activities		(112,001)	266,598
Cash Flows from Financing Activities			
Proceeds of External Borrowings		137,500	-
Repayments of External Borrowings		-	(1,813)
Bond Interest Paid		(9,916)	(9,793)
Other Interest Paid		(1,846)	(1,353)
Principal Element of Finance Lease Rental Repayments		-	(431)
Interest Element of Finance Lease Payments		-	(57)
Bank and Other Charges		(1,436)	(2,071)
Net Cash Outflow from Financing Activities		124,302	(15,518)
Net (Decrease)/Increase in Cash and Cash Equivalents		(107,148)	(191,589)
Cash and Cash Equivalents at the Beginning of the Year	14	302,524	494,113
Cash and cash equivalents at the end of the year		14	302,524

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 2021 JFReM

These consolidated accounts have been prepared in accordance with the 2021 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 2021 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.

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.

4. Accounting standards in issue but not yet effective in the JFReM

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 JFReM 2023 	<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 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 JFReM. 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. 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).

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

Impacts from the Covid-19 pandemic:

On 11 March 2020, the World Health Organisation declared a global pandemic as a result of the outbreak and spread of Covid-19. The outbreak of Covid-19 created a significant deterioration in global economic conditions. Governments internationally have responded by implementing policy responses to protect the health of citizens and to support their economies. The States of Jersey introduced a number of measures to support Jersey households, businesses and industries who have been adversely affected by the Covid-19 pandemic. While the impacts of the pandemic have introduced greater uncertainty in forecasting, it is clear from the income recognised in both 2020 and 2021 that the impact on earnings and economic activity has not been as severe as initially anticipated.

The roll-out and administration of Covid-19 vaccine which began in December 2020 has been largely successful in Jersey. This has allowed the Government to ease most of the Covid-19 restriction laws imposed in the peak of the pandemic using the Island reconnection roadmap which began on 11 January 2021. Due to the minimal restriction law enforced in 2021, the pandemic has had less impact as at 31 December 2021 on critical accounting judgements compared to 31 December 2020.

In preparing financial statements, States of Jersey entities are required to make judgements that impact:

- income and expenses for the year;
- the reported amounts of assets and liabilities; and
- the disclosure of off-balance sheet arrangements, including contingent assets and contingent liabilities.

Judgements are subject to periodic review, including through the receipt of actuarial advice. Judgements are based on historical experience, various other assumptions believed to be reasonable under the circumstances and, where appropriate, practices adopted by other entities.

Judgements made by States of Jersey entities that have the most significant impact on the amounts recorded in these financial statements include:

Significant accounting judgement	Note
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 inventory	4.12/4.13
Fair value – assumptions used in valuation techniques for the fair value of financial assets and liabilities, including derivatives	4.11

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.

4.3 Key sources of estimation uncertainty

Preparing financial statements requires management to make, 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.	912,659
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 £198m (2020: £193m). If drainage pipes were 5% larger than estimated this would increase the value of drainage assets by £7m (2020: £10m). Conversely a 5% reduction in estimated pipe diameter would reduce the value of drainage assets by £8m (2020: £10m). An increase/(decrease) to the base cost factor by +/- 5% would increase/(decrease) the value of this asset class by £7m (2020: £9.4m).	198,000
Valuation of Property, Plant and Equipment - Land, Buildings and Other Structures	Valuations require a number of estimates 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; 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.	1,464,894
Past Service Debt	The framework for dealing with the pre-1987 shortfall in the States' contribution to the PECS and JTSF pension schemes is outlined in the Public Employees (Pension Scheme) (Funding and Valuation) (Jersey) Regulations 2015. Under these Regulations, annual repayments are due to be made to cover this shortfall until September 2053. Valuations provided by the scheme actuary are used to measure this provision. Changes in their assumptions can affect the value of the liability included in the Accounts.	A 1% increase in the discount rate used to discount the liabilities would decrease liabilities by £69.9m (2020: £48.4m). A 1% decrease in the discount rate used to discount the liabilities would decrease liabilities by £86.2m (2020: £60.6m).	(475,115)

Item	Uncertainties	Effect if actual results differ from assumptions	Carrying amount (£'000)
Personal Income Taxation	<p>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.</p> <p>The main uncertainty relates to the impact of the Covid-19 pandemic and public health restrictions on the economy. 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 (August) economic forecasts from the Fiscal Policy Panel (FPP)</p> <p>There is a further degree of uncertainty around how the economic impacts will have impacted the tax take. This has been mitigated by using established statistical relationships and judgement from the IFG on how the economic downturn will have impacted on areas like personal business profits and property income. The IFG adjustments have been reduced in this forecast to bring the 2020 forecast into line with the provisional outturn to provide an accurate base for the 2021 forecast.</p>	<p>Several sensitivity analyses have been carried out.</p> <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 +/-£7.2m around the central forecast (1.4%). 2. There is a 2/3 likelihood that the impact of any variation in pension income will be within a range of +/-£0.8m (0.2%) 3. There is a 2/3 likelihood that the impact of any variation in investment income will be within a range of +/-£3.5m (0.7%). 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 +/-£3.4m (0.6%). <p>Further, the impact of the IFG adjustments in 2021 is £7m. Therefore a 50% variation from this central estimate would result in a variation in the PIT estimate of +/-£3.4m (0.6%).</p>	557,912
Strategic Investments	Company outturn versus forecasts, market multiples and selection of comparable companies.	See sensitivity analysis in Note 4.11 (e).	415,306
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 (d)/(e)	1,249,334

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 CIF.

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 in line with 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 (support and retirement) paid the surplus contribution receipts are invested in the Social Security 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 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	(914,324)	(1,219)	(295,581)	(701)	-	(1,211,825)	-	-	(14)	(1,211,839)
Earned through Operations	(195,291)	(3,069)	(167)	(11,894)	(26,182)	(236,603)	(4,584)	(56,787)	(36,645)	(334,619)
Less: Internal Core Revenue	26,636	640	53,273	5,350	(19,200)	66,699	-	-	-	66,699
Total Core Entities Revenue	(1,082,979)	(3,648)	(242,475)	(7,245)	(45,382)	(1,381,729)	(4,584)	(56,787)	(36,659)	(1,479,759)
Less: Internal Subsidiary Revenue										44,698
Total External Revenue	(1,082,979)	(3,648)	(242,475)	(7,245)	(45,382)	(1,381,729)	(4,584)	(56,787)	(36,659)	(1,435,061)
Expenditure										
Social Benefit Payments	124,519	-	352,114	-	-	476,633	-	-	-	476,633
Staff Costs	433,892	22,048	-	1,517	253	457,710	1,150	4,005	19,880	482,745
Other Operating Expenses	266,367	10,143	1,855	1,768	59,592	339,725	1,854	11,543	10,291	363,413
Grants and Subsidies Payments	68,797	243	-	-	2,600	71,640	-	-	84	71,724
Depreciation and Amortisation	50,630	166	625	2,726	9	54,156	33	15,475	21,323	90,987
Impairments & Abortive Costs	(6,991)	-	336	100	40	(6,515)	190	19,499	3,654	16,828
Finance Costs	20,822	5	1	5,097	259	26,184	455	684	250	27,573
Net Foreign-Exchange (Gains)/Losses	24	-	-	-	613	637	-	-	(44)	593
Total Expenditure	958,060	32,605	354,931	11,208	63,366	1,420,170	3,682	51,206	55,438	1,530,496
Operating Net Revenue Expenditure/(Income)	(124,919)	28,957	112,456	3,963	17,984	38,441	(902)	(5,581)	18,779	95,435
Other Non-Operating Revenue/Expenditure										
(Gains)/Losses on Disposal of Non-Current Assets	3	-	-	(117)	-	(114)	-	(5)	-	(119)
(Gains)/Losses on Other Financial Assets	24	-	45	-	(342,664)	(342,595)	-	(4,463)	(849)	(347,907)
Movement in Past Service Liability	-	-	-	14,270	-	14,270	-	-	-	14,270
Net Revenue Expenditure/(Income)	(124,892)	28,957	112,501	18,116	(324,680)	(289,998)	(902)	(10,049)	17,930	(238,321)
Other Comprehensive Income										
Revaluation of Property, Plant and Equipment	(143,609)	-	(474)	-	-	(144,083)	(185)	6,184	(30,402)	(168,486)
Remeasurements of the Net Defined Benefit Pension Scheme Liability	-	-	-	(452)	-	(452)	-	-	-	(452)
(Gain)/Loss on Revaluation of Financial Instruments held at FVTOCI	(73,767)	-	-	-	-	(73,767)	-	(4,300)	-	(78,067)
Other Comprehensive Income	(217,376)	-	(474)	(452)	-	(218,302)	(185)	1,884	(30,402)	(247,005)
Total Comprehensive Expenditure/(Income)	(342,268)	28,957	112,027	17,664	(324,680)	(508,300)	(1,087)	(8,165)	(12,472)	(485,326)

4.4 (b) Statement of Comprehensive Net Expenditure for the year ended 31 December 2020

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 Core Entities 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 External 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	-	-	(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:

Accounting Policies

Personal Tax Forecast

The forecast of personal income tax 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	
		2021	2020
Employment and other earned Income	Employment income equation (supplemented by ITIS data)	71%	70%
Pension Income	Pension Income	11%	12%
Shareholder income / distributions	RPIY inflation	5%	5%
Business profits	10 year average growth rate	6%	5%
Property income	5 year average growth rate	4%	4%
Bank interest, dividend income and unearned	Unearned income equation	3%	3%

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 Income Forecasting Group (IFG) made additional adjustments to account for the impact of the global pandemic and the resultant restrictions on economic activity. The updated adjustments are set out in the 2021 IFG report. These adjustments have been reviewed based on all information available at the end of the year, including 2020 outturn. This has resulted in a 50% reduction in the adjustments now applied to provide an accurate base for the 2021 forecast.

¹ RPI(Y): the RPI excluding mortgage interest payments and indirect taxes (e.g. GST and impôts

Accounting Policies

Assumption	2021 £m	2020 £m	Assumption narrative
Personal business profits	(3.1)	(5.7)	Rather than use recent average growth rates, the IFG has assumed that these income lines would grow in line with the FPP's implied growth rate in non-finance sector profits. This required a 25 percentage point adjustment to personal business profits. This was halved to 12.5 percentage points to bring the 2020 forecast into line with the provisional outturn for 2020.
Property Income	(1.1)	(2.1)	The IFG made a downwards adjustment of 6.3 percentage points in Spring 2021, so that property income is flat in 2020 rather than the previously anticipated fall. This was halved to 3.15 percentage points to bring the 2020 forecast into line with the provisional outturn for 2020.
Bank, dividends and other unearned	(1.1)	(2.1)	The IFG has considered the global outlook for dividends and investment income and judged that it would be appropriate to assume a 20 per cent fall in both investment income and distributions. This required a 15 percentage point adjustment to bank, dividend and other unearned income. This was halved to 7.5 percentage points to bring the 2020 forecast into line with the provisional outturn for 2020.
Shareholder income/distributions	(2.2)	(4.4)	As above, the IFG judged that it would be appropriate to assume a 20 per cent fall in both investment and distributions. This required a 21 percentage point adjustment to shareholder income and distributions and taxed at source income. This was halved to 10.5 percentage points to bring the 2020 forecast into line with the provisional outturn for 2020.

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.

Accounting Policies

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	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.
Channel Island Control Area (CICA)	<p>Passenger charges levied on passengers on departure;</p> <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 it transfers control over a product or service to a customer. 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	2021 £'000	2020 £'000
Levied by the States of Jersey			
Taxation Revenue			
Personal Income Tax		557,912	462,800
Corporation Tax		85,472	120,381
Goods and Services Tax (GST)		106,601	93,941
Total Taxation Revenue		749,985	677,122
Social Security Contributions		241,064	239,592
Island rates, duties, fees, fines and penalties			
Impôts Duty		80,329	74,258
Stamp Duty and Land Transfer Tax		60,992	37,148
Island Wide Rates		13,754	13,286
Fines and Penalties		11,199	3,558
Total Island rates, duties, fees, fines and penalties		166,274	128,250
Total Levied by the States of Jersey		1,157,323	1,044,964
Earned through operations			
Revenue from Contracts with Customers			
Sale of Goods		17,598	7,913
Sale of Services		80,280	94,785
Other Fees and Charges		10,665	8,266
Total Revenue from Contracts with Customers		108,543	110,964
Investment Income			
Interest Income		1,065	1,177
Dividend Income		72,809	38,816
Total Investment Income		73,874	39,993
Other Revenue			
Hire & Rentals		77,051	73,672
Other Income	i	18,270	20,384
Total Other Revenue		95,321	94,056
Total Earned through operations		277,738	245,013
Total Revenue		1,435,061	1,289,977

Performance Narrative

Analysis providing an explanation of the key year on year movements in revenue can be found in the Financial Review section starting on page 174.

Note

i. Other income includes: Recovered costs, Criminal Offences Confiscations Fund grants received, 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	2021 £'000	2020 £'000
Social Benefits			
Pensions		212,569	209,597
Income Support		76,816	81,833
Incapacity Allowance, Pensions and Survivors' Benefits		48,818	47,280
Long Term Care Benefits		57,399	53,909
Health Benefits		32,496	30,497
Covid-19 Related Benefit Payments	i	31,372	112,117
Education and Other: Allowances and Student Grants		17,163	17,234
Total Social Benefits		476,633	552,467

Performance Narrative

The most significant change in 2021 is the reduced level of Covid-19 related benefit payments, the largest of which was the Co-funded Payroll Scheme.

More information on year on year movements and detail on the Covid-19 costs can be found in the Financial Review section starting on page 174.

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 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.

2021

Department	Notes	Salaries and Wages £'000	Pension £'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

2020

Department	Notes	Salaries and Wages £'000	Pension Contri- butions £'000	Social Security £'000	Total £'000
Departments & Trading Operations		356,912	49,901	20,855	427,668
Subsidiary Companies	i	26,487	2,933	1,374	30,794
Non-States Staff Costs	ii	20,876	-	-	20,876
States Members Remuneration		2,517	-	-	2,517
Other Staff Costs	iii	1,785	-	-	1,785
Capitalised Staff Costs		(2,746)	-	-	(2,746)
Elimination of Social Security Contributions	iv	-	-	(22,229)	(22,229)
Total		405,831	52,834	-	458,665

Performance Narrative

There has been an increase in staff numbers and costs in 2021. The increase in costs also includes the impact of pay awards in 2021. More information on the number of staff and what pay awards were given in 2021 is provided in the Staff Report section.

More information on year on year movements and some specific department examples can be found in the Financial Review section starting on page 174.

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 2021

The note below summarises grants of £75,000 and over made by the States of Jersey in 2021. Some organisations below may have also received grants below £75,000.

Issuing Dept	Grantee	2021 £'000	2020 £'000	Reason for Grant (Strategic Priority)
C&LS	Jersey Employment Trust (JET)	1,030	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	1,443	-	To provide accommodation to homeless islanders.
C&LS	Jersey Women's Refuge	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	-	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	2,315	2,209	To provide financial support to the school.
CYPES	De La Salle College	1,953	1,911	To provide financial support to the school.
CYPES	FCJ Primary School	304	328	To provide financial support to the school.
CYPES	Jersey Child Care Trust	134	134	To provide financial support for operating costs.
CYPES	Digital Jersey	366	539	To provide financial support for the running costs of the Digital Jersey Academy.
CYPES	Eden House Grant	691	-	To help develop a Therapeutic Children's Home.
IHE	Serco (Jersey) Limited	414	583	To provide financial support for the running costs of the Waterfront Pool.
IHE	Autism Jersey	-	1,000	To provide financial support for the costs of building a new dedicated facility.
J&HA	Victim Hub	-	79	Building a Safer Society Seed Corn project.
JOA	Overseas Aid Grants	6,184	6,715	To provide humanitarian aid for sustainable grant projects.
JOA	Overseas Aid Grants	2,138	1,939	To support community work project initiatives.
JOA	Overseas Aid Grants	3,361	3,076	To provide disaster and emergency relief.
Non Mins	Bailiff's Covid 19 Appeal	170	1,035	To support the provision of trauma focused therapy for HCS staff and the acquisition of new medical equipment.
OCE	Government of Jersey London Office	594	553	To provide financial support for the running costs of the Jersey Government's London Office.
OCE	Bureau de Jersey Ltd	100	-	To provide financial support for operating costs.
OCE	Channel Islands Brussels Office	319	357	To provide financial support for the running costs of the Channel Islands Brussels Office
OCE	Jersey Finance Limited	5,620	5,100	Grant towards costs of organization that promotes the Jersey's finance Industry and provides technical assistance to the Jersey Government.
OCE	Digital Jersey Ltd	2,025	1,725	Grant towards costs of organization that promotes the digital sector and provides technical assistance to the Jersey Government.

4.8 Grants (continued)

Issuing Dept	Grantee	2021 £'000	2020 £'000	Reason for Grant (Strategic Priority)
OCE	Jersey Competition Regulatory Authority	691	-	Grant towards cost of organisation that seeks to create a more competitive commercial environment.
OCE	Jersey Island Genetics Ltd	183	180	Cattle testing.
OCE	Jersey National Park Ltd	150	100	Grant towards costs of safeguarding and developing the Jersey National Park.
OCE	Jersey Arts Centre Association	602	511	To provide financial support for operating costs.
OCE	Jersey Arts Trust	-	386	To provide financial support for operating costs.
OCE	Jersey Opera House	572	555	To provide financial support for operating costs.
OCE	Jersey Heritage	4,503	4,405	To provide financial support for operating costs.
OCE	Jersey Battle of Flowers (Events) Ltd	-	84	To provide financial support for costs of event.
OCE	Jersey Rugby Football Club	150	250	Grant to fund running of team.
OCE	Art House Jersey	515	301	To provide financial support for operating costs.
OCE	Jersey Business Ltd	1,568	1,437	Grant support for operating costs and business plan objectives.
OCE	Jersey Sport	1,956	897	To provide financial support for the development of Jersey sport.
OCE	Jersey Consumer Council	89	91	To provide financial support for operating costs.
OCE	Visit Jersey Ltd	5,650	4,628	To provide financial support for operating costs.
OCE	Fisheries Scheme	186	251	To provide financial support for the Jersey fishing industry.
OCE	Jersey Products Promotion (2017) Ltd	218	215	Supporting Rural Initiative Scheme that supports innovation and business diversification.
OCE	Super League Triathlon	270	-	To provide financial support for hosting the Super League Triathlon in Jersey (2, 3).
OCE	Jersey Office of the Information Commissioner	500	-	To provide financial support to an organisation that enforces data protection legislation (3, 4).
OCE	Jersey Bus Tours	129	-	Provision of financial support.
OCE	Normandy Trader Freight Services Ltd	107	-	Provision of financial support.
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	Charities Commissioner Costs	110	192	To provide financial support for the costs of the Charity Commissioner.
T&E Funds	The Jersey Community Foundation Limited	1,096	539	To assist with the distribution for charitable purposes of approved amounts from the Dormant Bank Account Fund.
T&E Funds	Association of Jersey Charities	1,388	374	CI Lottery
Ports of Jersey	Ports of Jersey Grant	84	-	Ports grant
Total significant grants awarded		51,663	45,135	

4.8 Grants (continued)

Fiscal Stimulus Grants

Issuing Dept	Grantee	2021 £'000	2020 £'000	Reason for Grant (Strategic Priority)
C&LS	Jersey Employment Trust (JET)	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	210	-	Project supporting long term jobseekers.
C&LS	Shelter Trust	190	-	To support women only accommodation.
CYPES	Trinity Youth Centre Trust	621	-	To provide financial support for the operating costs of the Trinity Youth Centre.
CYPES	Jersey Scouts	36	-	Refurbishment of Kenneth Faucon Hall
CYPES	Beaulieu Convent School	1,055	-	Beaulieu Convent School - Sports Centre
CYPES	Every Child Our Future	60	-	Every Child Our Future Summer School
HCS	Brook Jersey	181	-	Brook Jersey premises
IHE	Baptist Facility	158	-	Fiscal Stimulus funding project.
IHE	Enable Jersey Changing Facility St Brelades Bay	87	-	Re-develop the changing room facilities at St. Brelades beach
IHE	Jersey Cheshire Home	67	-	Solar PV panels
IHE	The Jersey Race Club	15	-	Racecourse improvements
IHE	Healing Waves	19	-	Healing Waves - Adaptive Surf Centre
IHE	Jersey Association of Youth and Friendship	30	-	Maintenance grant for JAYF hostels
IHE	Jersey Biodiversity Centre	34	-	Engage Jersey with Nature 2021
OCE	Jersey Heritage	199	-	Hamptonne
OCE	Jersey Heritage	126	-	Website and membership support system upgrades
OCE	Royal Jersey Agricultural & Horticultural Society	197	-	RJA&HS grounds refurbishment
OCE	The National Trust of Jersey	528	-	Morel Farm
OCE	Jersey Heritage	34	-	La Hougue Bie Gallery and Workshop
OCE	Jersey Consumer Council	18	-	Consumer Confidence and Data Security
Total Fiscal Stimulus grants awarded		4,467	-	

Economic Recovery Fund Grants

Issuing Dept	Grantee	2021 £'000	2020 £'000	Reason for Grant (Strategic Priority)
OCE	Tantivy Blue Coach Tours Ltd	118	-	Visitor Attraction & Events Support Scheme (VAES) to support Coach tours around Jersey.
OCE	C I Travel Group	93	-	VAES to support tourism attractions in Jersey
OCE	Individual - Sayers Martin Mr	146	-	VAES to support tourism attractions in Jersey
OCE	Polar Cars Ltd	211	-	Vehicle Hire Car support scheme
OCE	Europcar Jersey	212	-	Vehicle Hire Car support scheme
OCE	Spellbound Holdings Ltd	120	-	Vehicle Hire Car support scheme
OCE	Visitor Accommodation Support Scheme (VASS) - Various	6,260	-	To support local visitor accommodation providers
OCE	Fixed Cost Support Scheme (FCSS) - Various	3,105	-	Fixed Cost Support Scheme as part of Economic Recovery Fund
Total Economic Recovery Fund grants awarded		10,265	-	

4.8 Grants (continued)

Payments made under Significant Grant Schemes during 2021

The note below summarises payments under Government of Jersey Grant Schemes where total payments exceeded £25,000 in 2021.

Issuing Dept	Name of Scheme	2021 £'000	2020 £'000	Reason for Grant (Strategic Priority)
GHE	Countryside Enhancement Scheme	-	133	Environmental financial support to land owners for the benefit of the Island's population (3,5)
IHE	Area Payments to Individuals	814	1,509	Support to underpin a base level of farming activity in the countryside (3,5)
OCE	Quality Milk Payments to Individuals	485	542	Transitional support to allow the industry to implement their Dairy Industry Recovery Programme (3,5)
CYPES	Nursery Education Fund	2,170	1,605	Provide pre-school learning through the Nursery Education Fund (3)
CYPES	Grants to individuals (Jersey College for Girls)	-	202	To assist students in the payment of fees (3)
CYPES	Grants to individuals (Victoria College)	10	134	To assist students in the payment of fees (3)
C&LS	Various employment schemes	681	217	Additional employment opportunities for the unemployed - includes Back to Work, Enhanced Workzone, Advance Plus (2, 3)
Total significant grants awarded under Government of Jersey Grant Schemes		4,160	4,342	
Total other Grants and Subsidies under £75k		1,169	767	
Grand Total - Grants and Subsidies awarded		71,724	50,243	
Adjustment to accrued grants in prior year		-	470	
Total Grants and Subsidies expense recorded		71,724	50,713	

Performance Narrative

The increase in grant expenditure in 2021 is mainly due to the Fiscal Stimulus programme and other specific measures taken to support the local economy and mitigate the impact of Covid-19 through the Economic Recovery Fund. Those grants have been separated out in this note.

More information on year on year movements and some specific examples can be found in the Financial Review section starting on page 174.

¹Strategic Priorities Notes

Information on which of the Government of Jersey Strategic Priorities are supported in awarding each grant is provided in the table above. The Priorities as set out in the Strategic Plan are:

1. Put children first.
2. Improve Islanders' wellbeing and mental and physical health.
3. Create a sustainable, vibrant economy and skilled local workforce for the future.
4. Reduce income inequality and improve the standard of living.
5. Protect and value our environment.

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 property indices. Assets are independently valued by RICS registered valuers, the Valuation Office Agency.

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 IP Incorporated.

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.

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	Not depreciated per JFReM 71.40
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.

Accounting Policies

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

2021											
	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 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	-	(15,476)	(92,968)	(19,388)	-	-	-	-	-	-	(127,832)
At 31 December 2021	(69,935)	(335,705)	(214,538)	(62,758)	(86,672)	(10,048)	(170,921)	(4,276)	(58)	-	(954,912)
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	746,024	911,238	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	8,618	1,421	-	-	-	-	-	-	-	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)

a) Reconciliation - 2020

	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 2020	400,080	913,897	947,114	1,400,180	353,707	20,034	256,357	10,055	823	204,392	4,506,639
Additions	-	-	3,972	-	-	-	44	37	-	147,238	151,291
Disposals	-	(3,775)	-	-	-	(125)	(3,045)	(1,149)	-	-	(8,094)
Transfers	235	50,669	44,793	(26,542)	38,056	(2,833)	16,442	(3,261)	-	(117,559)	-
Revaluations	1,497	29,405	52,736	(2,062)	28,161	-	-	-	-	-	109,737
Assets reclassified (to)/from Intangibles	-	-	-	-	-	-	-	-	-	(616)	(616)
Assets reclassified (to)/from Non-Current Assets Held For Sale	-	-	(24,983)	-	-	-	-	-	-	-	(24,983)
At 31 December 2020	401,812	990,196	1,023,632	1,371,576	419,924	17,076	269,798	5,682	823	233,455	4,733,974
Accumulated Depreciation											
At 1 January 2020	(64,092)	(233,593)	(83,898)	(27,047)	(66,572)	(12,613)	(141,048)	(5,496)	(52)	-	(634,411)
Depreciation charge	-	(33,331)	(13,632)	(7,426)	(10,147)	(1,370)	(15,321)	(581)	(3)	-	(81,811)
Disposals	-	-	-	-	-	105	3,014	1,151	-	-	4,270
Transfers	-	-	-	-	-	3,159	(4,229)	1,070	-	-	-
Impairment *	(5,843)	(17,239)	(8,991)	(161)	3,250	-	-	-	-	-	(28,984)
At 31 December 2020	(69,935)	(284,163)	(106,521)	(34,634)	(73,469)	(10,719)	(157,584)	(3,856)	(55)	-	(740,936)
Net Book Value: 31 December 2020	331,877	706,033	917,111	1,336,942	346,455	6,357	112,214	1,826	768	233,455	3,993,038
Net Book Value: 1 January 2020	335,988	680,304	863,216	1,373,133	287,135	7,421	115,309	4,559	771	204,392	3,872,228
Asset Financing											
Purchased	289,783	697,799	915,670	1,336,942	346,455	6,269	111,680	1,826	46	233,455	3,939,925
Donated	32,684	34	-	-	-	88	534	-	722	-	34,062
Leased	9,410	8,200	1,441	-	-	-	-	-	-	-	19,051
Net Book Value: 31 December 2020	331,877	706,033	917,111	1,336,942	346,455	6,357	112,214	1,826	768	233,455	3,993,038

* The £5.8m impairment charge for Land is a downward revaluation.

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 Structures	Transport Equipment	Plant and Machinery, Furniture and Fittings	Information Technology Equipment	Antiques and Works of Art	Assets Under Course of Construction
	£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	See Accounting Policy									
Frequency of Full Valuation	Quinquennial	Quinquennial	Quinquennial	Quinquennial	Quinquennial	N/A				
Date of last full valuation	December 2017	December 2017	December 2018	December 2018	December 2018					
Effective Date of Valuation	December 2021	December 2021	December 2021	December 2021	December 2021					
Carrying Amount at Cost	310,820	454,956	503,324	977,326	121,253	7,586	112,531	2,873	5,015	304,734
Revaluation Surplus / Deficit	40,684	299,715	409,334	441,556	237,466	-	-	-	-	-
Revaluation /Impairment Movement in Year	19,010	54,576	(23,352)	79,614	23,209	-	-	-	-	-

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 2021 as well as additional expenditure recognised as 'Assets under course of construction' during the year. These increases are partly offset by depreciation and disposals.

Following a review of the relevant indices to indicate a change in the fair value of land and building assets, land values were increased by £15.6m and buildings by £54.5m. The external valuers, Valuation Office Agency, performed an interim valuation of infrastructure assets as at 31 December 2021. The overall valuation increase on infrastructure assets was £81.5m comprising:

Roads - £12.7m, Structures - £3.5m, Sea Defences - £29.3m, Drainage - £2.9m, Infrastructure Land - £33m

Social Housing

On 7 December 2021 the Minister for Housing and Communities lodged an Amendment to Deputy Mezec's Amendment to the Government Plan 2022-2025 (Proposition P.90/2021) amending the Social Housing Rents Policy. This amendment changed the amount of rent Andium Homes are able to charge from 90% of the market rate to 80% of the market rent. The Amendment was accepted and incorporated into the 2022-2025 Government Plan on 14 December 2021. To reflect that change, the external valuers, JLL, reperformed the valuation of the social housing stock as at 31 December 2021 applying the revised assumptions.

The social housing stock was valued at £913m in 2021 which was £3m less than at 31 December 2020. This movement is broadly broken down as: £15m reduction for properties sold, demolished or refurbished; £44m increase for new stock added in the year; £41m write down for change in rent policy and; £9m increase for properties not impacted by the rent policy change and re-lets.

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.

	2021	2020
	£'000	£'000
Tangible		
Andium: Mayfair	48,153	-
SOJDC Joint Venture: Horizon Development	44,720	68,727
Andium: Ann St Brewery	-	63,249
SOJDC: International Finance Centre 6	38,940	-
Andium: The Limes	37,045	-
Andium: Kensington	21,775	-
Andium: La Collete Low Rise	21,290	36,317
Andium: Ann Court	19,921	25,215
HCS: Our Hospital	10,568	27,113
Andium: Le Marais	10,229	17,719
IHE: Orchard House	3,634	-
COO: Intergrated Technology Solution	3,178	-
IHE: Prison Phase 6	2,813	-
JCP: Anne Court Car Park	2,781	2,888
JFM: Vehicle Plant and Replacement	2,540	-
HCS: Health Service Improvements	2,227	-
IHE: Liquid Waste Strategy	1,322	18,345
Andim: Le Squez 4	1,115	8,206
HCS: Digital Care Strategy	969	-
Andium: Summerland	952	8,300
IHE: School and Education Development	896	-
IHE: Grainville Phase 5	276	3,119
Andium: Low Convent Rise	76	3,167
Other Tangible	5,306	15,404
Total Tangible	280,726	297,769
Intangible		
COO: Intergrated Technology Solution	3,638	-
T&E: Taxes Office System Renewal	158	1,133
COO: Service Digitisation	141	-
COO: Replacement Assets 2021	126	-
Other Intangible	125	375
Total Intangible	4,188	1,508
Total Capital Commitments	284,914	299,277

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		2021	2020
		£'000	£'000
Balance at 1 January		17,340	17,340
	Net gains/(losses) from fair value adjustments	560	-
Balance at 31 December		17,900	17,340

The States have classified the Waterfront Leisure Centre as investment property holdings as the property is being held for long-term rental yields and capital appreciation. 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.

	2021	2020
	£'000	£'000
Rental income from investment property	2,020	2,170
Net Rental Income	2,020	2,170

The future minimum lease rentals receivable are as follows:

	2021 £'000	2020 £'000
Within one year	1,192	1,313
Within two to five years	4,813	4,870
Later than five years	1,295	2,138
Total future lease rentals due under existing contracts	7,300	8,321

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) excluding equity investments, housing property bonds and derivatives
FVTOCI	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. Equity instruments that are neither held for trading nor contingent consideration recognised in a business combination. After initial recognition, these assets are subsequently carried at fair value. Gains and losses in fair value are recognised directly in equity. On derecognition, the cumulative gain or loss previously recognised in equity is recognised in the Statement of Comprehensive Net Expenditure.	Strategic investments and equity investments

The group has made the irrevocable election to present Strategic Investments (as defined in note 11 (a)) as fair value through other comprehensive income (FVTOCI).

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.

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.

Accounting Policies

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
	Meets the IFRS 9 definition of a financial guarantee contract, contingent consideration or financial liability at fair value through profit or loss.	
FVTPL	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

Accounting Policies

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

a) Financial Instruments by Category

	2021		2020	
	Long-term £'000	Short-term £'000	Long-term £'000	Short-term £'000
Financial Assets				
Amortised Cost				
Cash and cash equivalents (Note 14)	-	195,376	-	302,524
Trade and other receivables (Note 13)	10,267	73,650	10,304	34,927
Loans and advances	16,340	420	14,136	813
Short Term Liquid Investments	14	177,837	1,758	88,944
Preference shares	7,400	-	17,400	-
	34,021	447,283	43,598	427,208
Fair value through OCI				
Strategic investments	415,306	-	341,600	-
	415,306	-	341,600	-
Fair value through profit and loss assets				
Housing Bonds	37,438	-	30,162	-
Investments	3,379,662	24,727	3,106,469	20,620
Derivatives*	-	804	-	14,368
	3,417,100	25,531	3,136,631	34,988
Total financial assets**	3,866,427	472,814	3,521,829	462,196
Financial Liabilities				
Amortised cost				
Trade and other payables (Note 15)	-	(37,880)	(73)	(26,040)
External borrowing (Note 16)	(296,052)	(96,518)	(253,984)	(687)
Total financial liabilities	(296,052)	(134,398)	(254,057)	(26,727)

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 Fund page 213).

* The balances stated above are recorded as a net derivative basis. The gross derivative asset value is £56,433,000 and the gross liability value is £55,624,000.

** 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.

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	2021 £'000	2020 £'000
Jersey Electricity PLC	62% (19,000,000 Ordinary Shares of 5p)		117,800	100,230
JT Group Limited**	100% (20,000,000 £1 Ordinary shares)		223,098	182,290
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)		30,283	28,500
Jersey Post International Limited	100% (5,000,000 £1 Ordinary shares)		44,125	30,580
Total Jersey Strategic Investments			415,306	341,600

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

All States instructed hedging on equity in USD and Euro was removed in January 2021. Some segregated mandates in the Equity asset class instruct their own hedging.

The derivatives remaining are hedging managers holding debt-like investments in the Opportunities asset class which have exposure in USD and Euro, these are hedged at 90%.

Whilst these instruments offset foreign exchange risk, they have not been designated as hedging instruments and are accounted for at Fair Value through the Statement of Comprehensive Net Expenditure (SOCNE). 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 4.11(b).

Settlement	Currency bought	Local value	Currency sold	Local Value	Asset Value	Liability Value	
		£'000		£'000	£'000	£'000	
Due to mature in under 6m	GBP	348	CNH	(2,997)	-	-	
	GBP	12,215	EUR	(14,437)	76	-	
	GBP	1,301	HKD	(13,702)	3	-	
	GBP	50	JPY	(7,760)	-	-	
	GBP	37,555	USD	(50,672)	136	-	
	HKD	3,138	USD	(402)	-	-	
	USD	28	AUD	(38)	-	-	
	USD	4,698	CHF	(4,314)	-	(44)	
	USD	69	EUR	(61)	-	-	
	USD	673	GBP	(490)	6	-	
	EUR	3,300	GBP	2,949	168	-	
	Due to mature in 6-12m	EUR	3,300	GBP	2,967	164	-
	Due to mature in 1-2y	EUR	6,300	GBP	5,715	295	-
Open forward contracts at 31 December 2021					848	(44)	
Net forward contracts at 31 December 2021						804	

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).

As 31 December 2021, 51 of the facilities that had been granted remained active with an approved total facility value of £3.4m. The relevant guaranteed value exposure of those facilities is therefore £2.7m, plus any accrued interest. This value diminishes loan repayments over time.

There was one confirmed claim as at 31 December 2021 for the amount of £28k. This was provided for in the year end accounts. No other liability provision was recorded in the accounts as at 31 December 2021 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 £0.86 million (2020: £1.8 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 25 letters (2020: 31 letters) of comfort to four Housing Trusts covering loans totalling £74.87 million (2020: £88.4 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, and it is not anticipated that the interest rates will exceed the thresholds for triggering subsidy payments and therefore no amounts have been recognised in the States of Jersey accounts.

4.11 Financial Instruments (continued)

b) Amounts Recognised in the SOCNE

2021

	2021					Total £'000
	Financial assets			Financial liabilities		
	Amortised Cost £'000	Fair value through OCI £'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 Costs¹ relating to Financial Instruments	-	-	-	13,037	-	13,037
Impairment loss	2,135	-	-	-	-	2,135
Total Impairment² 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)

2020

	2020					Total £'000
	Financial assets			Financial liabilities		
	Amortised Cost £'000	Fair value through OCI £'000	£'000	£'000	£'000	
Interest income	(809)	-	(368)	-	-	(1,177)
Dividend income/distributions	-	(11,247)	(27,569)	-	-	(38,816)
Total Investment Income	(809)	(11,247)	(27,937)	-	-	(39,993)
Net Realised Financial Asset Gain	-	-	(116,889)	-	-	(116,889)
Net Unrealised Financial Asset Gain	-	-	(136,269)	-	-	(136,269)
Total (Gains)/Losses on Financial Asset	-	-	(253,158)	-	-	(253,158)
Interest expense	-	-	-	11,146	-	11,146
Fee expense	-	-	-	2,071	-	2,071
Total Finance Costs¹ relating to Financial Instruments	-	-	-	13,217	-	13,217
Impairment loss	4,718	-	-	-	-	4,718
Total Impairment² relating to Financial Instruments	4,718	-	-	-	-	4,718
Total Income/Expenditure in Net Revenue Expenditure relating to Financial Instruments	3,909	(11,247)	(281,095)	13,217	-	(275,216)
Gains on Other Financial Assets	-	(9,490)	-	-	-	(9,490)
Surplus/deficit on revaluation of assets in Other Comprehensive Income	-	(9,490)	-	-	-	(9,490)
Net (Gain)/Loss for the year	3,909	(20,737)	(281,095)	13,217	-	(284,706)

4.11 Financial Instruments (continued)

ⁱ Reconciliation to SoCNE Finance Costs		
	2021	2020
Expenses Breakdown	£'000	£'000
Interest Expense	11,602	11,146
Fee Expense	1,435	2,071
Pension Past Service Liabilities Interest	14,536	14,533
Finance Costs	27,573	27,750

ⁱⁱ Reconciliation to SoCNE Impairments		
	2021	2020
Expenses Breakdown	£'000	£'000
Impairment Loss / (Reversals)	2,135	4,718
Impairment of PPE	14,693	28,983
Impairments	16,828	33,701

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.

2021

31 December 2021	Carrying value						Fair value				
	Financial and non-financial assets			Financial liabilities			Level			Total	
	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		
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Financial assets											
Amortized 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 - Forward foreign exchange	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)

2020

31 December 2020	Carrying value						Fair value			
	Financial and non-financial assets			Financial liabilities			Level			Total
	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	
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Financial assets										
Amortised Cost										
Loans and advances	-	-	14,949	-	-	14,949	-	14,949	-	14,949
Trade and other receivables (Note 13)	-	-	45,231	-	-	45,231	45,231	-	-	45,231
Cash and cash equivalents (Note 14)	-	-	302,524	-	-	302,524	302,524	-	-	302,524
Short-term liquid investments	-	-	90,702	-	-	90,702	90,702	-	-	90,702
Preference shares	-	-	17,400	-	-	17,400	-	17,400	-	17,400
Fair value through OCI										
Strategic investments**	-	341,600	-	-	-	341,600	100,230	-	241,370	341,600
Fair value through profit and loss										
Housing Bonds	30,162	-	-	-	-	30,162	-	-	30,162	30,162
Government Bond Class	130,339	-	-	-	-	130,339	130,339	-	-	130,339
Corporate Bond Class	11,198	-	-	-	-	11,198	-	11,198	-	11,198
Absolute Return Bond Class	314,242	-	-	-	-	314,242	-	314,242	-	314,242
Equity Class	1,844,583	-	-	-	-	1,844,583	1,280,853	563,717	13	1,844,583
Property Class	104,024	-	-	-	-	104,024	-	-	104,024	104,024
Absolute Return Class	460,182	-	-	-	-	460,182	-	-	460,182	460,182
Opportunities Class	144,377	-	-	-	-	144,377	448	-	143,929	144,377
Alternative Risk Premia Class	118,144	-	-	-	-	118,144	-	118,144	-	118,144
Derivatives - Forward foreign exchange	14,368	-	-	-	-	14,368	14,368	-	-	14,368
Total financial assets	3,171,619	341,600	470,806	-	-	3,984,025	1,964,695	1,039,650	979,680	3,984,025
Non-Financial assets										
Investment Property	17,340	-	-	-	-	17,340	-	-	17,340	17,340
Total financial and non-financial assets	3,188,959	341,600	470,806	-	-	4,001,365	1,964,695	1,039,650	997,020	4,001,365
Financial liabilities										
Liabilities at amortised cost *										
Trade and other payables (Note 15)	-	-	-	-	(26,113)	(26,113)	(26,113)	-	-	(26,113)
External borrowing (Note 16)	-	-	-	-	(254,671)	(254,671)	-	(254,671)	-	(254,671)
Total financial liabilities	-	-	-	-	(280,784)	(280,784)	(26,113)	(254,671)	-	(280,784)

* 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.

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 2021.

Description of asset	Assessed valuation range		Value at 31 December 2021	Value on increase	Value on decrease
	+%	-%	£'000	£'000	£'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

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.

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	61,013	-	352,844

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 2020	Value on increase	Value on decrease
	+%	-%	£'000	£'000	£'000
Global Equities	19%	-19%	13	15	11
Absolute Return Bonds	8%	-8%	460,182	496,536	423,828
Property	13%	-13%	104,024	117,235	90,813
Opportunities	15%	-15%	143,929	165,374	122,484
Total			708,148	779,160	637,136

Notes to the Accounts

2020	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							
Property Pool	108,830	-	-	909	(5,500)	(215)	104,024
Absolute Return Pool	405,528	-	-	(9,026)	69,356	(5,676)	460,182
Opportunities Pool	95,613	-	-	45,596	2,419	301	143,929
Total movements within the Common Investment Fund	609,971	-	-	37,479	66,275	(5,590)	708,135
Unquoted Strategic Investments	246,800	-	-	-	(5,430)	-	241,370
Housing bonds	26,682	-	-	4,955	(1,474)	-	30,163
Investment Property	17,340	-	-	-	-	-	17,340
Total movements outside the Common Investment Fund	290,822	-	-	4,955	(6,904)	-	288,873

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.
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.
Forward Foreign Exchange derivatives	2	Market forward exchange rates at the year-end.	Exchange rates.	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
Absolute Return Pool	3	Valued monthly at NAV based on manager valuation models.	Investment valuations are determined by the Manager. In determining these valuations the fair values of assets for which there is an active market are obtained from observable market prices. Where there is no active market is in existence, the manager will utilise mark to model values which are derived from a variety of asset models.	Valuation models apply numerous subjective judgments by the Investment Manager. These are subject to assumptions around factors such as Liquidity discounts, EBITDA multiples etc.

Description of asset or liability	Valuation hierarchy	Basis of valuation	Observable and unobservable inputs	Key sensitivities
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>The fair values of assets for which there is an active market are obtained from observable market prices.</p> <p>Where there is no active market is in existence, the manager will utilise mark to model values which are derived from a variety of asset 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>
Investment property	3	All risk yield comparison.	Unobservable inputs: expected net income of £1.412m per annum and expected yield of 6.77%.	Yield sensitivity: -0.5% increases value by £1.322m +0.5% decreases value by £1.322m
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.</p> <p>An increase/(decrease) in the income multiple of 1 would increase/(decrease) the value by £27.696m</p> <p>5% increase/(decrease) in discount rate (decreases)/increases the value by £11.532m</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 (January 2021) 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 January 2021.

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.

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:

2021

Asset type	Value at 31 December 2021 £000	Potential market movements (+/-)	Value on increase £000	Value on decrease
Equity Class	1,907,069	18%	2,250,341	1,563,797
Strategic investments	415,306	1%	420,705	409,907
Total	2,322,375		2,671,046	1,973,704

2020

Asset type	Value at 31 December 2020 £000	Potential market movements (+/-)	Value on increase £000	Value on decrease £000
Equity Class	1,844,583	18%	2,176,608	1,512,558
Strategic investments	341,600	1%	341,600	337,159
Total	2,186,183		2,518,208	1,849,717

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 demonstrates the change in value of these assets had the interest rate increased or decreased by 1%.

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	137,001	1,370	138,371	135,631
Absolute Return class	492,355	4,924	497,279	487,431
Bonds	463,829	4,638	468,467	459,191
Total change in assets available	1,093,185	10,932	1,104,117	1,082,253

2020

Assets exposed to interest rate risk	Value at 31 December 2020 £'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

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 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	115,518	102,440
Absolute Return class	106,777	6,407	113,184	100,370
Alternative Risk Premia class	121,265	7,276	128,541	113,989
Total change in assets available	2,037,592	122,256	2,159,848	1,915,336

Assets exposed to currency risk	Value at 31 December 2020	Potential market movement	Value on increase	Value on decrease
	£'000	£'000	£'000	£'000
Overseas quoted equities	1,246,643	74,799	1,321,442	1,171,844
Total change in assets available	1,246,643	74,799	1,321,442	1,171,844

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.

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 2021 and 2020, stated at their gross, contractual and undiscounted amounts, fall due as indicated in the following table:

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)	-	-	(37,880)
External borrowing (Note 16)	(95,181)	(100,583)	(507,813)	(703,577)
Total	(133,061)	(100,583)	(507,813)	(741,457)

2020

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)	(26,040)	(73)	-	(26,113)
External borrowing (Note 16)	(10,440)	(41,758)	(525,704)	(577,902)
Total	(36,480)	(41,831)	(525,704)	(604,015)

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:

	2021 £'000	2020 £'000
Raw Materials, Consumables, Work in Progress and Finished Goods	12,462	12,270
Development Property Inventories	25,709	20,075
Total Inventories	38,171	32,345

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	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Inventory used during the year	35,035	29,276	-	24,232
Inventory written off	651	595	531	1,426
Reclassifications	-	13	-	-
Total	35,686	29,884	531	25,658

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 which accrues 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

	2021 £'000	2020 £'000
Levied by the States of Jersey Receivables: Amounts falling due within one year		
Income Tax Receivables	152,614	195,838
Income Tax Accrued Income	72,780	313,743
GST Receivables	23,417	24,775
GST Accrued Income	32,376	27,500
Social Security Receivables	39,116	18,742
Social Security Accrued Income	57,580	53,971
Island Rates, Duties, Fines and Penalties Receivables	14,339	25,529
Island Rates, Duties, Fines and Penalties Accrued Income	818	304
Provision for Levied by the States of Jersey Receivables	(14,104)	(14,186)
Total Levied by the States of Jersey Receivables	378,936	646,216
Earned Through Operations Receivables: Amounts falling due within one year		
Trade Receivables	37,146	17,851
Prepayments and Accrued income	31,366	12,022
Contract Assets	7,506	7,756
Expected Credit Loss Allowance for Earned through Operations Receivables	(2,368)	(2,702)
Total Earned Through Operations Receivables	73,650	34,927
Total Receivables due within one year	452,586	681,143
Levied by the States of Jersey Receivables: Amounts falling due after more than one year		
Taxation Receivables ¹	331,373	-
Social Security Receivables	1,290	14,882
Total Levied by the States of Jersey Receivables due after more than one year	332,663	14,882
Earned Through operations Receivables: Amounts falling due after more than one year		
Trade and Other Receivables	10,267	10,304
Total Earned Through Operations Receivables due after more than one year	10,267	10,304
Total Receivables due after more than one year	342,930	25,186
Total Receivables	795,516	706,329

The provision for impairment of receivables is analysed below:

Trade and Other Receivables Categories	2021 £'000	2020 £'000
Income Tax Receivables	8,564	8,150
GST Receivables	456	434
Social Security Receivables	4,191	4,812
Island Rates, Duties, Fines and Penalties Receivables	892	790
Trade Receivables	1,375	1,200
Contract Assets	994	1,502
Total provision for impairment of receivables	16,472	16,888

 Performance Narrative

¹On 4 November 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/taxesmoney/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 or less and that are readily convertible to known amounts of cash with low risk of change in value.

	2021 £'000	2020 £'000
Bank Deposit Accounts	62,207	147,399
Bank Current Accounts	37,941	22,750
Cash in Hand and in Transit	339	449
Cash Equivalents ⁱ	94,889	131,926
Total Cash and Cash Equivalents	195,376	302,524

Performance Narrative

The reduction in the value in bank deposit accounts is offset by an increase in the short-term liquid investments reported within financial instruments in Note 4.11. Overall, the liquid assets holding has not moved materially.

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 Short-Term 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.

	2021 £'000	2020 £'000
Levied by the States of Jersey Payables: Amounts falling due within one year		
Income Tax Payables and Receipts in Advance	97,403	91,224
GST Payables and Receipts in Advance	20,398	16,659
Social Security Payables and Receipts in Advance	11,115	23,505
Total Levied by the States of Jersey Payables falling due within one year	128,916	131,388
Earned Through Operations Payables: Amounts falling due within one year		
Trade Payables	37,880	26,040
Accruals and Deferred Income	40,012	38,002
Receipts in Advance	8,641	7,495
Contract liabilities	13,440	10,193
Total Earned Through Operations Payables falling due within one year	99,973	81,730
Total Payables falling due within one year	228,889	213,118
Amounts falling due after more than one year		
Trade Payables	-	73
Total Payables due after more than one year	-	73
Total Payables	228,889	213,191

The average credit period taken for purchases in 2021 was 24 days (2020: 23 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.

	2021 £'000	2020 £'000
Amounts falling due within one year		
States of Jersey Revolving Credit Facility	85,806	-
Jersey Development Company (JDC) Limited Bank Borrowings	712	687
Ports of Jersey Bank Borrowings	10,000	
Total borrowings due within one year	96,518	687
Amounts falling due after more than one year		
Jersey Development Company (JDC) Limited Bank Borrowings	25,197	10,408
Andium Bank Borrowing	27,175	-
States of Jersey External Bond	243,680	243,576
Total borrowings due after more than one year	296,052	253,984
Total Borrowings Due	392,570	254,671

Reconciliation of liabilities arising from financing activities

	2021 £'000	2020 £'000
Opening Balance	254,671	256,484
Financing cash flows	125,738	(12,959)
Changes which are not financing cash flow	12,161	11,146
Closing Balance	392,570	254,671

External borrowings is the only liabilities giving rise to financial cash flows during the year.

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). The initial termination date of the facility is 7 May 2022 with an option to extend the term for a two further 1 year periods. Interest is at a margin over LIBOR as at year ended 31 December 2021 (SONIA will replace LIBOR on 1 January 2022).

Jersey Development Company bank borrowings. This loan is secured on inventory and investment property at a floating rate of interest of 3.62% (2020: 3.56%)

States of Jersey External Bond. A Bond was issued in June 2014, the proceeds of which are to be used to fund a programme of affordable housing through providers such as Andium Homes Limited. The unsecured Bond was issued at £244 million (nominal amount of £250 million, issued at a discount) with a coupon rate of 3.75%, and a final maturity of 40 years,

with the final instalment due to be repaid in 2054. The effective interest rate for the Bond is 3.9%. No hedging has been undertaken for this Bond as the interest rate is fixed with bi-annual coupon payments.

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 LIBOR as at year ended 31 December 2021 (SONIA will replace LIBOR on 1 January 2022).

Andium 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, but with an option for two further 1 year extensions. Interest is at a margin over the Sterling Overnight Index Average.

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.

	2021 £'000	Movement £'000	2020 £'000
Jersey Notes issued	134,739	5,028	129,711
Less: Jersey Notes held	(27,427)	(3,289)	(24,138)
Total Jersey Notes in Circulation	107,312	1,739	105,573
Jersey Coinage issued	10,305	-	10,305
Less: Jersey Coinage held	(682)	5	(687)
Total Jersey Coinage in Circulation	9,623	5	9,618
Total Currency in Circulation	116,935	1,744	115,191

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:

	2021 £'000	2020 £'000
Within one year	5,397	3,784
Within two to five years	13,644	14,705
Later than five years	8,478	3,602
Total	27,519	22,091

4.18 Leasing

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:

	2021 £'000	2020 (restated)* £'000
Within one year	25,333	22,630
Within two to five years	52,106	50,941
Later than five years	49,312	49,094
Total	126,751	122,665

*2020 future lease payments receivables for period later than 5 years were restated due to inaccurate computation of the balance.

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 2021 and 2020 were made up of:

2021

	2021 Balance b/f £'000	Increase in provision £'000	Used in year £'000	Written back £'000	2021 Balance c/f £'000	Due within 12 months £'000	Due after 12 months £'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

2020

	2020 Balance b/f £'000	Increase in provision £'000	Used in year £'000	Written back £'000	2020 Balance c/f £'000	Due within 12 months £'000	Due after 12 months £'000
Dormant Bank Accounts	18,376	1,377	(743)	-	19,010	-	19,010
Insurance Provision	4,777	598	-	-	5,375	-	5,375
Decommissioning Provision	1,003	-	-	-	1,003	-	1,003
Other Provisions	1,794	1,215	(165)	(150)	2,694	1,209	1,485
Total	25,950	3,190	(908)	(150)	28,082	1,209	26,873

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.

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.

Other provisions

Other provisions include redundancies scheduled as a result of workforce reorganisation, court decisions and other potential liabilities.

Performance Narrative

The most significant change in 2021 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

Accounting Policies

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 Movement in Past Service Liability line within Statement of Comprehensive Net Expenditure.

(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, annual repayments are due to be paid until September 2053. The amount payable increases each year in line with the average pay increase of Scheme members who are States employees. This means that the repayment of the debt is weighted towards the end of the loan period.

Due to the relative size of the annual payment the States does not consider that this liability leads to any significant liquidity risk.

The debt is valued as a salary-like bond and the long term nature of this arrangement means that the level of the debt is sensitive to changes in the market conditions that are used to value the debt. It is possible for the level of the debt to increase or decrease over the course of a financial year due to changes in market conditions. During 2021 the value of the pre-87 debt increased by £3.7 million.

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. It is intended to raise financing in accordance with the principles of the Debt Strategy to repay the PECRS Pre-87 liability.

	2021 £'000	2020 £'000
Balance at 1 January	326,641	322,958
Finance Charge	14,536	14,533
Payment in Year	(9,057)	(8,529)
Movement in Liability Amount	9,700	(2,321)
Balance at 31 December	341,820	326,641
Amounts falling due:		
Within one year	9,003	8,603
After one year	332,817	318,038
Balance at 31 December	341,820	326,641

The calculation of the Closing Liability amount uses the following assumptions:

	2021 %	2020 %
Average future increase in staff expenditure	5.25	5.15
Discount rate	4.50	4.45

4.20 Past service liabilities (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 PECRS 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.

On the basis of the Management Board proposal the Scheme Actuary has calculated the value of this past service debt at the actuarial valuation date and an updated value as at 31 December 2021. As a result the provision has increased from £124.4 million to £128.8 million, with the movement being recognised within the "Movement in Past Service Liability" line in the SoCNE.

This represents the expected amount that will be required to settle the liability, based on the latest information available in the Management Board proposal. In December 2021, the States Assembly approved the refinancing of the JTSF pension increase liability as part of the Government Plan 2022-25. It is intended to raise financing in accordance with the principles of the Debt Strategy to repay the JTSF pension increase liability.

	2021 £'000	2020 £'000
Balance at 1 January	128,776	124,413
Finance Charge	8,251	7,971
Payment in Year	(3,732)	(3,608)
Balance at 31 December	133,295	128,776

Actuarial Gains and Losses on both scheme assets and liabilities are recognised through Other Comprehensive Income.

The calculation of the liability uses the following assumptions:

	2021 %	2020 %
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

4.21 Defined benefit pension schemes

⚙ Accounting Policies

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).

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 Scheme States of Jersey Employment Board Discretionary Pension Scheme	Civil Service Administration (Pensions)(Jersey) Rules 1963

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

	2021 £'000	2020 £'000
Net Revenue Expenditure		
Current service cost	1	1
Net interest expense	50	85
Total Post-Employment Benefits charged to Net Revenue Expenditure	51	86
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)	(76)
Actuarial gains/(losses) arising from changes in demographic assumptions	-	114
Actuarial gains/(losses) arising from changes in financial assumptions	(119)	(397)
Other (if applicable)	(236)	-
Total Remeasurement of Defined Benefit Pension Scheme Liability recognised in Other Comprehensive Income	(452)	(359)
Total charged to the Consolidated Statement of Net Expenditure	(401)	(273)

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:

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)

2020

	Asset £'000	Liability £'000	Net Liability £'000
Jersey Post Office Pension Fund	5,813	(6,451)	(638)
Discretionary Pension Scheme	237	(609)	(372)
Jersey Civil Service Scheme (pre-1967)	-	(2,994)	(2,994)
Total defined benefits schemes	6,050	(10,054)	(4,004)

Reconciliation of the movements in scheme assets

	2021 £'000	2020 £'000
Opening fair value of asset	6,050	6,432
Interest income	75	117
Remeasurement gain/(loss):		
The return on plan assets, excluding the amount included in the net interest expense	97	76
Contributions from employer	334	361
Net benefits paid out	(883)	(936)
Closing fair value of assets	5,673	6,050

Reconciliation of the movements in scheme liabilities

	2021 £'000	2020 £'000
Opening present value of liabilities	(10,054)	(11,070)
Current service cost		
Interest cost	(125)	(202)
Remeasurement gain/(loss):		
Actuarial gains/(losses) arising from changes in demographic assumptions	0	(114)
Actuarial gains/(losses) arising from changes in financial assumptions	119	(446)
Other (if applicable)	236	843
Benefits paid	882	935
Closing present value of liabilities	(8,942)	(10,054)

Scheme assets comprised

	2021 £'000	2020 £'000
Index-linked gilts	4,947	4,868
Cash and net current assets	163	944
Other	563	-
Secured pension (Annuity)	-	238
Total	5,673	6,050

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:

	2021 Years	2020 Years
Demographic assumptions:		
Longevity of pensioners after 65		
Men	22	22
Women	24	23
Financial assumptions:		
	% p.a.	% p.a.
Inflation	3.3	3
Pensions increase	3.3	3
Discount rate	2.0	2

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	2021		2020	
	Increase in assumption £'000	Decrease in assumption £'000	Increase in assumption £'000	Decrease in assumption £'000
Discount rate (increase/decrease of 0.1%)	(79)	79	(89)	89
Rate of increase in pensions (increase/decrease of 0.1%)	78	(79)	88	(89)
Post retirement mortality assumption (increase/decrease of 1 year)	(491)	502	(552)	565

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 2021 (2020: nil).

Contingent liabilities

The following contingent liabilities exist as at 31 December 2021.

There are several cases where a possible obligation may exist (as a result of past events), and where the existence of the liability will be confirmed only by future events outside of the States control.

Civil claims against the States of Jersey/ Minister for Children and Education continue to be a present obligation. The historic abuse redress schemes have settled many claims for abuse for which the Government of Jersey is/was vicariously liable. The schemes did not cover claims relating to the failure of children's services to protect children from harm and abuse perpetrated by parents. The effect of the Supreme Court judgement in June 2019 regarding the case of 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 this liability cannot be made in the Accounts because the amount of the obligation cannot be measured with sufficient accuracy.

A number of other potential liabilities may exist, but details are not included in these accounts as they may prejudice the outcome of the actions in question.

These include potential claims in the following areas:

- Health and Safety
- Employment issues
- Contract Terms
- Medical Claims
- Public Liability Claims

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.

	2021 £'000	2020 £'000
Losses		
Losses of cash		
Overpayment of Social Benefits	250	210
Total losses of cash	250	210
Bad debts and claims abandoned		
Uncollectible Tax	988	256
Other Tax Receivables written off	197	54
Other claims abandoned	2	519
Total bad debts and claims abandoned	1,187	829
Damage or loss of inventory		
Write off of expired stock	28	341
Other inventory write offs	902	213
Total damage or loss of inventory	930	554
Total Losses	2,367	1,593
Special Payments		
Total ex gratia and extra contractual payments	2,727	1,168
Total Severance Payments	327	773
Total Regulatory Payments	-	55
Total Special Payments	3,054	1,996
Total Losses and Special Payments	5,421	3,589

Performance Narrative

The increase in uncollectible tax and tax receivables written off reflects the continual review of tax amounts owed by Revenue Jersey.

The increase in inventory write offs is largely due to an impairment of £531,459 in SoJDC relating to design fees for the Waterfront Leisure Centre that cannot be capitalised as it is too premature to reclassify Waterfront Leisure Centre from Investment Property to Inventory.

Ex gratia payments include a confidential out of court settlement made to Mr Alwity in respect of a terminated employment contract. The States Employment Board agreed to pay Mr Alwity £2,369,000 gross in respect of his claimed losses as a result of the termination of his contract of employment and neither party is entitled to comment further on the terms of this settlement.

4.24 Related Party Transactions

Accounting Policies

For the purpose of disclosure of Related Party Transactions, Key Management Personnel are considered to be the Council of Ministers, Assistant Ministers and members of Executive Leadership Team subject to remuneration disclosures. These disclosures include short-term employee benefits, post-employment benefits (pensions) and termination benefits.

The definition of 'related party' applied in this disclosure is provided in the Glossary. The related parties disclosed are based on the public declarations of interest for each States Member (which do not currently include close family members) and the annual register of interests submissions made by each Accountable Officer.

Transactions between entities within the States of Jersey Group have been eliminated on consolidation and are not disclosed in this note.

Transactions relating to salaries and statutory amounts such as taxes are excluded. Transactions in respect of the Payroll Co-Funding and other economy support schemes are also excluded as there is universal access for eligible parties.

Where the party is related through a Minister or Assistant Minister, only transactions occurring whilst they were in office are recognised in the accounts.

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.

2021

Organisation	Note	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 £4.0m
Jersey Post International Ltd		502	405	163	4	No dividend income for 2021
JT Group Limited		43,063	5,705	233	-	Income includes dividends of £42.5m
The Jersey New Waterworks Company Ltd		2,351	256	35	15	Income includes dividends of £2.2m
Directly Controlled Entities - Other						
Bel Royal School		1	-	-	-	
Grouville School Fund		2	-	-	-	
Haute Vallee School		3	7	-	-	
Hautlieu School		-	3	-	-	
Les Landes School Fund		1	4	-	-	
Les Vaux Housing Trust		1	-	-	-	
Mont A Labbe School		1	-	-	-	
Plat Douet School Fund		2	-	-	-	
St Saviours School Fund		2	1	-	-	
Samares School Fund		1	-	-	-	
Victoria College		-	40	-	-	
Jersey College for Girls		-	29	-	-	
Les Quennevais School Fund		-	2	-	-	
Victoria College Prep		-	2	-	-	
Trinity Youth Centre Trust Inc		-	621	-	-	
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						
PEPF		450	-	-	-	Income related to services provided by the Treasury & Exchequer Department.
JTSF		149	-	-	-	Income related to services provided by the Treasury & Exchequer Department.
Controlled or influenced by Key Management Personnel or members of their close family						
Jersey Cares Ltd		-	198	-	-	Senator Ian Gorst is a director
Channel Islands Brussels Office		-	319	-	-	Kate Halls-Nutt, Group Director for External Affairs, is a director.
National Trust for Jersey		-	608	-	-	Alec le Sueur, Practice Director of Law Officers' Department, is a council member.
Jersey Heritage		-	5,036	22	-	Steven Cartwright (Chief Officer of Bailiffs Chambers) and the spouse of Mark Egan (Greffier of the States), are trustees.
De La Salle College		-	2,040	-	-	Mike Cutland, Chief Probation Officer, is a governor.
Caritas Jersey		-	1	-	-	Mike Cutland, Chief Probation Officer, is a director.

2020

Organisation	Note	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		5,476	10,046	67	-	Income includes dividends of £3.8 million
Jersey Post International Ltd		258	888	147	-	No dividend income received for 2020
JT Group Limited		5,568	2,732	223	-	Income includes dividends of £5.3 million
The Jersey New Waterworks Company Ltd		2,267	2,417	35	-	Income includes dividends of £2 million
Directly Controlled Entities - Other						
Victoria College		-	37	-	-	
Victoria College Prep		-	5	-	-	
Jersey College for Girls School Fund		-	13	-	-	
Hautlieu School		-	7	-	-	
Indirectly Controlled Entities - Subsidiaries of Strategic Investments						
JE Building Services		-	152	-	-	Subsidiary of JEC
Jersey Deep Freeze Ltd		-	219	-	-	Subsidiary of JEC
Jersey Energy		-	-	-	-	Subsidiary of JEC
Retirement Schemes						
PEPF		661	-	-	-	Income related to services provided by the Treasury & Exchequer Department.
JTSF		267	-	-	-	Income related to services provided by the Treasury & Exchequer Department.
Controlled or influenced by Key Management Personnel or members of their close family						
Jersey Cares Ltd		-	179	-	-	Senator Ian Gorst is a director.
Channel Islands Brussels Office		-	297	-	-	Kate Halls-Nutt, Group Director for External Affairs, is a director.
National Trust for Jersey		-	100	-	-	Alec le Sueur, Practice Director of Law Officers' Department, is a council member.
Jersey Heritage		-	4,633	30	-	Steven Cartwright (Chief Officer of Bailiffs Chambers) and the spouse of Mark Egan (Greffier of the States), are trustees.
De La Salle College		-	1,983	-	-	Mike Cutland, Chief Probation Officer, is a governor
Caritas Jersey		-	-	-	-	Mike Cutland, Chief Probation Officer, is a director
Millar Software and Consulting Ltd		-	10	-	-	E Millar, Viscount, is spouse of the owner

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 of the Royal Court undertakes a number of activities that give rise to holding assets on behalf of third parties. The majority of these are held as part of the anti-money laundering regime. The main activities that give rise to this are:

- Désastres: assets relating to bankruptcy cases for onward payment to creditors;
- Curatorship: funds held on behalf of those who cannot manage their own affairs;
- Enforcement: judgements and compensation monies for onward payment to creditors and beneficiaries;
- Criminal injuries: funds held on behalf of minors until age of maturity;
- 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 or proceeds of crime is remitted to the Criminal Offences Confiscations Fund; if a third party is found not guilty, property is returned.

Monies held on behalf of third parties are set out below:

Liquid Assets	2021 £'000	2020 £'000
Viscount's	38,772	36,083
Health and Community Services	298	190
Justice and Home Affairs	28	22
Charitable Funds	46,240	42,958
Total Liquid Assets held on behalf of third parties	85,338	79,253

In addition to the liquid assets listed above the Viscount's Department holds property and contents with an approximate total value of £12.2 million (2020: £17 million).

In addition to monies listed above the Health and Community Services Department holds equipment on trial and various consignment stocks, valued at £0.4 million (2020: £0.2 million).

In addition to the items listed above Non-Ministerial Departments hold various works of art, valued at £1.1 million (2020: £0.7 million).

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.

4.26 Entities within the Accounting Boundary

The Accounting Boundary is set out in the JFRem 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 States accounting boundary

Government Departments	Non-Ministerial Bodies
Customer and Local Services	Bailiff's Chambers
Infrastructure, Housing and Environment	Law Officers' Department
Children, Young People, Education and Skills	Judicial Greffe
Health and Community Services	Viscount's Department
Office of the Chief Executive	Office of the Lieutenant Governor
Justice and Home Affairs	Probation Department
Strategic Policy, Planning and Performance	Official Analyst
Treasury and Exchequer	Office of the Comptroller and Auditor General
Chief Operating Office	
The States Assembly and its Services	Other
Assemblée Parlementaire de la Francophonie - Jersey Branch	Jersey Overseas Aid
Commonwealth Parliamentary Association - Jersey Branch	
Special Funds	Trading Operations
Dwelling Houses Loan Fund	Jersey Car Parking
Assisted House Purchase Scheme	Jersey Fleet Management
99 Year Leaseholders Fund	States Funds
Agricultural Loans Fund	Strategic Reserve
Tourism Development Fund	Stabilisation Fund
Channel Islands Lottery (Jersey) Fund	Currency Fund (comprising Jersey Currency Notes and Jersey Coinage)
Jersey Innovation Fund	Insurance Fund
Housing Development Fund	Currency Fund (comprising Jersey Currency Notes and Jersey Coinage)
Criminal Offences Confiscation Fund	Jersey Dental Scheme
Social Security Funds	Jersey Dental Scheme
Social Security Fund	Hospital Construction Fund
Health Insurance Fund	Climate Emergency Fund
Social Security (Reserve) Fund	Fiscal Stimulus Fund
Long-Term Care Fund	Ecology Fund
Jersey Dental Scheme	Fishfarmer Loan Scheme (Dormant)
Climate Emergency Fund	
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	
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)	

Core Entities

Whole 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 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

	2021					2020				
	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
Revenue										
Social Security Contributions	(196,542)	(35,686)	-	(32,357)	-	(191,796)	(34,527)	-	(35,579)	-
States Grants to Social Security Funds	-	-	-	(30,996)	-	-	-	-	(29,919)	-
Sales of goods and services	-	-	-	-	(48)	-	-	-	-	-
Investment income	2	(5,506)	(230,471)	76	-	(183)	(5,836)	(164,631)	(329)	-
Other revenue	1	-	-	(4)	(68)	-	-	-	-	(145)
Total Revenue	(196,539)	(41,192)	(230,471)	(63,281)	(116)	(191,979)	(40,363)	(164,631)	(65,827)	(145)
Expenditure										
Social Benefit Payments	260,913	33,802	-	57,399	-	256,521	30,429	-	53,909	-
Other Operating expenses	5,232	3,368	(1)	1,364	113	5,141	4,122	-	1,342	132
Grants and Subsidies payments	-	-	-	-	-	-	-	-	-	-
Depreciation and Amortisation	601	-	-	25	-	693	-	-	25	-
Impairments	261	55	-	20	-	1,225	249	-	5	-
Finance costs	-	-	-	-	1	1	-	-	-	1
Foreign Exchange Gain	-	-	-	-	-	-	-	-	-	-
Total Expenditure	267,007	37,225	(1)	58,808	114	263,581	34,800	-	55,281	133
Net Revenue Expenditure/(Income)	70,468	(3,967)	(230,472)	(4,473)	(2)	71,602	(5,563)	(164,631)	(10,546)	(12)
Revaluation of Property, Plant and Equipment	(6,087)	-	-	-	-	-	-	-	-	-
Total Other Comprehensive Income	(6,087)	-	-	-	-	-	-	-	-	-
Total Comprehensive Expenditure/(Income)	64,381	(3,967)	(230,472)	(4,473)	(2)	71,602	(5,563)	(164,631)	(10,546)	(12)

4.27 Social Security Funds (continued)

Statements of Financial Position

	2021					2020				
	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	6,538	-	-	-	-	6,554	-	-	-	-
Intangible Assets	1,724	-	-	122	-	983	-	-	107	-
Investments held at Fair Value through Profit or Loss	-	95,208	2,267,141	16,528	-	-	95,492	2,096,371	16,609	-
Trade and Other Receivables	-	-	-	2,485	-	-	-	-	2,295	-
Total Non-Current Assets	8,262	95,208	2,267,141	19,135	-	7,537	95,492	2,096,371	19,011	-
Current Assets										
Trade and Other Receivables	58,104	5,366	-	18,617	-	54,583	4,953	25	15,994	26
Amounts due from the Consolidated Fund	-	8,007	-	-	-	-	9,911	-	-	-
Cash and Cash Equivalents	25,129	-	-	17,574	48	34,302	-	-	11,768	44
Total Current Assets	83,233	13,373	-	36,191	48	88,885	14,864	25	27,762	70
Total Assets	91,495	108,581	2,267,141	55,326	48	96,422	110,356	2,096,396	46,773	70
Current Liabilities										
Trade and Other Payables	(46)	(2,506)	(29)	(6,566)	(19)	(505)	(2,458)	(25)	(2,554)	(43)
Amounts due to the Consolidated Fund	(25,197)	(6,332)	(3,452)	(7,729)	-	(19,672)	-	(3,482)	(7,662)	-
Total Current Liabilities	(25,243)	(8,838)	(3,481)	(14,295)	(19)	(20,177)	(2,458)	(3,507)	(10,216)	(43)
Assets Less Liabilities	66,252	99,743	2,263,660	41,031	29	76,245	107,898	2,092,889	36,557	27
Taxpayers' Equity										
Accumulated Revenue and Other Reserves	60,165	99,743	2,263,660	41,031	29	70,633	107,898	2,092,889	36,557	27
Revaluation Reserve	6,087	-	-	-	-	5,612	-	-	-	-
Total Taxpayers' Equity	66,252	99,743	2,263,660	41,031	29	76,245	107,898	2,092,889	36,557	27

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. This is interpreted as the date of the Audit Report in section 2.4.

Non-Adjusting Events

On 24 February 2022, Russian military forces started invading Ukraine. The invasion has been met with widespread condemnation with many jurisdictions, including Jersey, imposing severe economic sanctions on Russia and Belarus and freezing the assets of selected Russian citizens resident in their territory.

States of Jersey do not have any significant exposure to Russian assets. However, the invasion and associated global uncertainty does increase the risk of volatility in global economic markets which could affect future investment valuations.

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 2021 have been approved by the Minister for Treasury and Resources and were presented to the States for publication and distribution on 7 April 2022.

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