STATES OF JERSEY

SUSTAINABLE HEALTHCARE FUNDING (R.126 /2026): EXECUTIVE RESPONSE (R.126/2026 RES.) – COMMENTS

Presented to the States on 3rd November 2026
by the Public Accounts Committee

STATES GREFFE

FOREWORD

In accordance with paragraphs 69-71 of the Code of Practice for engagement between 'Scrutiny Panels and the Public Accounts Committee' and 'the Executive', the Public Accounts Committee (PAC) presents its comments on the Executive Response (R.126/2026. Res.) to the Comptroller and Auditor General's (C&AG) Report entitled: Sustainable Healthcare Funding (R.126/2026, presented to the States Assembly on 23rd July 2026).

Deputy K. Wilson
Chair, Public Accounts Committee

COMMENTS

The PAC welcomes the publication of the Executive Response and notes the Government's acceptance, either in full or in principle, of most of the C&AG's recommendations. The Committee recognises the significant challenge of securing the long-term sustainability of healthcare funding and agrees that this must be considered alongside wider health and social care reform.

While the response demonstrates a commitment to addressing many of the issues identified in the report, the PAC remains concerned that several actions lack clear timescales, measurable outcomes and defined mechanisms for demonstrating delivery. The Committee also notes a reliance on existing programmes and governance arrangements in a number of responses and will seek assurance that this translates into meaningful and timely progress against the C&AG's recommendations.

Recommendation One

Recommendation	**R1** - Update the Jersey Health Accounts on a periodic basis such as every four years to improve strategic and operational healthcare decision making.
Risk of Non-Implementation	If the Jersey Health Accounts are not updated on a periodic basis then health funding policy decisions in the future may not be based on the most recent status of Jersey's health funding landscape. At a later stage, it may also be challenging to fully assess the impact of reforms without periodically updated Jersey Health Accounts.
Risk Profile	Low
Other Considerations in prioritisation	• Health accounts are useful tools to inform and assess policy decisions. • The first Jersey Health Accounts was completed in 2023, using 2019 (pre-covid) data. They were completed to inform health funding reform work at the time which didn't proceed. • The 2019 Jersey Health Account data has been updated to a 2026 baseline using robust methodology. Whilst this 2026 baseline isn't a fully updated Jersey Health Accounts, it provides a picture of Jersey's current health funding landscape. • Whilst the Jersey Health Accounts provide detailed information on how different healthcare sectors are funded in

	Jersey at a point in time, the principal value of the Jersey Health Accounts is establishing a health-system cost baseline to then apply healthcare inflation assumptions to, which then forecasts future costs, informing the scale of reforms required. • Producing health accounts is resource intensive and requires data collection from external organisations. • If updated now, resources would need to be reprioritised from other key activities. • Updating the Jersey Health Accounts every 10 years could be worthwhile, balancing the requirement for updated information to inform / assess policy decisions and resource prioritisation. • As part of the CPMO requirements for policy evaluation, the Health Funding Reform Officer Board will decide whether updating the Jersey Health Accounts after the reforms have been implemented would provide useful evidence to assess whether the reform objectives have been achieved • The recommendation will be deferred for later action and monitored to ensure that appropriate action is taken.
Is the recommendation agreed?	Agree in principle – deferred for later action.
Improvement theme	No action at this time

PAC Comment:

The Committee is concerned that the proposed ten-year update cycle for updating the Jersey Health Accounts is significantly longer than the four-year cycle recommended by the C&AG and may limit their usefulness as a strategic planning tool in a rapidly changing healthcare environment. Given the importance of accurate baseline information in informing future funding decisions, the PAC believes greater clarity is required regarding when updated Health Accounts will be produced and how progress against this recommendation will be monitored.

The PAC further notes that the recommendation has only been agreed "in principle" and “deferred for later action”, and that the response therefore does not identify any mechanism through which delivery of this commitment can be tracked or reported.

Recommendation Two

Recommendation	**R2** - Publish the results of the actuarial review of the Long-Term Care Fund and ensure that the results and impact of the review are considered as part of the wider healthcare funding options.
Risk of Non-Implementation	The actuarial review will be published. Risks associated with failing to incorporate the findings, not the wider health review, would be mainly reputational as it would be viewed that government does not take account of all available information in developing its future health funding plan.
Risk Profile	Low
Other Considerations in prioritisation	• The actuarial review will be published.
Is the recommendation agreed?	Agreed
Improvement theme	Transparency of review outputs

PAC Comment:

The PAC welcomes the acceptance of this recommendation and notes that publication of the actuarial review of the Long-Term Care Fund is included within the improvement plan.

Recommendation Three

Recommendation	**R3** - Undertake an exercise to model social care costs (including the impact on the Long-Term Care Fund) to ensure the full estimation of health and care costs is available for future policy decisions.
Risk of Non-Implementation	If social care costs are not taken into account, the full costs of service delivery may not be clear. However, standard methodologies which enable comparison to other jurisdictions exist and are followed by the Government of Jersey. Being a Health Account, only the "health cost" proportion of Long-Term Care is included in the Jersey Health Accounts. The risk of not including all LTC costs in the updated 2026 baseline and cost forecast is that <10% of LTC costs are excluded from the health cost forecast model. This can be mitigated by referring to the LTC financial forecasts when considering heath funding reforms.

Risk Profile	Low
Other Considerations in prioritisation	• LTC costs are divided into "social-care costs" and 'health costs' as per the definitions used by the OECD for the development of national health accounts. • Note that the term "social care costs" does not refer to the personal care that is the main element of LTC packages (>90% of LTC costs). • "Social-care costs" refers to a specific small element (<10%) of Long-Term Care costs. • Financial monitoring and reporting is completed separately for the LTC, which includes 100% of the LTC costs. • Whilst social care costs will be considered, the Jerey Health Accounts and cost forecast is focussed on health costs. • Complete LTC costs and forecasts will be taken into consideration when health funding reform options are developed.
Is the recommendation agreed?	Not Agreed
Improvement theme	No action at this time

PAC Comment:

The PAC is disappointed that this recommendation has not been accepted and considers that the response misses the intent of the recommendation, which was to ensure policymakers have a full understanding of future healthcare and social care costs when considering funding reform. While acknowledging the importance of social care costs, the Executive has declined to undertake the recommended modelling, limiting the evidence available for informed decision-making. The Committee believes greater transparency on future care costs and funding pressures is essential to support effective policy development and public confidence in any future reforms.

Recommendation Four

Recommendation	**R4 -** Implement a formal communications campaign to explain the reasons for and support implementation of all fees and charges policies.
Risk of Non-Implementation	If communications plans are not in place, there may be reduced public and stakeholder understanding of the reasons for introducing fees, charges and any other reforms, which could increase resistance to

	change and make implementation more contentious.
Risk Profile	Low
Other Considerations in prioritisation	• The Minister for Health and Social Services introduced these new charges in 2026: o patients who choose to stay in hospital receiving long-term care services when a safe onwards package of care is in place, and o visitors from countries without a reciprocal health agreement for emergency treatment • Further consideration will be given to whether further charges should be implemented in light of cost-of-living increases on households. No decisions have been taken. • It is recognised that successful implementation of fees and charges policies requires clear communication, stakeholder understanding, and effective engagement. • If decided to implement, future fees and charges proposals would be supported by structured communications and engagement plans developed as an integral component of policy and programme delivery. These plans would clearly articulate the strategic challenges facing the healthcare system, the rationale for proposed changes and the contribution that individual policies make towards the wider programme of healthcare reform and long-term sustainability. • Stakeholder engagement and communications planning would be established at an early stage and maintained throughout development and implementation. • A formal communications campaign would support transparency, improve understanding of the case for reform, and help manage stakeholder concerns, although it may not remove all opposition to proposals.
Is the recommendation agreed?	Agreed in principle – but only if adopted. In place already – standard GoJ

	frameworks in respect of communications and engagement for projects will be adhered to. pending decision to implement new charges.
Improvement theme	No action at this time

PAC Comment:

The PAC does not consider that the response adequately addresses the concern identified by the C&AG on paragraph 49 of the report:

> *Without firstly publicly explaining the wider strategic challenges facing the Jersey healthcare system over the next 20 years, this suite of operational policies risks being seen as a series of piecemeal initiatives, rather than part of a wider solution. This creates a risk that Islanders do not understand the importance of the suite of policies in contributing to financial, behavioural and cultural change.*[1]

The PAC is concerned that the response focuses on communications around potential future charges rather than the broader need to explain rising healthcare costs, changing service delivery, and future system pressures. Without this wider context, public debate may focus on individual charges rather than the long-term sustainability of the healthcare system. The Committee therefore encourages the Government to develop a broader communications strategy to support future policy decisions.

Recommendation Five

Recommendation	**R5 -** Undertake a system-wide review of discharge planning policies and procedures to identify and implement systems improvements.
Risk of Non-Implementation	If a system-wide review isn't completed, then in the absence of other mechanisms, there may be a risk of there being some opportunities for improvement that are not identified.
Risk Profile	Low
Other Considerations in prioritisation	• HCJ has teams which work with community care providers to review discharge and implement continuous improvements as part of normal working practice. • In addition, there are safeguards to escalate any concerns in respect of discharge planning at the highest levels of HCJ governance: the Partnership Board has representation from the care

[1] *Sustainable Healthcare Funding* (R.126/2026), paragraph 49, p. 18

	sector who can raise discharge-related issues with the Board who can drive required improvements. • Undertaking such a review and implementing improvements would require resources to be reprioritised from other activities. • As the Partnership Board will be raising discharge related issues, a system-wide review would be disproportionate to the risk, which can be mitigated through existing HCJ and care sector working practices, as well as the Partnership Board.
Is the recommendation agreed?	Agree in principle but appropriate measures are in place to identify and resolve issues
Improvement theme	No additional action at this time

PAC Comment:

The PAC is disappointed by the response to this recommendation.

The PAC notes that paragraph 70 of the C&AG's report highlighted the need to strengthen discharge planning from the point of admission and warned that, without more effective arrangements, both current and future inpatient facilities would continue to experience pressures caused by delays in transferring patients to more appropriate care settings.

The Committee is concerned that the Executive Response does not engage with these findings and instead relies on existing processes as evidence that no further action is required. Given the continuing concerns around delayed discharges and hospital bed availability, the PAC considers this response insufficient and believes greater transparency on the financial cost of delayed discharges is necessary to demonstrate the scale of the problem and the benefits of addressing it.

Recommendation Six

Recommendation	**R6 -** Identify some high-profile early adopters of the Patient Knows Best app to support a successful launch of the app, share experiences and encourage its widespread adoption.
Risk of Non-Implementation	Patient Knows Best is a free, secure online patient portal. More information can be found here. Its functions include the ability to manage your patient information and reschedule appointments. If there is not to widespread and prompt adoption, then

	there is a risk that the objectives of introducing the app are not achieved, including increasing HCJ productivity through reducing the number of missed appointments,
Risk Profile	Low
Other Considerations in prioritisation	• Approximately 12,000 appointments are missed per year. • The Minister has proposed introducing a charge for when patients repeatedly miss an appointment without giving notice. • Before the charge is introduced, the Minister has determined that 'Patient Knows Best' should be introduced first, which will allow patients to reschedule their appointment remotely. • The Patient User Panel will be engaged to identify high-profile adopters of the app to support a successful launch of the app. • The development and implementation of PKB is being project managed by the Digital health team who will ensure lessons learnt from other projects are considered.
Is the recommendation agreed?	Agreed
Improvement theme	Digital adoption to support system reform

PAC Comment:

The PAC welcomes the acceptance of this recommendation.

The Committee considers, however, that successful adoption of the Patient Knows Best application should ultimately be assessed by reference to measurable outcomes rather than uptake alone.

The PAC would therefore welcome future reporting on the benefits achieved through implementation of the application, including evidence of improvements in efficiency and productivity, to demonstrate how the initiative contributes to wider healthcare reform objectives.

Recommendation Seven

Recommendation	**R7** - Consolidate all the learning from the various funding options papers (going back to 2008) into a concise view on healthcare funding options.

Risk of Non-Implementation	If learning from previous healthcare funding reviews and reform programmes is not consolidated, there is a risk that future work may repeat previous challenges. This could reduce the likelihood of implementing successful reforms.
Risk Profile	Medium
Other Considerations in prioritisation	• Key lessons from previous work ranging from the 2008 'New Directions' to 2022/3 'Jersey Care Model' will be consolidated and reviewed to ensure that health funding reforms avoid previous challenges.
Is the recommendation agreed?	Agreed
Improvement theme	Planning health funding reform

PAC Comment:

The PAC welcomes the acceptance of this recommendation and notes that a target completion date of Quarter 4 2026 has been established.

Given the significance of learning from previous healthcare funding initiatives, the Committee will wish to understand how completion of this recommendation will be evidenced and what mechanisms will be used to demonstrate that lessons from previous programmes have been incorporated into future reform proposals.

Recommendation Eight

Recommendation	**R8 -** Establish a Ministerial Health Funding Reform Group to ensure collective consideration of and accountability for policy reform proposals. Ensure this Group includes the Ministers for Health and Social Services, Employment, Social Security and Housing and Treasury and Resources.
Risk of Non-Implementation	If cross-government ministerial oversight and accountability arrangements for healthcare funding reform are not established and maintained, there will likely be a risk of fragmented decision making across health, social care and public finances. This could weaken the Government's ability to develop and implement reforms.
Risk Profile	High
Other Considerations in prioritisation	• The Ministerial group has now met once and will meet on a regular basis once

	reforms are developed further which require decision making.
Is the recommendation agreed?	Agreed
Improvement theme	Planning health funding reform

PAC Comment:

The PAC notes that this recommendation has been assessed as carrying a high risk if not implemented and therefore finds the proposed timetable difficult to reconcile with the urgency implied by that classification.

Whilst the Committee welcomes confirmation that the Ministerial Health Funding Reform Group has already met, it is concerned that the Terms of Reference are not expected to be finalised until the end of 2026. Given that the report was published in July 2026 and recognises the significant financial pressures facing healthcare services, the Committee questions whether sufficient priority is being attached to this work.

The PAC considers that clear governance and accountability arrangements should be established at the earliest opportunity and remains concerned that the pace of progress does not appear proportionate to the scale of the challenge identified by the C&AG.

Recommendation Nine

Recommendation	**R9 -** Review and enhance strategic and operational practices for managing difficult complex change programmes. The enhanced practices should include more formal structured engagement conversations with a broad range of stakeholders on key reform proposals.
Risk of Non-Implementation	If good practice for managing complex change programmes is not followed, then there is a risk that outcomes, delivery timelines or cost of implementation could be compromised.
Risk Profile	Low
Other Considerations in prioritisation	• The Government recognises that successful delivery of complex reform programmes requires clear governance, effective project management disciplines, structured stakeholder engagement, and sustained leadership. • The Government of Jersey has processes in place for managing complex change programmes (CPMO) and any future health reform programme will be managed via the CPMO framework which ensures robust change management practices are followed, including stakeholder engagement.

	• This will be, supported by proportionate governance, assurance, and reporting arrangements. • The Government will continue to build organisational capability in the management of complex change, drawing on lessons learned from previous major projects and reviews, both in HCJ and across GoJ. • The extent to which formal structured engagement is required is wholly dependent on the change being delivered.
Is the recommendation agreed?	Agree in principle – deferred for later action.
Improvement theme	No action at this time

PAC Comment:

The PAC accepts the need for robust programme management but does not consider reliance on existing CPMO frameworks alone to be sufficient. The Committee is concerned that the low-risk rating underestimates the scale and complexity of the reforms required and emphasises that successful transformation will depend on strong operational and clinical engagement as well as programme governance. The PAC therefore recommends that the risk rating be reviewed and that the Executive set out how organisational capability, capacity and specialist expertise will be strengthened to deliver the scale of healthcare reform envisaged.

Recommendation Ten

Recommendation	**R10** - Ensure that robust programme management disciplines are in place to implement the Clinical Services Strategy when it is finalised.
Risk of Non-Implementation	If robust programme management disciplines are not in place the strategy may not be fully implemented and some improvements may not be made to models of care provision.
Risk Profile	Medium
Other Considerations in prioritisation	• Implementing robust practice requires appropriately skilled personnel to support the strategy implementation. Currently, funding is not available for dedicated programme management capability. • HCJ will review funding streams but in the context of existing budgetary

	pressures, officers are unable to commit to implementing this recommendation at this time, However, the recommendation will be deferred for later action and monitored to ensure that appropriate action is taken.
Is the recommendation agreed?	Agree in principle – deferred for later action.
Improvement theme	No action at this time

PAC Comment:

The PAC is disappointed that the response only commits to reviewing funding availability for programme management capability at a future date.

The Committee notes that the Clinical Services Strategy is a critical component of future healthcare reform. It is therefore concerning that agreement to the recommendation is effectively contingent upon future funding considerations. Robust programme management should be an essential prerequisite for delivering a strategy of this significance, particularly given the scale of investment associated with healthcare services and future healthcare infrastructure.

Recommendation Eleven

Recommendation	**R11** - Alongside the Clinical Services Strategy, develop and implement an integrated health and social care strategy that provides a road map to the future of integrated care and prevention on the Island.
Risk of Non-Implementation	Without joined-up planning across Jersey's health system, there is a risk of uncoordinated action, reducing the overall effectiveness of improvements and reforms.
Risk Profile	Medium
Other Considerations in prioritisation	• The Council of Ministers' proposed Common Strategy Policy includes the establishment of a Health and Care Strategy.
Is the recommendation agreed?	Agreed
Improvement theme	Planning health funding reform

PAC Comment:

The PAC welcomes agreement to this recommendation but notes that the response is limited to stating that a Health and Care Strategy will be established through the Common Strategic Policy.

The Committee considers that the development of an integrated health and social care strategy is fundamental to addressing many of the concerns identified throughout the report. Healthcare funding reform, service redesign, workforce planning, community provision, prevention and capital investment all require a coherent strategic framework.

The PAC therefore considers it important that this work is prioritised and that progress is closely monitored. Significant capital investment in healthcare facilities must be accompanied by a clear vision for how services will operate in the future. Infrastructure investment alone cannot deliver transformation without a clear strategy to guide service delivery and reform.

Recommendation Twelve

Recommendation	**R12** - Ensure robust succession planning is in place for known and expected changes in leadership.
Risk of Non-Implementation	If succession planning for senior executive roles, such as the transition GoJ CEO is not in place, there is a risk of lack of continuity in corporate knowledge and delivering on organisational and ministerial priorities.
Risk Profile	Low
Other Considerations in prioritisation	• The appointment of the Chief Executive Officer represents the culmination of a deliberate and long-term succession planning approach. It secures continuity of leadership, retains significant organisational knowledge and expertise, and reduces the risks associated with a change in executive leadership. Furthermore, it demonstrates the value of investing in internal leadership development and provides confidence that the organisation has the capability, resilience, and leadership capacity required to deliver its strategic objectives both now and in the future. • Succession planning for critical roles across government continues to be a focus. • In considering succession to senior roles, enterprise-wide leadership, the ability to lead outside of one's technical expertise / specialism and to be impactful across the broader organisation, has been identified as a prerequisite. • The programme enabled the development of enterprise-wide leaders which was launched to senior leaders in January 2026.

	• The programme enables the identification of senior employees ready for enterprise-wide leadership opportunities, now, and those who would benefit from gaining enterprise-wide leadership experience to grow their potential and support their progression. • This programme enables organisation-wide mobility, builds leadership resilience through the identification of a talent pool to respond to priority need, and supports succession planning for Chief Officer and other senior leadership roles. • Changes have been made to the Connect Performance last year to encourage managers and employees to discuss and record their desire and readiness for progression. A new development planning tool has been launched to help employees and managers consider development needs to support individual growth. • The Enterprise-Wide Leadership Programme continues to strengthen leadership capability across the organisation, while the Succession Planning Programme has enabled the successful recruitment of a Chief Officer for Employment, Social Security and Housing (ESSH), supporting leadership continuity and organisational resilience. • The Enterprise-Wide Leadership Programme continues to strengthen leadership capability across the organisation by developing future leaders, supporting succession planning, and fostering a consistent leadership culture. • Future recruitment to the CO role within HCJ may require an external search to access the quality, experience and delivery of candidates available in the wider market given the critical services and unique combination of leadership, operational, political and sector specific expertise.
Is the recommendation agreed?	Agree - Complete
Improvement theme	No additional action at this time.

PAC Comment:

The PAC acknowledges the work underway on leadership development and succession planning but is concerned that the response focuses primarily on HR processes rather than the wider issue of leadership continuity identified by the C&AG. Given the significant turnover of senior leadership across Government and Health and Care Jersey in recent years, the Committee considers that continuity is best supported by a clear and enduring strategic framework. The PAC therefore recommends that succession planning be aligned with the development and delivery of an integrated health and social care strategy, ensuring that future leaders inherit a stable, consistent and well-understood direction for Jersey's healthcare system.

CONCLUSION

The PAC welcomes the Executive's engagement with the C&AG's recommendations and recognises progress in a number of areas. However, the Committee remains concerned that several recommendations have been only partially accepted or do not fully address the underlying issues identified by the C&AG, particularly in relation to evidence-based planning, transparency, public engagement and the delivery of long-term healthcare reform.

The PAC believes that stronger monitoring, clearer reporting and greater transparency will be essential to maintaining public confidence in the sustainability of Jersey's health and care system. The Committee therefore encourages the Executive to keep these matters under review and provide regular updates on progress against the recommendations.