

# STATES OF JERSEY



## LEARNING FROM PREVIOUS HOSPITAL PROJECTS – A FOLLOW UP REVIEW (R.82/2023 RES.) – COMMENTS

---

Presented to the States on 13th July 2023  
by the Public Accounts Committee

---

STATES GREFFE

## INTRODUCTION

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 (the ‘PAC’) presents its comments on the [Executive Response](#) to the Comptroller and Auditor General’s (C&AG) Report entitled: [Learning from Previous Hospital Projects – A Follow Up Review](#) (R.82/2023 presented to the States on 15th May 2023).

### **Background**

1. A substantial part of the PAC’s role is to assess the use of public funds and whether sound financial practices have been applied. This includes understanding whether good governance and best practices have been applied in planning, implementing and administering projects undertaken by the Government of Jersey.
2. The C&AG published her report on 15th May 2023 as phase one of her review of Major and Strategic Programmes, including Capital Projects.
3. The report found that, over the last ten years, more than £130 million has been spent by the States of Jersey on various hospital projects. It highlighted the importance of ensuring that the key learnings from the previous aborted projects are taken into the New Healthcare Facilities Programme (NHFP), however, it did note that the approach taken in relation to the NHFP does appear to represent best practice. In particular, the report highlighted that, there should be a focus on:
  - Ensuring there is clarity on the strategies and ambitions for delivery of Jersey’s health services.
  - Effective programme management including the identification and active management and monitoring of clear and consistent critical success factors.
  - A best practice approach to evaluating, monitoring and reporting on project level financial information and value for money.
  - Effective and meaningful consultation with clinicians and other stakeholders at appropriate times.
4. The report made nine recommendations, identified two existing workstreams for prioritisation and made one suggested area for consideration. The PAC notes that all of the recommendations have either been accepted or partially accepted, the two areas for consideration have been listed as complete, and the area for consideration has been partially accepted.

### **Comments on response to recommendations**

5. The PAC has reviewed the Executive Response provided by the Government of Jersey and, whilst it is pleased to note that the majority of recommendations have been accepted, it has the following comments to make in relation to the response:



### **Recommendation Three**

<b>C&amp;AG Recommendation 3</b>	<b>Executive Response</b>	<b>Target Date</b>	<b>Responsible Officer</b>
<b>R3</b> Ensure that a dedicated Project Director is appointed to the New Healthcare Facilities Programme	<b>Accept</b> A dedicated Acting Programme Director has been appointed to the New Healthcare Facilities Programme.	In place	Chief Officer, Infrastructure and Environment

7. The PAC notes that a dedicated Acting Programme Director has been appointed to the NHFP, however, it has taken the view that the fact it is an ‘acting’ appointment does not meet the spirit of the recommendation made by the C&AG. Therefore, the PAC would like to see further evidence of the anticipated timescale for which the role will remain as an ‘acting’ role and whether a further recruitment process will be undertaken in order to make the role permanent.

### **Recommendation Four**

<b>C&amp;AG Recommendation 4</b>	<b>Executive Response</b>	<b>Target Date</b>	<b>Responsible Officer</b>
<b>R4</b> Ensure that effective mechanisms are put in place to review and, where appropriate, update the Functional Brief for key strategies which should inform capacity requirements as they are finalised.	<b>Accept</b> A regular check on the continued relevance of the Functional Brief will be built into the programme Decision Point process and will be described in detail in the Programme Manual. Where appropriate, the Functional Brief will be updated based upon recent strategic developments in health and social services.	August 2023	Healthcare Lead New Healthcare Facilities Programme

8. It is noted that regular ‘check in’s’ will be made on the relevance of the Functional Brief, however, the response provided to this recommendation does not specify the timescale at which these check-in’s will be undertaken. Furthermore, the response does not state clearly what mechanism will be used as part of the check in to assess the relevance of the Functional Brief. The PAC would, therefore, request further information on the timescale and mechanism for reviewing the functional brief.

### **Recommendation Five**

<b>C&amp;AG Recommendation 5</b>	<b>Executive Response</b>	<b>Target Date</b>	<b>Responsible Officer</b>
<b>R5</b> Establish clear and robust criteria to underpin decision making for the New Healthcare Facilities Programme. Document targets and tolerances and any weighting	<b>Partially Accept</b> The programme appreciates that targets, tolerances and weighted criteria can result in a more robust decision-making process. However, the nature of relevant	In place and ongoing	Programme Director, New Healthcare Facilities Programme

<p>against the criteria.</p>	<p>individual criterion means that not all result in quantitative assessments, and assessments are often better undertaken based on a depth of professional experience, especially at the very earliest stages. For the NHF SOC, the Critical Success Factors (CSFs) were developed by the programme team and agreed by the Ministerial Group.</p> <p>As projects come forward as part of the programme, Outline Business Cases will be developed that will enable benefits to be quantified.</p> <p>A conscious decision has been made not to weight CSFs in the programme Strategic Outline Case (SOC) and feasibility studies. However, the use of weighted criteria will be considered on a case-by-case basis as future decision points arise.</p> <p>To note: the previous projects experienced challenge whether or not criteria were weighted. For example, if criteria were not weighted, there were challenges about why this has not taken place. On the other hand, when weighting was used, the rationale for weighting was challenged.</p>		
------------------------------	--	--	--

9. The PAC understands the difficulty that has been faced by previous projects in relation to weighting or not weighting criteria used to underpin decision making. It also understands the decision that has been made as part of this programme to not weight the Critical Success Factors in the Strategic Outline Case given the previous challenge on decisions to either weight or not weight criteria. The PAC would, however, state that the recommendation asks for clear and robust criteria to be developed to underpin decision making and does not specifically ask for weighting to be used as part of the process, more so to be

considered when documenting key decision points. Whilst the response partially accepts the recommendation, the PAC would expect to see further evidence of the Critical Success Factors and how the Outline Business Cases will be developed using these factors.

**Recommendation Six**

<b>C&amp;AG Recommendation 6</b>	<b>Executive Response</b>	<b>Target Date</b>	<b>Responsible Officer</b>
<b>R6</b> Clearly set out reasons for any deviation from the agreed criteria, the thresholds or the weighting and what has been done to mitigate the risks of the changes made.	<b>Partially Accept</b> Please see response to R5 regarding weighting. Where there are deviations from agreed criteria when making a decision, the reasons for this will be documented. This recommendation has been incorporated into programme BAU processes and has been included in the programme manual.	In place and ongoing	Programme Delivery Lead New Healthcare Facilities Programme

10. Again, as with its comments in respect of the response to recommendation five, the PAC has observed that there may be a potential misunderstanding of the C&AG’s recommendation. The recommendation does not specifically state that weighting must be undertaken, however, should weighting of the Critical Success Factors be undertaken, then this must be recorded and documented clearly.

**Recommendation Seven**

<b>C&amp;AG Recommendation 7</b>	<b>Executive Response</b>	<b>Target Date</b>	<b>Responsible Officer</b>
<b>R7</b> While recognising that risks and opportunities in health care constantly evolve, ensure that criteria for evaluation at any point in time fairly and reasonably represent a sustainable value for money position.	<b>Accept</b> It is imperative that a programme such as NHF engages continuously with Health and Community Services (HCS), as programme client, to align with initiatives in the health and care delivery space. Arrangements are in place for HCS to regularly feedback on client requirements, including, for example, a Healthcare Lead embedded in the programme team and the attendance of the Chief Officer HCS at Senior Officer meetings.	In place and ongoing	Chief Officer, Health and Community Services

	<p>In doing so, the programme will review dependencies as HCS strategies are developed and put in place, and the functional brief will be regularly reviewed, as noted in the response to R2. The phased nature of the programme will also enable a robust review of the Functional Brief as the design for each project develops.</p> <p>Similarly, when opportunities present themselves, such as modern methods of construction, and development in health and care delivery, such as new digital technologies, these will be considered, and an appropriate assessment of cost-benefit undertaken to establish whether they represent a sustainable value for money position</p>		
--	--	--	--

11. The PAC notes the response highlights that review of the requirements of the programme will be undertaken on a regular basis with key stakeholders, alongside consideration of emerging methods of construction and health care delivery developments. Whilst the recommendation is accepted, the response does not commit to producing set criteria for evaluation at each stage of this process. The PAC would suggest that having this set criteria would act as a basis to test assumptions as it will have previously been recorded and will act as a benchmark from which to test the criteria/developments further. This should be considered further within the response to this recommendation.

**Recommendation Nine**

<b>C&amp;AG Recommendation 9</b>	<b>Executive Response</b>	<b>Target Date</b>	<b>Responsible Officer</b>
<p><b>R9</b> Maintain a discipline of robust recording of key discussions and decisions made in major and strategic projects.</p>	<p><b>Accept</b> The C&amp;AG observed that the governance of the Our Hospital Project and processes to record decisions was strong. This discipline has been maintained in the transition to the New Healthcare Facilities Programme and</p>	<p>In place and ongoing</p>	<p>Head of Office of the Chief Executive</p>

	will continue as the programme progresses. The Corporate Portfolio Management Office (CPMO) within the Project Delivery Framework(s) provide a framework for effective decision logging throughout the lifecycle of a programme/project in the Logbook, and in particular as the programme/project progresses through a stage gate.		
--	---	--	--

12. The PAC notes that the response accepts the recommendation and that this is in place and ongoing, with responsibility falling to the Head of Office of the Chief Executive. Reference is made within the response to the frameworks set out by the Corporate Portfolio Management Office (CPMO), however, the PAC would like to see further evidence as to how the recording process that is in place aligns with the work of the CPMO.

**Current Work Planned that should be prioritised**

<b>C&amp;AG Current Work Planned that should be prioritised 1</b>	<b>Executive Response</b>	<b>Target Date</b>	<b>Responsible Officer</b>
<b>P1</b> Implement plans to seek an independent member to advise and act as a critical friend to the Ministerial Group on decision making and governance for the New Hospital Facilities Programme. Ensure that the appointment process is robust and transparent.	<b>Complete</b> Three Independent Advisers have now been appointed to provide advice to the New Healthcare Facilities Ministerial Group.	Complete	Head of Office of the Chief Executive

13. The PAC notes that three Independent Advisers have been appointed to provide advice to the NHF Ministerial Group, however, it is unaware of the details of who has been appointed to the roles and on what basis. It will be writing to the necessary Officials in order to request these details. It shall also be seeking further information around the recruitment process that was undertaken to appoint the independent advisers as this has not been made clear in the response to the recommendation.

<b>C&amp;AG Current Work Planned that should be prioritised 2</b>	<b>Executive Response</b>	<b>Target Date</b>	<b>Responsible Officer</b>
<b>P2</b> Ensure a comprehensive risk register is maintained	<b>Complete</b> A comprehensive risk register is maintained. The	Complete	



and routinely reported to and considered at the senior officer and political oversight meetings for the New Healthcare Facilities Programme	risk register is shared with senior officers and the Ministerial Group no less often than monthly, and key risks are reviewed formally at the start of each governance group meeting. This discipline will continue as the programme continues.		Head of Office of the Chief Executive
---	---	--	---------------------------------------

14. The PAC is pleased to see that a comprehensive risk register is maintained, and it will be seeking further information on the risk register for its own information. Noting that there are many different lines of accountability within the NHFP, the PAC would also like to see further evidence of how they are all linked together in respect of risk recording and monitoring. It would also like to see further evidence as to how risks are escalated within the register, the forums in which they are considered and by whom, how these risks are presented and explained to key decision makers and whether or not the register has been designed using the principles and frameworks of the CPMO.

**Area for Consideration**

<b>C&amp;AG Area for Consideration 1</b>	<b>Executive Response</b>	<b>Target Date</b>	<b>Responsible Officer</b>
<b>A1</b> Consider appointing a senior and currently operational clinician to be a member of or standing attendee at the Senior Officer Steering Group for the New Healthcare Facilities Programme.	<p><b>Partially Accept</b></p> <p>As part of the Our Hospital project, the Clinical Advisor attended the Senior Officer Steering Group on an ad hoc basis, as required.</p> <p>Much of the clinical challenge was undertaken during the significant number of user groups that happened as part of the previous scheme, with the intention that much of this work will be retained and reused, preventing duplication or repetition of work. The standard process for providing assurance of clinical requirements and support following these meetings was through the Chief Officer of Health and Community Services reporting into the Senior Officer Steering Group. –</p>	Regular review at key decision points	Healthcare Lead, New Healthcare Facilities Programme

	<p>acting both as the Clinical Advisor’s line manager and the Sponsoring Senior Responsible Officer.</p> <p>When appointed, the Clinical Advisor to the NHF programme will continue to attend any meeting where clinical input or a clinical view is required. In addition to this, one of the three Independent Advisors to the Ministerial Group has a medical background. We will monitor this situation and review through the periodic health check process at key decision points.</p>		
--	--	--	--

15. The PAC appreciates that this point made by the C&AG is not a recommendation and it appears in the response that the Government has taken a judgement call for the Clinical Adviser to attend on an ad-hoc basis as required. Noting that this will continue to be monitored and reviewed through the periodic health check, this is sufficient for the PAC in terms of assurances at this stage. It will, however, seek to understand how this process has worked in practice within any future follow up.

**Conclusion**

16. In summary, the Committee will seek further evidence to ensure that the accepted recommendations are implemented and that improved practices are embedded. It also expects to see evidence that all (accepted, partly or partially accepted) recommendations have been added to the Recommendations Tracker so that their progress towards implementation can be tracked closely. The Committee is hopeful that Government will consider its comments and intends to monitor progress.