

ISLE OF MAN TREASURY

SUSTAINABLE
FINANCING
FRAMEWORK IMPACT
AND ALLOCATION
REPORT

September 2022



Isle of Man
Government
Reillys Ellan Vannin

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FOREWORD

I am delighted to present this first annual Impact and Allocation Report, which identifies how we have allocated £400m of funding in accordance with our Sustainable Financing Framework over the course of the 5 year assessment period from 1st April 2018 to 31st March 2023.

The report shows that the monies have been allocated across a broad spectrum of relevant categories within the framework, focusing support towards our Island and its people.

A large part of this involves assisting vulnerable sections of our society and the allocation of over a third of these funds (36%) towards ensuring or expanding essential access to education and healthcare services demonstrates the Government's commitment to enabling equality throughout the Island's population.

In addition to this, a further 36% of investment has been aligned to "green categories" including key projects such as the commissioning of the Manxman, the Island's new Steam-Packet vessel which will transition sea transport from diesel to diesel hybrid. Projects such as this demonstrate the commitment to, and contribute towards the delivery of the Isle of Man Government's Action Plan for Achieving Net Zero Emissions by 2050.

I would like to thank Sustainalytics for their validation of the report and the HSBC Sustainable Bonds team for their valuable advice to help with the preparation of this report.

David Catlow
Interim Chief Financial Officer

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EXECUTIVE SUMMARY

In September 2021, the Manx Government working with HSBC, Santander and Barclays, raised a 30 year sustainable bond to raise £400m for delivering relevant projects and initiatives across the Isle of Man. Governed by the Sustainable Financing Framework against which allocation of the bond would be aligned. The issuance was well received by investors who recognised the strength of the Island's economy and the firm commitment to mitigate the growing impact of climate change.

A number of the projects contained in this report already had Government funding committed to them before the Bond was issued, however the £400m Bond proceeds have allowed us to 'refinance' a large number of these projects, allocating Bond proceeds to the projects that best met the 'Sustainable' criteria outlined below. This meant the original internal funds that had been earmarked against these projects and schemes could be repurposed, extending the amount of projects and support the Isle of Man Government has been able to provide to the Island's community. A further explanation of the financing or refinancing of these projects can be found on page 7.

This approach is in line with the terms of this, and other similar financing instruments, and has been externally assured and validated by Sustainalytics, a global leader with more than 30 years experience of providing expert consultancy work and insight that guides investors and companies to make more informed sustainable investment decisions.

The Isle of Man Treasury is now pleased to present the first Impact and Allocation Report for the Sustainable Financing Framework which outlines the progress made up to the first anniversary of issuance. In line with the governance for the Framework, the Government has committed to producing this report explaining how we have allocated the funds and the impact this investment has delivered.

The Framework describes how the Government plans to supplement future investment through the generation of funds via financial instruments whose returns are solely used to resource projects that focus on Green, Social or Sustainable practices. We have successfully allocated the full £400m across each of the eligible expenditure categories as determined by the International Capital Market Association (ICMA). This allocation split between green and social categories can be seen in graph 1

Although there are 17 / SDG's over-arching 'Sustainable Development Goals' in the United Nations sustainability framework, the Isle of Man Government has chosen to focus on the areas determined as most relevant to the Island; those that specifically align with 'Green' and 'Social' principles as determined by the ICMA. These include;

- Access to essential services (Health and Education)
- Affordable housing
- Clean Transportation
- Climate Change Adaptation
- Employment generation and support to small- and medium-sized enterprises
- Energy Efficiency
- Environmentally sustainable management of living natural resources and land use
- Socio-economic advancement and empowerment
- Sustainable water and waste water management
- Renewable Energy

The categories above encompass our key delivery areas in line with the Island Plan and the Economic Strategy of boosting economic performance following the pandemic, ensuring access to essential public services for all (specifically Health and Education) and protecting the environment in line with the Island's status as a UNESCO biosphere.

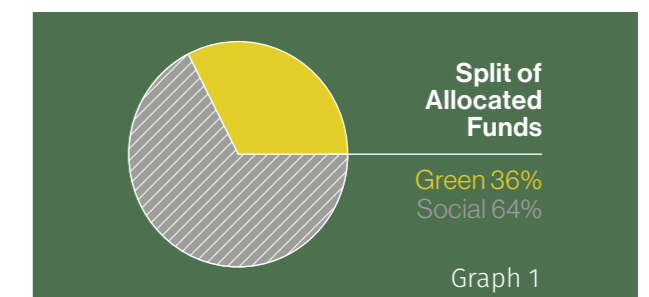
The impact of the Covid-19 crisis demonstrated the Island's resilience and the ability of the community, supported by Government, to protect the economy and ensure continued growth in jobs, employment and the relocation of businesses. 20% of the

funds, or £80.9m, has been invested into financial support schemes including the Business Support Scheme; as well as programmes to help specific industries such as hospitality and fishing, both of which are important contributors to the Island's economy. Improvements are clear, looking at the [unemployment](#) rate alone shows a substantial reduction from a high of 1,350 at the height of the pandemic to 285 in June 2022.

While much has been done, Government understands the importance of ensuring that accessing essential community services such as early-years education or medical appointments must be available to all in society – including those who are vulnerable or less financially-mobile. As the cost of living continues to rise, a number of initiatives which have been supported under the framework have ensured wider access to Housing, Healthcare and Education. Many of the schemes are means-tested to guarantee those that need help the most are prioritised. These policies are also often targeted to assist the elderly, disabled or young children, meaning the Island is helping to create a more inclusive environment, where inequalities are reduced wherever possible.

The development of the Climate Change Action Plan, with the ultimate goal of reducing our total emissions to net zero by 2050, has allowed us to consider how the Island currently uses our resources (imported and locally generated) and to identify ways to empower behaviour change as we work towards becoming a more sustainable Island. As part of this process, a third of the funding, or £142.9m, has been allocated to support projects that have the ultimate outcome of reducing carbon emissions, contributing significantly to carbon sequestration to neutralise other unavoidable emissions or the overarching aim of protecting the environment.

The coming financial year will also see the delivery of the very first Strategic Infrastructure Needs Assessment (SINA) which will capture the Island's capital expenditure requirements over the medium to long term. Once established, a 'Capital Prioritisation Framework' will be designed to help serve as an evaluation model for the prioritisation of projects within the forecast capital programme and the Sustainable Bond will be pivotal to the SINA's successful delivery, particularly in relation to those schemes which support the Climate Change agenda.





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**ROLE AND VERIFICATION
BY SUSTAINALYTICS**

Based on the limited assurance procedures conducted, nothing has come to Sustainalytics' attention that causes us to believe that, in all material respects, the reviewed expenditures funded through proceeds of the Isle of Man's sustainability bond, are not in conformance with the Use of Proceeds and Reporting criteria outlined in the Framework. Isle of Man has disclosed to Sustainalytics that all bond proceeds were allocated as of August 2022.



CLIMATE CHANGE ISLE OF MAN AND THE SUSTAINABLE FINANCING COMMITTEE

As a responsible nation, the Isle of Man has committed to reaching carbon neutrality by 2050. This is vital to protect our environment and our community and to safeguard our continued prosperity.

Over the last century, the Earth's average temperature has risen by almost 1-degree centigrade. Although this doesn't sound much, it is already contributing to more severe and less predictable weather conditions worldwide. For example, on the Isle of Man, we have been experiencing severe winter flooding, summer heatwaves, increasing erosion, and so much more.

The Isle of Man Government's Action Plan for [Achieving](#) Net Zero Emissions by 2050 – Phase 1, unanimously approved by Tynwald members in January 2020 and informed by Professor Curran's independent report, sets out the Island's plan for carbon neutrality. To reach net zero emissions by 2050, the Isle of Man will need to significantly reduce the amount of greenhouse gases it currently produces. Those remaining and unavoidable emissions will also need to be balanced by absorbing the same amount from the atmosphere.

The changes needed to achieve this will have to be made by every Island resident, Government Department, business and third sector organisation across the Isle of Man. They will affect how we travel, how we consume energy, what we eat, how we heat our homes and buildings, and how we look after our environment. We also need to ensure our most vulnerable are not left behind.

It will be a complex journey, but one that is necessary to ensure that we leave a lasting legacy we are proud of for our future generations.

The establishment of the Sustainable Financing Framework allows the Isle of Man Government to fund its investments and schemes with environmentally and socially impactful, and transparent, debt instruments. The eligible expenditure identified and allocated under the Framework must meet the stringent environmental and social criteria in the form of direct or indirect investment expenditure, subsidies or tax forgone (or a combination of all

or some of these) and some selected specific operational expenditures.

The Isle of Man Treasury has established an inter-departmental Sustainable Financing Committee comprising:

- Members from the Financial Advisory Service representing: - Department of Education, Sport and Culture - Department of Health and Social Care - Department of Environment, Food and Agriculture - Department of Infrastructure - Department for Enterprise - Cabinet Office - Department of Home Affairs
- The Treasury Financial Governance Division
- The Climate Change Transformation Board
- Isle of Man Treasury (Chair)

The Committee is responsible for the implementation and maintenance of the Sustainable Financing Framework, evaluation and selection of eligible Green and Social expenditures, allocation and management of bond proceeds and reporting to investors on performance.

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Over the last century, the Earth's average temperature has risen by almost 1-degree centigrade

ALLOCATION OF FUNDS

4.1

Determining Eligibility

Once the Sustainable Financing Committee (SFC) had completed the initial identification of projects that could be eligible under the ICMA 'Social' or 'Green' Sustainable Financing categories within the ICMA framework, a scoring matrix was developed to evaluate and rank all expenditure against the following criteria;

- Alignment to United Nation's Sustainable Development Goals (SDGs)
- Local vs National impact
- Expected Positive Financial Impact

This exercise reduced the list of possible projects to approximately £500m. After taking into account the other eligibility criteria outlined in the Framework, such as project risk, controversial expenditure and alignment with the Island Plan, a short-list of eligible schemes was finally selected as those that would benefit from the £400m funding, all of which are outlined in detail throughout the remainder of this document. This involved working very closely with Departmental project managers and Accountable Officers to determine the measurable impacts, in line with the ICMA Framework's categories.

4.2

Analysis of the Allocation Table

The table outlines the value and percentage of the projects that are allocated to each of the eligible categories grouped by type. Each of these types has an explanatory note immediately following the table detailing how the funds have been committed and the impact they have delivered where measurable.

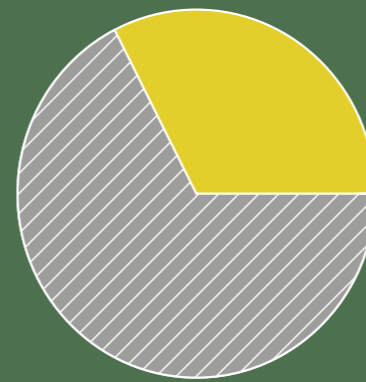
The figures listed under 'Eligible Expenditure' are based on information provided by each Departmental representative and use actual expenditure to date, allocated Funds or budgeted expenditure (for 2022/23) in line with Isle of Man Government's detailed accounts (also known as the "[Light Blue Book](#)") or the Annual Budget 2022/23 (known as the "[Pink Book](#)").

To align projects to the bond value of £400m, the amount earmarked for investment under "Social Security Support" has been reduced accordingly.

Based on the figures provided, the Isle of Man Government is able to fully commit the £400m in its first year of allocation, however this will be subject to verification over the 5 year period once the 2022/23 accounts have been finalised.

Allocation of Funds

Allocation of Financed vs Refinanced Funding



Refinanced Eligible Expenditure (Up to March 2022) & Financed Eligible Expenditure (1st April 2022 to March 2023)

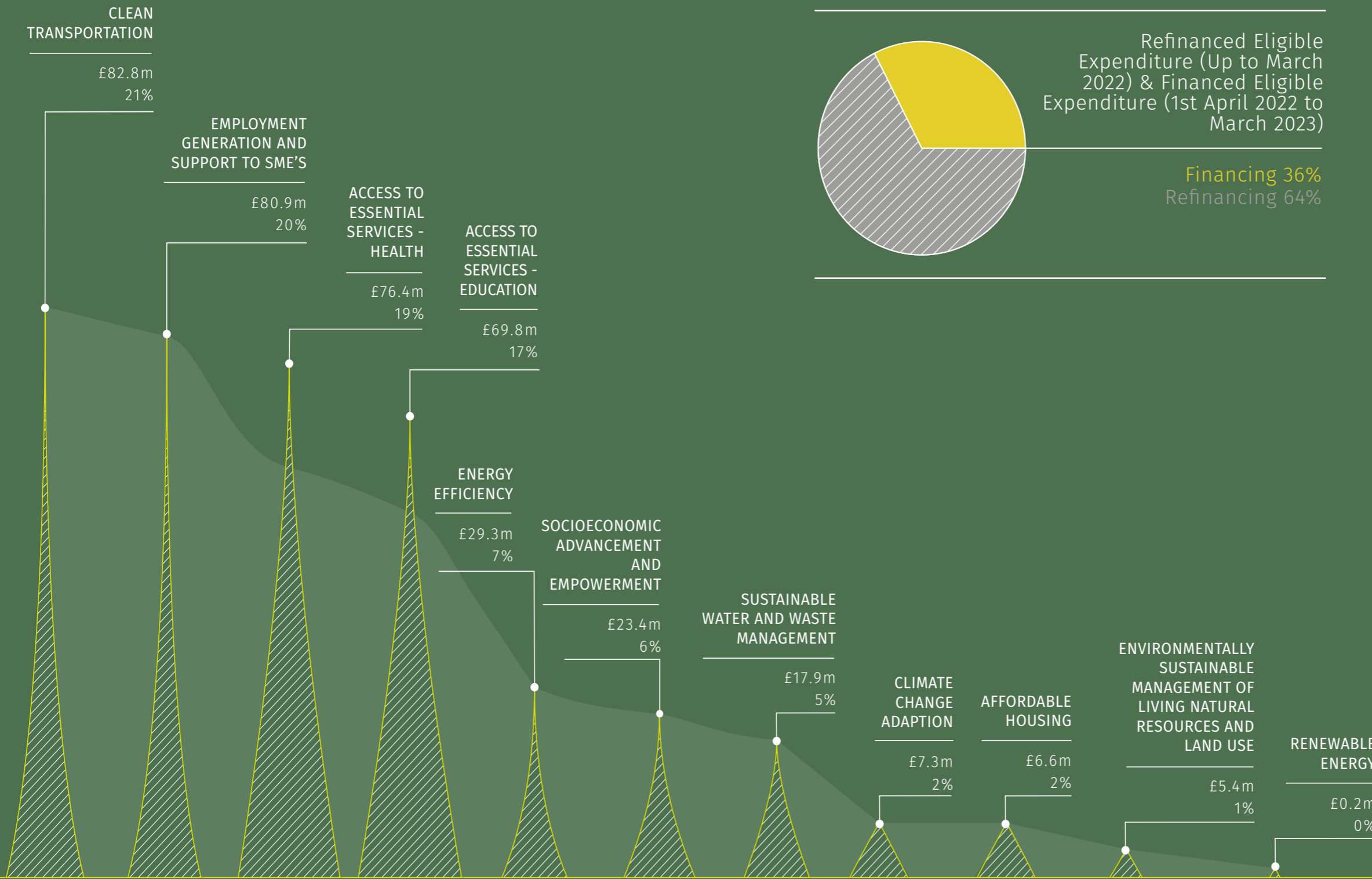
Financing 36%
Refinancing 64%



Financed Vs. Refinanced

Financed: Projects that will or did begin post-issuance date of the Bond. This means any projects that began, or are planned to begin, after September 2021, but that still fall within the 5 financial year allocation window, ending 31st March 2023.

Refinancing: Projects that originated pre-issuance date of the Bond. This includes projects that were started or approved before the Bond issue date of September 2021, but still began within the 5 financial year allocation period, beginning 1st April 2018, and that have since benefitted from being funded by the Bond proceeds.



Eligible Categories under the ICMA Framework Total £400m

Allocation Table

Eligible Categories under the ICMA Framework	Note	Name of Initiative	Refinanced Eligible Expenditure (Up to March 2022)	Financed Eligible Expenditure (1st April 2022 to March 2023)	Total Eligible Expenditure	Percentage of Total Allocation (Approx)
ACCESS TO ESSENTIAL SERVICES - EDUCATION	1	Education Capital Works	£0.3m	£0.3m	£0.6m	
	2	Education Financial Support Schemes	£54.1m	£15.1m	£69.2m	
		TOTAL	£54.4m	£15.4m	£69.8m	17%
ACCESS TO ESSENTIAL SERVICES - HEALTH	3	Healthcare Capital Works	£5.6m	£8.3m	£13.9m	
	4	Extension of Healthcare Capabilities	£13.3m	£9.0m	£22.3m	
	5	Covid-19 Support Services	£37.7m	--	£37.7m	
	6	Health Information Management	£2.5m	--	£2.5m	
		TOTAL	£59.1m	£17.3m	£76.4m	19%
AFFORDABLE HOUSING	7	Public Sector Housing	£6.5m	£0.1m	£6.6m	
		TOTAL	£6.5m	£0.1m	£6.6m	2%
CLEAN TRANSPORTATION	8	Active Travel	£2.4m	£0.4m	£2.8m	
	9	Access by Sea	£8.8m	£71.2m	£80.0m	
		TOTAL	£11.2m	£71.6m	£82.8m	21%
CLIMATE CHANGE ADAPTATION	10	Flood Defences	£4.1m	£3.2m	£7.3m	
		TOTAL	£4.1m	£3.2m	£7.3m	2%
EMPLOYMENT GENERATION AND SUPPORT TO SME'S	11	Financial Support for Economic Growth	£78.3m	£2.6m	£80.9m	
		TOTAL	£78.3m	£2.6m	£80.9m	20%
ENERGY EFFICIENCY	12	Energy Efficiency in the built environment	£10.0m	£5.0m	£15.0m	
	13	Smart Metering	£3.2m	--	£3.2m	
	14	Technology Projects	£5.2m	£5.9m	£11.1m	
		TOTAL	£18.4m	£10.9m	£29.3m	7%
ENVIRONMENTALLY SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES AND LAND USE	15	Forestries and Plantations	--	£0.3m	£0.3m	
	16	Protection of the natural environment	£0.5m	£4.6m	£5.1m	
		TOTAL	£0.5m	£4.9m	£5.4m	1%
SOCIOECONOMIC ADVANCEMENT AND EMPOWERMENT	17	Social Security Support	£3.8m	£19.6m	£23.4m	
		TOTAL	£3.8m	£19.6m	£23.4m	6%
SUSTAINABLE WATER AND WASTE WATER MANAGEMENT	18	Regional Sewerage Programme	£17.6m	--	£17.6m	
	19	Water Testing	£0.3m	--	£0.3m	
		TOTAL	£17.9m	--	£17.9m	5%
RENEWABLE ENERGY	20	Strategic Energy Review	--	£0.2m	£0.2m	
		TOTAL	--	£0.2m	£0.2m	0%
		GRAND TOTAL	£254.20M	£145.80M	£400.0M	

NOTES TO ALLOCATION TABLES

Note 1 - Education Capital Works:

£0.6m



ICMA Category: Access to Essential Services - Education

Increase and improve education infrastructure capacity for all

IMPACT:

Increase in School Capacity

Additional 250 student places
Increase capacity from 800 to 1,050
Access for 1600 4-6 year olds to outdoor learning

With extensive residential development over many years in the West of the Island, the QEII school roll is set to grow in line with the population, which drives the need for additional capacity within local Schools. The 'Capital works at QEII' project supports the delivery of an extension to the Science and Technology block, which will also allow for expansion in post-16 facilities too.

The school has a current roll of 754. Significant roll growth at Primary level over recent years, driven by growth of student intake at Peel Clothworkers School, consequent to the rapid growth of the town through extensive housing developments, indicates that the intake is likely to be split into a 6 form entry model, rather than the 5 form entry model seen in the past, with an increase in school capacity needed of up to 1,050 total pupils.

An options appraisal confirmed the particular inadequacies of the existing science and technology provisions, with problems in both capacity and quality,

but that redevelopment of these areas and undertaking alterations elsewhere, it is possible to provide facilities across the school suitable for the expected 6 form entry model.

In 2020, a supplementary bid of 20% of total capital expenditure was approved which enabled the building design to be expanded to include green building specifications consistent with the ambition of the Climate Change Bill, with passive principles/low embodied carbon.

The outdoor learning scheme will deliver the provision of external canopies across the primary school estate, to help facilitate outdoor play and learning in all weathers. Outdoor learning is a key part of the early years curriculum, at reception and year 1, and the ability for children to benefit from access to covered play and learning areas outside their classroom is very important especially when taking account of the Island's typical climate.

Note 2 - Education Financial Support Scheme:

£69.2m



ICMA Category: Access to Essential Services - Education

Increase and improve education infrastructure capacity for all

IMPACT:

Number of Beneficiaries

Awards approved for 2021/22:
Pre-school credits: 729
University Grants: 519
Free School Meals: 2,110

This funding is provided to support a number of schemes including the pre-school credit scheme, university grants and free school meals. Affordability is identified as one of the key barriers to accessing education therefore these programmes are designed to ensure all eligible children can attend early years, primary, secondary and further education regardless of their background or financial situation.

- Pre-school credits – A universal credit for all children that reach their 4th birthday within a specific academic year to access up to 20 hours per week of childcare from a regulated and registered provider. The credit will be increased in September 2022 from the previous £3,420 to an amount of £4,166 per child to keep track with inflationary pressures. This scheme is further outlined within Case Study 1.
- University Grants (Student Awards) - Monetary support given to students who are attending an off-island university, based on assessment of eligible criteria including residency, academic qualifications and age. This is a means-tested scheme which ensures everyone has a similar opportunity to access higher education regardless of background or affordability. Support consists of a grant to cover tuition fees and a means-tested maintenance grant towards living expenses. The Department also offers a loan facility to students towards tuition fees of up to £2,500 per annum which is repaid interest free until studies are completed, at which point interest will be charged annually at the Bank of England Base Rate plus 2%.

- Free School meals - Meals are provided free of charge to pupils aged 4-18 in full time education attending primary, secondary school or UCM, whose parents are in receipt of certain social security benefits. A parent or guardian may apply for free meals for pupils attending primary or secondary schools, or students who are 18 and under and in full time education at the University College Isle of Man (UCM), if the family is in receipt of any of the relevant benefits (Employed Person's Allowance, Income Based Jobseeker's Allowance and Income Support). The free meal allowance is calculated to enable the child to obtain a 2-course midday meal excluding drinks. Over the last 4 years, an average of 19% of school aged children have benefitted from the scheme which is an equivalent to an average of 2,100 beneficiaries per annum.

Year	2018/19	2019/20	2020/21	2021/22	2022/23
No. Beneficiaries	854	871	712	519	501 (estimated)



Note 3 - Healthcare Capital Works:

£13.9m



ICMA Category: Access to Essential Services - Healthcare

Increase and improve healthcare infrastructure capacity for all

IMPACT: Increase in Capacity

North RRU: 45 bedrooms & 27 Sheltered Housing Units
 East RRU: Increase from 45 beds to 60
 Peel GP Surgery: 5 additional consulting rooms

Over the last 3 years, projects have been delivered to provide sheltered accommodation for elderly people and expansion of existing facilities to increase the availability of access to the many healthcare services that the Island directly provides.

Included within the programme is the redevelopment of the Cummal Moar Care Facility & Cooil Ny Marrey sheltered housing in Ramsey which covers the North of the Island. As demonstrated in the recent census and the Island's economic strategy, the Island has an ageing population and in order to meet increased demand, a re-provision of a 45-bed residential facility is required.

Cooil Ny Marrey was constructed in 1981 and comprises 55 one-bedroom sheltered apartments - the building is structurally sound but is outdated and no longer fit for purpose. Apartments are small and communal facilities are poor and do not comply with current standards for sheltered housing. A new facility, Mayfield sheltered housing complex now homes the residents of Cooil Ny Marrey in much improved facilities, leaving the site available for development.

Once redeveloped, the Cooil Ny Marrey site will be available for the residents of Phase 2 (Cummal Moar) who will be relocated to allow Phase 2 of the redevelopment to commence. Sheltered Accommodation provision has been designed to provide a 45 bed Residential Home with Day Care Unit, and 27 Sheltered Housing units for older residents in Ramsey.

In the East of the Island, a project with a similar aim is now under construction to provide a 60 bed residential complex and Day Care unit for older residents of Douglas (Re-provision of the 45 bed Reayrt ny Baie, and to accommodate Sweetbriar Unit which currently has 16 beds). The programme will also build 20 "Extra Care" sheltered units on the same site with potential for more "Extra Care" on adjacent land.

As mentioned previously, the rapid expansion of residential settlements in Peel and the West of the Island also raised an issue with a shortfall on GP provision to keep pace with demand. Provision of five additional consulting rooms at Peel Medical Centre has expanded the capacity of the Surgery allowing additional patient appointments and also supports the GP and hospital doctor training schemes which help in recruiting and retaining doctors on the Island. This has supported the reduction of waiting lists, meaning that more patients are seen quicker, which in turn reduces the time taken to diagnose and subsequently treat health issues.

Note 4 - Extension of Healthcare Capabilities:

£22.3m



ICMA Category: Access to Essential Services - Healthcare

Increase and improve healthcare infrastructure capacity for all

IMPACT: Number of Beneficiaries

Hepatitis C Service: Expected 296 potential patients
 Healthcare Transformation Fund: Multiple New Services
 Sexual Assault Referral Centre: Not yet measurable
 Waiting List Reduction: 458 Endoscopy Procedures since Nov 2021, 340 Cataract operations since March 2022, 95 hip/knee operations since April 2022, 1,400 hours of Mental Health support to be provided in next 12 months

Following Tynwald's approval of the Treasury Minister's motion on 16th January 2018, the Council of Ministers commissioned Sir Jonathan Michael to chair an independent review of health and social care on the Island. In April 2019, the review's final report was completed and submitted to the Council of Ministers. The report included a package of 26 recommendations to be implemented in order to achieve a financially and clinically sustainable, high quality health and care system for the Isle of Man. Further information on the Healthcare Transformation Programme is outlined within Case Study 3.

In addition to the creation of the Healthcare Transformation Programme, the Department of Health and Social Care and Manx Care have continued to extend the capability and capacity of healthcare provision to keep pace with demand and the ageing demographic.

The service specification for the Sexual Assault Referral Centre (SARC) was developed in line with NHS England service specification no.30 for Sexual Assault Referral Centres and ultimately determined that a SARC should be available on the Isle of Man with the following services;

- Crisis care and potentially the provision of a crisis worker;
- Forensic medical examinations;
- Access to health care including emergency contraception and testing for sexually transmitted infections;
- Access to independent domestic violence and sexual assault advisors;
- Option for examination and sample storage without disclosure to the police;
- Onward referral for counselling or psychological therapies;
- A premises which meets quality standards for forensic examination and evidence gathering.

IoM Victim Support have reported a 42% increase in referrals of sexual violence victims between January and June 2022, compared to the same period last year – this suggests demand is growing for this service and the SARC is urgently needed to mitigate this.

Funding was also awarded to improve the treatment of chronic Hepatitis C and to support Noble's hospital in becoming a member of the Cheshire and Merseyside Hepatitis C Operational Delivery Network (ODN) which provides a specialist Hepatitis C service for patients within the North West of England Liver Disease is the 5th biggest cause of mortality in England and Wales after cancer, heart disease, stroke and respiratory disease. In the Isle of Man, our death rate of 12.6 per 100,000 in people under 75 years from preventable liver disease is similar to the England average.

Currently, there are approximately 7-10 patients known to be chronically infected with Hepatitis C on the Isle of Man. We estimate* that there are around 290 people on the island who are unaware of their infection because it causes no symptoms until liver disease is at an advanced stage.

Another of the projects funded is aimed at reducing historic waiting list times to meet the Referral to Treatment Target of 18 weeks was commenced in 2021 delivering a number of initiatives, including providing virtual hospital outpatient appointments across several specialities and increasing the number of procedures relating to cataracts and colonoscopies, endoscopies and ophthalmology procedures. A separate funding envelope of £908.4K was subsequently agreed to fund additional hip and knee surgery which commenced on the island on the 20th of April 2022.

*Based on UK data

Note 5 - Covid-19 Support Services:

£37.7m



ICMA Category: Access to Essential Services - Healthcare
Increase and improve healthcare infrastructure capacity for all

IMPACT: Number of Beneficiaries

Management of 8,700 positive cases
Identified and advised 16,000 close contacts
95,000 vaccinations administered
82,000 Covid tests booked
31,000 public calls handled.

The Isle of Man's response to the Covid-19 pandemic required the establishment and operation of the 111 call centre, contract tracing function, travel notification service and death in service provision. This allowed the Island to promptly respond to identified cases, trace contacts of those cases and reduce the spread of Covid-19 to protect vulnerable members of society in the early stages of the pandemic. During the 2021-22 financial year, the DHSC managed the provision of advice and guidance to more than 16,000 close contacts, booked over 95,000 vaccination appointments and 82,000 Covid-19 tests and handled 31,000 calls from members of the public.

Further work is planned to repurpose the 111-helpline into a "single front door for health services", or a broader, non-urgent service which would aim to take the pressure off the emergency department and GP surgeries. These changes are due to be made by April 2023.

The cost of providing a comprehensive Covid-19 response by Health & Social Care services includes provision of mass testing, swabbing and vaccination services as well as ensuring continuity of delivery of essential services.



Digital Transformation is a key area of focus within the Health Service

Note 6 - Health Information Management:

£2.5m



ICMA Category: Access to Essential Services - Healthcare
Increase and improve healthcare infrastructure capacity for all

IMPACT: Improving Quality

Capability to Digitise up to 12 million pages of patient records

Digital Transformation is a key area of focus within the Health Service with a number of recommendations from the Sir Jonathan Michael review focusing on this area. The report stated "The integration of health and social care on the Island must be underpinned with high quality, future focussed technology. Increased use of, and access to, effective digital systems and reliable, shared information is not just an enabler for this integration; rather it is a critical component".

While many projects are still at an early stage of development, a number have been or are in the process of being delivered;

- The Digital Health Record (DHR) project deployed a digital hospital patient record platform with a corresponding scanning capability sufficient to digitise some 12 million pages of existing patient case notes. Once established, the software will enable the ongoing capture of new patient documentation requirements and, in doing so, provide significant service delivery efficiency.

- The expanded use of the GP EMIS Web platform will permit other identified community care services to have role-based access to GP patient records. This has created an integrated, shared electronic patient record in primary and community healthcare services, improving efficiency and patient care.

- Managed referrals have been deployed which allows referral letters to be sent instantly; removing the need to print, label and post letters or send referrals via email. This creates efficiencies by reducing the amount of time it takes to both create and receive a referral.

- Medication errors are one of the major preventable sources of harm in healthcare - computerisation of the prescribing and administration processes is advocated as a way to reduce these errors.





Note 7 - Public Sector Housing:

£6.6m



ICMA Category: Affordable Housing

Provide safe and affordable housing for vulnerable population

IMPACT:

Number of Dwellings

Clagh Vane: Increase from 42 to 51 properties

Clagh Vane Phase 7 & 8 is located within the central area of the Clagh Vane Estate, Ballasalla, known locally as the 'Horseshoe'. The Housing Policy Review recognised that there is a need for growth in new but affordable housing. The Public Estates and Housing Division have already completed several phases of re-development at the Clagh Vane Estate, and Project 7 & 8 provides a continuation of these works by replacing sub-standard public sector housing whilst increasing the number of units. The Department have reviewed the Supported Housing Waiting List and specified a mixture of housing types suitable for those seeking to live in the South of the Island.

Due to the nature of the housing required, it is intended that the delivery of this programme of work will generate benefits specifically for supporting vulnerable children and their families, providing affordable accommodation for those in real need and providing sheltered accommodation for an ageing population.

The scheme comprises the demolition of the existing 42 dwellings that form the 'Horseshoe' at Clagh Vane, and the construction of 51 new dwellings, comprising;

- 35 x Two-Four Bedroom houses (with two of the Four Bedroom houses being extended to provide hoists and ground-floor bathroom access)
- 14 x Two Bedroom Apartments
- 2 x Wheelchair-friendly One Bedroom Apartments

8 of the properties are to be low-energy homes, with the whole development being constructed to the latest thermal efficiency standards.

Note 8 - Active Travel:

£2.8m



ICMA Category: Clean Transportation

Climate change mitigation

IMPACT:

Increase in number of people who regularly travel to work by active transport

Additional 4,297 individuals using Active Travel to access School or Work

The Department of Infrastructure is committed to encouraging the use of 'Active Travel' on the Isle of Man. 'Active Travel' is defined as walking or cycling as an alternative to motorised transport (cars, buses, motorcycles etc.) for the purpose of making every day journeys.

The Active Travel Investment Plan sets out key priorities for investment in infrastructure to support routes in and around Douglas. The programme, included upgrading routes such as the Enterprise Way, Pulrose, Quarterbridge Crossing and the Nunnery Trail. There were also infrastructure initiatives that reached outside of Douglas, such as Grove Mount across the Island and Gardeners Lane in Ramsey, installation of cycle shelters and targeted footway improvements. Liaison Officers were appointed on two-year contracts to encourage and facilitate uptake of active travel in schools and workplaces, with projects ranging from surveys and competitions, to presentations and focused campaigns.

Support for active travel was reflected in the Programme for Government 2017 and is relevant to the new Island Plan 2021, which includes a target for increasing the number of primary-aged children walking to school. The benefits of investment in active travel are numerous and wide-ranging, and the economic value of the benefits in fields such as health and air quality often equals or exceeds implementation costs.

Active Travel also offers a low emissions transport alternative, contributing to the Island's commitment to reach net zero carbon emissions by 2050. At present 22% (157kT CO₂e) of the Island's net greenhouse gas emissions can be attributed to transport, and with petrol and diesel cars accounting for almost 60% of overall transport emissions in 2019, this makes this initiative a crucial area for carbon reduction. Improvements in overall air quality are also achieved when vehicle emissions are reduced or eliminated, and decreased reliance on motorised vehicles eases congestion and creates better living environments for everyone.

Where new Active Travel routes have been monitored with electronic counters, (such as the Enterprise Way and the entry to the signalised crossing at Quarterbridge), they have shown an increase in the number of cyclists and pedestrians over a 2 year period.



Note 9 - Access by Sea:

£80m



ICMA Category: Clean Transportation
Climate change mitigation

IMPACT:

Number of Beneficiaries

Passenger Capacity Increase of 319 up from 630 to 949
Additional 500m2 of car/freight space reducing number of journeys

In March 2019, a new Sea Services Agreement was finalised between the Isle of Man Steam Packet Company and the Department of Infrastructure, laying the framework for future investment in the Island’s lifeline sea links. It set the wheels in motion to construct a replacement vessel for our conventional ferry, the Ben-my-Chree and the vessel is now well into its construction phase at the HMD shipyard in South Korea.

The newly commissioned “Manxman” will replace the Ben-my-Chree when she comes into service in 2023, taking over the twice-daily Heysham route. The Ben-my-Chree will then be maintained and used to enhance back-up capabilities, providing additional capacity for peak periods such as the Isle of Man TT and Manx Grand Prix.

The Steam Packet Company’s goal is to design a fuel-efficient vessel with increased capacity that is more sympathetic to the environment, and meets all current and future emission regulations. Not only will the new vessel utilise Hybrid Diesel Electric technology to ensure optimum efficiency, she will be powered by what the Guinness World Records describes as the ‘world’s most efficient four-stroke diesel engine’ which will be compatible with some of the future low-carbon fuels anticipated to come on the market. The passenger capacity will increase from the Ben My Chree’s 630 to 949 on Manxman and there is an additional 500m2 for cars and freight. A combination of the above brings a significant ‘Green’ benefit overall.

Manxman’s engines will be more powerful and able to maintain scheduled crossing times in adverse weather conditions, resulting in fewer disruptions when sailing conditions are poor. This supports the idea of the vessel as our lifeline in terms of transport of passengers and, even more so, the supply of essential goods.

The Steam Packet Company’s goal is to design a fuel-efficient vessel with increased capacity that is more sympathetic to the environment



Note 10 - Flood Defences:

£7.3m



ICMA Category: Climate Change Adaptation
Climate change adaptation

IMPACT:

Reduction of Flood Risk

Laxey flood works show a potential cost avoidance of up to £10.15m worth of damage

A 25 year Climate change Adaptation programme, made up of a number of schemes to deliver climate change adaptations across the Island, has been developed. Significant business cases are presented to and approved by Treasury once they are ready to be delivered.

Major events in the recent past have highlighted our current vulnerability to the Island’s weather. Inland flooding, coastal flooding and storm damage have proved costly in recent years, particularly in relation to damage to key coastal defences. These costs have not been restricted to Government with local authorities, homeowners and businesses all having to deal with the financial and personal costs associated with weather-related damage.

Potential future floods could directly impact over 10% of the Island’s population, this includes up to 4,000 properties and generates a forecast of £900m of potential flood damages, based on the present century. The cumulative cost of flood impacts will also change, potentially increasing even higher than that estimated, as the effects of climate change are realised and because of increases in population and economic development.

One of the first programme of works to be delivered under this umbrella is the Laxey Scheme. The initial feasibility study has demonstrated that there is a good economic case to support the Flood Alleviation Scheme in Laxey. It is achievable to provide a 1% AEP (Annual Exceedance Probability, or the probability that a given rainfall total accumulated over a given duration will be exceeded in any one year) plus Climate Change Standard of Protection for fluvial, tidal and surface water flood risk. This incorporates several flood mitigation options at various locations around the village. The cost of the Laxey Flood Defence project has been estimated to be between £7.2 million and £10.8 million, but could result in the avoidance of up to £10.15 million in damages, achieving a cost-benefit ratio of between 1.41 to 0.94. On a per property basis this equates to average damage cost avoided of approximately £2,285.



Note 11 - Financial Support for Economic Growth: £80.9m



ICMA Category: Employment Generation and Support for SMEs
Support employment generation

Promote resilience and resumption of economic activities in the event of extreme events

IMPACT: Jobs Protected

686 businesses supported which were affected by extraordinary circumstance

The Department for Enterprise is responsible for economic development and the creation of an environment where local entrepreneurship is supported and thriving, and more new businesses are choosing to call the Isle of Man home. To support this mission, the Department offers a range of business support schemes comprising funding, training and advisory services for businesses as they start, grow and invest in their enterprise on the Isle of Man. A number of these are underwritten by a range of Funds.

• Economic Recovery Fund - The Economic Recovery Group - chaired by the Treasury Minister and Minister for Enterprise and reporting directly to the Council of Ministers - is leading a coordinated response which seeks to implement stimulus measures to ensure that confidence is restored to our domestic economy, our people have enhanced access to opportunities, and that strategic investments provide lasting improvements for our Island. The Programme is underpinned by a £100m fund which provides resourcing for measures to protect jobs, secure investment and enable growth as part of the Isle of Man's financial fightback from coronavirus.

• Economic Development Fund – Originally established in 1999, the purpose of the Fund is to provide financial assistance to organisations undertaking projects which are deemed to have a positive contribution to the local economy yet are not eligible under any other Government scheme. Current projects which have been funded from the EDF include the Micro Business Grant Scheme and the employee relocation incentive.

Note 12 - Climate Change Initiatives: £15m



ICMA Category: Energy Efficiency
Energy Efficiency in the built environment

IMPACT:

IMPACT: Identifying delivery of energy efficiency

1,581 Properties energy audited

In May 2019, the Chief Minister recognised a global climate emergency and the need for urgent climate action in the Isle of Man. The Council of Ministers' Phase 1 Action Plan quickly followed this declaration, which Tynwald unanimously approved in January 2020. To reach net zero emissions by 2050, the Isle of Man will need to significantly reduce the amount of greenhouse gases it currently produces. Those remaining and unavoidable emissions will also need to be balanced by absorbing the same amount from the atmosphere.

As part of the 2020/21 annual budget, the Treasury Minister established the Climate Change Mitigation Fund with the primary aim being to provide Capital funding for initiatives in the Isle of Man that support achieving net zero carbon emissions by 2050. The fund was committed to by the Council of Ministers to allow immediate actions to be taken and Phase 1 of the Action Plan to be delivered.

The Funds will be available to the Climate Change Transformation Programme, and Government Departments, Boards and Offices through the Climate Change Transformation Board and Steering Group. Bids are invited and considered where the costs and potential carbon emissions reductions are clearly defined, and where the key deliverables underpin the delivery of the Council of Ministers Action Plan as approved by Tynwald in January 2020.

All eligible projects must support the overall objective

of the Climate Change Transformation Programme, specifically;

- To achieve Net Zero Carbon Emissions by 2050; either through the reduction of Carbon (and other Greenhouse Gas) Emissions within one of the key emissions sectors, or through providing a significant contribution to carbon sequestration;
- To deliver a climate change bill and associated legislation; an enabler to achieving net zero carbon emissions by 2050;
- To deliver Phase 1 actions identified in the Council of Ministers Action Plan;
- To develop Phase 2 of the Council of Ministers Action Plan;
- A business case must be produced and signed off by the Climate Change Director and the Chief Secretary.

Including the 2020/21 financial year, £5m has been and will continue to be transferred into the Fund annually, over a period of 6 years indicating that a total of £15m will be eligible against the framework by the end of the 2022/23 financial year.

Note 13 - SMART Metering:

£3.2m



ICMA Category: Energy Efficiency
Climate change mitigation

IMPACT: Number of SMART Meters Installed

Meter installations estimated as 8,000 per year. Currently 300 'pilot' meters and a further 900 installed to date.

The Manx Utilities Authority is rolling out the routine replacement of electricity meters across the Island to ensure accurate charging, replacement of prepayment metering infrastructure and installation of communications infrastructure to improve customer service. Part of the plan is to replace old meters with Advanced Metering Infrastructure (AMI) SMART Meters, with an overall cost, inclusive of capital & revenue elements, of £18.15 million covering a ten year period.

An AMI system allows system operators to capture 'point of use' data from its users and provides those users with more information and potentially control over the consumption of electricity. The benefit to Manx Utilities is more pronounced than in a UK business model given that Manx Utilities is responsible for the generation, supply and

sale of electricity. For customers the benefits arise from accurate, timely billing plus the ability to understand their energy usage with the option to modify or reduce their consumption where appropriate.

The MUA have estimated installation of approximately 8,000 meters per annum once they have completed the initial pilot of 300 (these 300 meters have been installed over the last 6-9 months). A further 600 are expected to be completed in the second half of August 2022.

Note 14 - Technology Projects:

£11.1m



ICMA Category: Energy Efficiency
Provide safe and affordable access to essential services

IMPACT: Energy Savings

Savings of up to 80% on electricity usage

The National Broadband Plan is a programme of work to enable the installation of ultrafast broadband to more than 99% of the Islands premises within a 4 year period. All Island residents and businesses will have access should they choose to connect to it. The National Telecoms Strategy identified that ultrafast broadband is an enabler for economic growth and social inclusion. These networks provide a key conduit of modern society – retail, entertainment, learning and health. Access to ultrafast broadband is becoming a human right in much the same way that water, electricity and sanitation are. In the UK it is estimated that new fibre broadband products will generate £59bn of economic boost rising to £70bn by 2038.

In addition to the approved funding, and due to the onset of the Covid pandemic, the Department for Enterprise (DfE) was instructed to find ways to accelerate the plan, given the need for many to stay and work from home. Indeed many services including health and education were also being delivered over the internet. DfE set in motion a plan with Manx Telecom to accelerate the rollout from

60% complete within 3 years to 75% complete, and 99% complete within 4 years rather than the originally planned 5 years. As of the end of May 2022 the programme had supplied over 67% of the Islands premises with fibre and over 55% in the Intervention Zones (the areas into which the Island was divided at the start of the project).

Fibre Optic provision also has a much lower environmental impact with greater energy efficiency than standard broadband. Talk Talk estimate that a fibre network could be up to 80% more efficient than a copper network when taking account a number of factors, including the much greater distances fibre can transmit over and the subsequent reduction in the number of high-energy consumption exchange cabinets. Fibre networks are also far less damaging to the environment in their production, with it being estimated that extracting a 200-foot length of copper wire (approximately 2kg) creates around one tonne of CO2 emissions, but creating the same length of fibre optic cable creates 0.06kg of CO2 emissions.

Note 15 - Forestries and Plantations:

£0.3m



ICMA Category: Environmentally Sustainable Management of Living Natural Resources and Land Use
The protection and restoration of biodiversity and ecosystems. Climate change mitigation. Climate change adaptation.

IMPACT: Annual CO2 Sequestered

85,000 trees planted across 111 Acres for the People's Wood - expected to sequester up to 100t of CO2 per year once full established

The Ministers Wood project saw the planting of 85,000 trees at a 45 hectare plot at Meary Veg in order to create the Chief Ministers Wood in line with the launch of the Climate Change Action Plan. The Wood was planted to demonstrate the previous Chief Minister's commitment to reducing the Island's Carbon footprint in line with the targets set out in the Plan. The trees themselves were funded by the Private sector but ongoing costs are required to support the embedding of the plantation.

The key benefit is the level of Carbon sequestration generated from the area which, when the trees are fully established, could be up to 100 tonnes per year according to the calculation parameters developed by the Woodland Trust.

Note 16 - Protection of the Natural Environment:

£5.1m



ICMA Category: Environmentally Sustainable Management of Living Natural Resources and Land Use
The protection and restoration of biodiversity and ecosystems. Climate change mitigation. Climate change adaptation.

IMPACT: Land subject to beneficial land management practices

105 Acres developed for Ayres Nature Reserve Blue Carbon Project: Survey 50% of Territorial Sea blue carbon resources (Phase 1a) to determine current carbon sequestration and storage capacity

The Environmental Protection Fund was created in 2020/21 and allows for approval of bids that support Government's climate change initiatives. The primary aim of the Fund is to provide revenue funding for initiatives in the Isle of Man that support achieving net zero carbon emissions by 2050. The fund was committed to by the Council of Ministers in the Climate Action Plan and allows immediate actions to be taken and Phase One of the Action Plan to be delivered.

All eligible projects must support the overall objective of the Climate Change Transformation Programme as outlined in Note 12.

The Fund also supports the Blue Carbon Project which under the Climate Change Action Plan Commitment (Phase 1) required Government to 'Develop a comprehensive blue carbon management plan to maximise carbon sequestration and maintain and restore biodiversity and wider ecosystem services' within Isle of Man territorial seas (primary goal), including maintaining and/or restoring biodiversity (secondary goal) and maintaining and/or restoring wider ecosystem services (secondary goal).

Resources have also been secured for the preservation of the Ayres Nature Reserve, with particular importance placed upon migrating and wintering birds. Manx BirdLife has taken a lease from Island Aggregates to restore for nature an initial 105 acres of exhausted quarry at the Point of Ayre. It is expected that over time this could grow to create a flourishing bio-climate of potentially more than 450 acres. The reserve will be of special importance for migratory and wintering birds, as well as a myriad of breeding birds and other wildlife. Against today's backdrop of environmental decline and diminishing wildlife, this long-term project is a once in a generation opportunity.

Benefits of the project include the conservation of biodiversity, improving physical health and mental well-being of visitors to a new outdoor recreation area, tangible fulfilment of the Island's Biosphere pledges, sequestration and other objectives which support the Climate Change emergency Action Plan and Climate Change Bill.

Note 17 - Social Security Support:

£23.4m



ICMA Category: Socioeconomic Advancement and Empowerment
Reduction of Inequalities

IMPACT:

Number of Beneficiaries

3,356 recipients in 2021 and 37,023 recipients in 2022

The 'Winter Bonus' is a lump sum payment to certain beneficiaries who are entitled to income support for any day in the first benefit week of January and (normally) who are: of state pension age, long-term incapacitated; severely disabled; or who have a child under 5 living with them.

The rates of the Island's winter bonus were: £260 in 2006; £300 in 2007 and 2008; (exceptionally) £450 in 2009 and £300 for each of the years from 2010 to 2019 (inclusive). It was increased to £350 for January 2020 and has remained at that level in 2021. In reaction to the exceptional increase in gas tariffs, and noting that the cost of domestic heating oil has nearly doubled during 2021, it was determined that for January 2022:-

- The amount of the Winter Bonus for income support recipients who would ordinarily have qualified for the £350 bonus would be £450;
- Other income support, Employed Person's Allowance and income-based Jobseeker's Allowance recipients who would not ordinarily qualify for a Winter Bonus would receive a reduced Winter Bonus of £100.

Provision was also made for a Variable Rate Winter Bonus to be payable to persons who were not receiving the relevant benefits in order to qualify for a Winter Bonus, but whose incomes were marginally above the levels at which they would qualify for Income Support. This reduced rate Winter Bonus was worth either £25, £50 or £75 depending on how far above the relevant levels their

household income was. Additionally, in March, provision was made for an Additional Winter Bonus of £100 to be payable to the same groups that received the Winter Bonus, and a reduced Variable Rate Additional Winter Bonus to be payable to the same people that qualified for the Variable Rate Winter Bonus, at the same rate they received the former. The bonus was claimed by 2,254 recipients in 2020/21 and 7,131 in 2021/22.

- Energy support payments worth up to £300 are intended to help householders who get low income benefits (i.e Income Support, Income-based Jobseekers Allowance and Employed Persons Allowance (EPA) with the recent increases in the costs of oil, gas and electricity.
- Family Support Payments worth up to £400 are intended to help families who get child benefit with recent increases in the costs of oil, gas and electricity.
- Also included in within this allocation is the Attendance Allowance which is paid to vulnerable members of society who become severely disabled after reaching state pension age (require frequent attention from others with basic daily living activities or need continual supervision during the day

Note 18 - Regional Sewerage Programme:

£17.6m



ICMA Category: Sustainable Water and Wastewater Management
Sustainable use and protection of water and marine resources.
Climate change mitigation.

IMPACT:

Improvement of Water Quality and Treatment Processes

Peel and Garff works are expected to treat 500m tonnes of raw sewage per year to meet requirements of Water Pollution (Bathing Water Standards and Objectives) Scheme 2021

The 2019/2024 Sewer Rehabilitation Contract is a five year framework contract to rehabilitate the Island's sewerage network by undertaking strategic CCTV surveys to locate, map and structurally assess foul, combined and surface water sewers across various drainage catchments prior to completing refurbishment of defective sewers and manholes through various techniques including structural lining.

The contract included strategic CCTV surveys and associated civil engineering works sufficient to provide access, together with the rehabilitation of sewers having a high likelihood and/or consequence of service failure. This programme of works will be completed by a suitably experienced contractor. Manx Utilities has budgeted £5 million expenditure during the period April 2019 to March 2024 and this is included in Treasury's capital programme.

This section also includes Regional Sewage Treatment Works for Peel, Laxey and Baldrine. After the Island's bathing water quality was debated in Tynwald in March 2016, Tynwald agreed that the EU Bathing Waters standards for 2006 should be considered to bring the Isle of Man in line with neighbouring countries in terms of protection of public health. Following this, the Environment & Infrastructure Policy Review Committee made a series of recommendations on future sewerage infrastructure options and their impact on bathing water quality. The two recommendations agreed were that the existing

bathing water quality standards are inadequate and that provision must be made to adopt the standards included in the 2006 Bathing Water Directive and that necessary implementation work should be completed in accordance with a time bound delivery plan. In summary therefore, the proposals and costs are based on the provision of "Excellent" water quality standard.

Other areas which have benefitted from sewerage treatment refurbishment over the relevant period are:

- Ballagaery, Meary Veg: Replacement for the existing asset-life expired Sewage Treatment Works (STW) serving the Ballagrey drainage catchment area of Glen Vine (Central Valley).
- Ballaugh: Replacement of existing STW serving Ballaugh drainage catchment. Previous works date back to 1930s (some modernisation in 1960s) so were in poor condition and could not provide treated effluent to modern day standard.
- White Hoe/Loch Prom: Refurbishment of existing pumping stations serving Douglas drainage catchment. Many critical components were reaching end of serviceable life and stations are no longer in accordance with best practice Health & Safety standards. The intention of these works is to extend the operational life of stations by a further 15 years.

Note 19 - Water Testing:

£0.3m



ICMA Category: Sustainable Water and Wastewater Management
Sustainable use and protection of water and marine resources.
Climate change mitigation.

IMPACT:

Improvement of Water Quality and Treatment Processes

Improved accuracy of testing, improved food and water quality

In addition to fulfilling the Isle of Man Government's statutory Public Analyst function, the Public Analyst Laboratory provides scientific support to all Government Departments, primarily in the form of an analytical and testing service.

Investment over the last 3 years has delivered a replacement schedule of essential laboratory equipment, specifically those which support the monitoring of the quality of food, water and environmental samples to detect potentially harmful substances. This allows corrective action and warnings to be issued where necessary. The equipment details and benefits of this programme are outlined in further detail in Case Study 2.

Note 20 - Strategic Energy Review:

£0.2m



ICMA Category: Renewable Energy

IMPACT:

Identifying alternative energy provisions

5 possible pathways identified to deliver net zero emissions from electricity by 2050

Ove Arup carried out independent, technical and economic modelling to create scenarios based on technologies which were appropriate for the Isle of Man. The future energy scenarios have highlighted five possible pathways to deliver net zero emissions from electricity by 2050, which also meets the Government's 2035 target of securing 75% of generation from renewable sources.

This will be a vital contributor to achieving the Climate Change Action Plan and is listed as a primary action.



CASE STUDY 1 – PRE-SCHOOL CREDITS DEPARTMENT OF EDUCATION & SPORT AND CULTURE

Background

From 31st August 2012, what was then known as the Department of Education and Children (DEC) ceased to provide pre-school places (childcare for children that reached their fourth birthday within a given academic year) in schools, transferring the provision into private nursery or childminder settings. Prior to this, DEC provided pre-school education at schools where it was understood that there was the highest level of need – this led to the distribution of pre-school places being uneven with no provision in large proportions of the South and North of the Island.

The savings made under the new model were utilised to introduce the Pre-school credit scheme which offered all parents of children within this age group financial support to allow them to access pre-school education as and when they required it.

A universal credit of £350 per annum was made available for each eligible child towards the cost of pre-school education with any provider registered with the Department of Health and Social Care.

Parents in receipt of Income-based Jobseeker's Allowance, Employed Person's Allowance or Income Support were entitled to an additional credit of up to £800 per annum, subject to validation by the Social Security Division of The Treasury. Further increases were made between June 2014 and July 2016 before a significant uplift to £3,420 per annum per child was agreed as part of the 2018/19 revenue budget.

Outline of the Scheme

The publication of the Childcare Strategy in 2021 outlined two of its key aims as ensuring that “every child has an opportunity to access high quality childcare and early education” and “every parent has the choice to access childcare”. This is aligned to the Island Plan under the category “Outstanding lifelong learning and development opportunities for all” and aims to ensure that childcare is available and affordable for everyone that would like it.

In 2022, the £3,420 credit which covered approximately 14 hours provision per week, based on a 38-week term, was increased to £4,166 reflecting the rise in the average cost of childcare since the credit was last reviewed in 2018. This increases the amount of provision funded to 15-20 hours per week.

Outcomes

Since 2018/19, 3,095 families have been awarded pre-school credits with a further 749 anticipated for the 2022/23 academic year. This equates to an average of 774 children between the ages of 3-4 or an approximate uptake of 95% of the cohort for each year group.

The scheme has enabled more individuals to be economically active by supporting working parents back into work, or by allowing them to increase their working hours. In turn, this has additional benefits of generating revenue for regulated providers while contributing to the national economy and promoting the Island as an attractive place to live, work and raise families.

One of the barriers to accessing the desired amount, type or quality of childcare has been identified as affordability. Inequalities which are often income-based, from the outset of a child's life, can impede their development throughout education. Support to enable access to formal childcare and early years education will assist in addressing some of these inequalities.

From a social perspective, support for early years education provided prior to children starting primary school ensures that the reception intake for that specific year are “school-ready” and a child's cognitive, socio-emotional and communication skills are more fully developed. Engagement in formal childcare can also reduce the proportion of children considered “at risk” by the time they reach reception class of primary school.

The scheme is in review at present to address difficulties faced by parents of children with special educational needs. While all businesses have an obligation under the Equality Act 2017 to make reasonable adjustments in order to facilitate provision to those with additional needs, children with Special Educational Needs (SEN) complex needs can face more barriers due to the costs involved in procuring and maintaining specialist equipment.

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The savings made under the new model were utilised to introduce the Pre-school credit scheme

CASE STUDY 2 – PUBLIC ANALYST LABORATORY DEPARTMENT OF ENVIRONMENT, FOOD AND AGRICULTURE



Background

In addition to fulfilling the Isle of Man Government's statutory Public Analyst function, the Public Analyst Laboratory provides scientific support to all Government Departments, primarily in the form of an analytical and testing service. The effectiveness of the Laboratory's work depends upon scientific integrity and independence, and on the public perception of these elements of delivery. For this reason, although attached to the Department, the Government Laboratory operates as a separate unit, able to act independently without conflict of interest.

With an emphasis on quality, reinforced by third party accreditation and participation in international proficiency schemes, underpinned by integrity, confidentiality and neutrality, and with highly trained and skilled staff and a wide range of specialist equipment, the Laboratory is able to directly fulfil many of the Island's analytical testing needs.

Outline of the Scheme

Investment over the last 3 years has delivered a replacement schedule of essential laboratory equipment, specifically those which support the monitoring of the quality of food, water and environmental samples to detect potentially harmful substances. This allows corrective action and warnings to be issued where necessary. Other assets invested include machines to;

- Monitor radioactivity, heavy metal and other contaminant levels in food,
- Monitor the composition of food and drink products,
- Ensure drinking water meets statutory requirements,
- Instigate monitoring systems that ensure laboratory incubators/ovens/fridges/freezers

are maintained at correct, safe levels,

- Monitor marine samples (sea water to monitor bathing water quality), and
- Sterilise laboratory equipment before disposal.

The laboratory analyses on average around 11,000 samples per year. This equates to 55,988 analytical tests, 33,621 of which are for water chemistry and 22,236 are water microbiology tests. Many of the tests require the analysis to be done on the same day as sampling, due to degradation of certain parameters such as microbiological testing and chemistry tests such as Biochemical Oxygen Demand (BOD), Chemical Oxygen Demand (COD), Free Chlorine, Ammonia and nitrates on water samples etc.

Outcomes

There are many benefits to the use of this equipment, including improving the safety of water - not only for the population in general - but also by monitoring water samples for the Prison and Noble's Hospital for vulnerable and high risk patients including those on dialysis.

Other equipment generates the following improvements to water quality;

Liquid Scintillation Centre - This instrument looks at radioactive contamination from potential sources, such as Sellafield radioactive waste reprocessing plant, Heysham Nuclear Power Stations (reactors 1 & 2) and monitors recent events such as at the nuclear power facilities in Ukraine and around Chernobyl. The laboratory checks that radioactive contaminants have not increased in the Island's food chain and environment. Monitoring the Island's sea and beaches, gives a background reading, which we use to monitor any potential increase in radioactivity levels, which may affect the Islands agricultural products, farm animals and food chain.

Autoclave - The autoclave is an essential piece of equipment, which is required for making agar, used in most of the testing done in the Microbiology section. The work this machine does is essential to the island and provides microbiological testing for drinking water, swimming pools, bathing water quality, statutory water testing, legionella and drinking water in all Government properties.

Ion Chromatography - Methods have been developed, for mandatory drinking water testing, at the laboratory for many of the samples requiring mandatory testing such as chlorine, phosphates and nitrates, as well as various electrolytes including potassium, and sodium.

LIMS (Laboratory Information Management System) - LIMS software can process laboratory samples from registration to the final report. LIMS is able to record analytical quality assurance (AQA) data including internal quality control samples (e.g. replicate analyses), reference materials and external proficiency test samples. The AQA part calculates repeatability, bias and uncertainty, calculated to standards applicable to the official control of food and of drinking water and acceptable by the United Kingdom Accreditation Society (UKAS) and over any chosen sample period, produces Quality Control (QC) charts and provides warnings of QC failure.

Marine Nutrient Analyser - The Marine Nutrient Analyser is an automated monitoring system for various parameters in the sea which provides support for the fishing industry and is part of the long-term monitoring programme that provides a database of information for detecting changes, including information as to the progress of climate change, which in turn supports the delivery of the Island Plan.

CASE STUDY 3 – HEALTHCARE TRANSFORMATION FUND CABINET OFFICE

Background

Following Tynwald's approval of the Treasury Minister's motion on 16 January 2018, the Council of Ministers commissioned Sir Jonathan Michael to chair an independent review of health and social care on the Isle of Man. In April 2019, the review's final report was completed and submitted to the Council of Ministers.

The report included a package of 26 recommendations to be implemented in order to achieve a financially and clinically sustainable, high quality health and care system for the Isle of Man.

On 23 May 2019, the Council of Ministers issued a mandate to the DHSC, the Treasury and the Cabinet Office to ensure implementation of the review's final report's package of recommendations, led by the Chief Secretary and aligned to the principle that patients and service users are fully engaged in, and at the centre of, all aspects of planning and delivery of health and social care services.

These three Departments are now responsible to the Council of Ministers for delivering on the Transformation Programme required to deliver this package of recommendations. The Programme is being carried out by a dedicated team under the Chief Secretary within the Cabinet Office, working closely with the Department of Health and Social Care.

Outline of the Scheme

The delivery of the Health Care Transformation Programme is supported and resourced through the Healthcare Transformation Fund which was established by Tynwald on the 1st April 2017, replacing the Health Inspection Fund.

The Fund supports initiatives to realise ongoing revenue savings, or perhaps allow the double-running of services necessary to support realignment. Bids are invited and considered where the costs/potential revenue savings are clearly defined and measurable, and where the key deliverables

underpin the delivery of the Department's Strategy, which is built upon five pillars:

- Prevention – enabling people to take greater responsibility for their own health
- Community Care – helping people stay well in their own home / community
- Acute Care – improving services for people that really need care in hospital
- Protecting the vulnerable – provision of safeguards for people who cannot protect themselves
- Provision of good value Health and Social Care

It is expected that applications will provide payback savings within 2-3 years, although longer periods may be considered in exceptional circumstances.

Outcomes

To date, the Programme funded by the Health Transformation Fund has delivered the following outcomes;

- The new Helicopter Emergency Medical Service (HEMS) aims to take patients who are seriously ill or who have suffered a major trauma from the Isle of Man directly to the UK for emergency medical treatment. This flexible and reactive transfer of patients to trauma or other specialist centres in the North West of England will ensure that those who need off-Island treatment receive it in the shortest time possible.
- In support of recommendation 3, the Implement External Quality Regulation project has enabled a formal agreement between England's Care Quality Commission (CQC) and the Isle of Man's DHSC to develop a system of independent inspections of Manx Care (delivered or contracted) services and

to undertake baseline inspections of a broad range of health and care services.

- Strategic business cases developed and implemented for new care pathways for urgent and emergency integrated care, eye care, diabetic retinopathy screening, Abdominal Aortic Aneurysm screenings and improving cancer screening
- Pilot of dermatology specialist GP services to reduce referrals to Consultants at hospital thereby reducing waiting lists
- The Undertake Needs Assessment project, in support of recommendations 10 and 11 now have a fully resourced team and have developed the detailed process to fulfil its purpose. Two important areas for examination have been determined (Ageing Well and Starting Well/Developing Well) for 2022/23 and agreed by the Strategy Board.
- 5 year Workforce and Culture plan that seeks to ensure Manx Care has the right staffing levels for the future, as well as ensuring the service can recruit and retain high quality individuals



Isle of Man
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