

2025.01.21

**Deputy J. Renouf of St. Brelade of the Minister for Treasury and Resources regarding spending on the new hospital facilities programme (OQ.9/2025):**

Will the Minister explain what steps she is taking to ensure that spending on the new hospital facilities programme adheres to best practice for major capital projects and represents good value for the taxpayer?

**Deputy M.E. Millar of St. John, St. Lawrence and Trinity (The Minister for Treasury and Resources):**

I thank the Deputy for his question. As a major project, which is a defined term, the new healthcare facilities programme is required to comply with the requirements of the Public Finance Manual. This includes adherence to the corporate portfolio management office's delivery frameworks for major, strategic and other projects. These robust governance structures are designed to ensure that spending on the programme aligns with best practice and delivers good value for the taxpayer. There is a Treasury finance business partner embedded in the project, and the project team meets regularly with Treasury officials. While Treasury monitors compliance with those requirements, the programme is also subject to regular review by internal audit. As Members will remember, a phased approach to delivery is being used, which will ensure affordability for the taxpayer at every stage. As Minister for Treasury and Resources, I have been kept updated on the programme's progress, including meetings with the Minister for Health and Social Services and other key Ministers. This involvement ensures that financial oversight, strategic direction and value for money are continuously prioritised throughout the delivery of this essential infrastructure.

**3.5.1 Deputy J. Renouf:**

Is the Minister satisfied that the outline business case, which provides the framework for Government spending on the hospital, is robust and of the required standard.

**Deputy M.E. Millar:**

The outline business case, I believe, follows the principle of the Green Book, and it will shortly be followed ... there is already a strategic outline case that meets Green Book standards. There is the outline case, and it will very shortly, following the procurement exercise, be followed by a full business case, which will set out the full details of the project.

**Deputy J. Renouf:**

Could I ask whether I could get an answer to the question of whether she is satisfied that the outline business case meets the required standards?

**Deputy M.E. Millar:**

I have no reason to believe that it does not meet the required standards. It follows Green Book principles, I believe.

**3.5.2 Deputy A.F. Curtis of St. Clement:**

Following announcements by the Minister for Health and Social Service to restructure the Island's health system, to paraphrase, create a standalone department which operates independently, will the Minister for Treasury and Resources advise how she has been involved in the financial assurances that the proposed new healthcare facilities will also work efficiently and effectively for that operating model?

**Deputy M.E. Millar:**

I am sorry, I do not believe that has been formally announced and that is something that will be considered as that whole programme is considered and taken forward.

**3.5.3 Deputy A.F. Curtis:**

Prior to the announcement, I am aware that the Minister for Health and Social Services has spoken to the media to an extent on this. Has the Minister for Treasury and Resources been involved in conversations regarding this, and so has she had an early influence in ensuring that these plans align to good governance over facilities as well as the healthcare service?

**Deputy M.E. Millar:**

I think the funding for the new healthcare facilities is a different matter from anything else that is happening within Health. The hospital will have to follow, as I have said, the structures and procedures for a major project, and that will not change regardless of what happens in the wider Health Department.

**3.5.4 Deputy I. Gardiner of St. Helier North:**

Would the Minister for Treasury and Resources advise if she has seen the total full cost for the healthcare facilities that are planned to be built across 3 sites?

**Deputy M.E. Millar:**

I think that this is revisiting a Budget debate. We know we have a budget of £710 million, and whatever happens the programme must stay within that budget.

**Deputy I. Gardiner:**

I asked not about a specific budget, I asked if the Minister for Treasury and Resources has seen the overall number for ... I am not asking what the number is, but does she know the overall number for cost for all healthcare facility programmes?

**Deputy M. E. Millar:**

Again, the overall cost is the number in the Budget. I have not seen a breakdown of that I could ... I personally, I am sure some of my officials will have seen that though.

**3.5.5 Deputy I. Gardiner:**

If I understood what we have in the Budget, it is the cost for the next 4 years. We are all aware that the healthcare facilities over 3 sites - Overdale, Gloucester Street and the planned healthcare visit - will take longer than 4 years. Would the Minister for Treasury and Resources know what estimated cost for the Island beyond the 4 years we could expect? I am not asking the number, if she is aware.

**Deputy M.E. Millar:**

I think that is really a question for the Minister for Health and Social Services. We have a budget to build the facilities, to build the new hospital at Overdale and to make meaningful progress with St. Saviour's and Kensington Place. The team are working on that, and I think that further detail is really a matter for the Minister for Health and Social Services.

**3.5.6 Deputy J. Renouf:**

The Minister for Health and Social Services in the foreword to his Ministerial Plan says that he will create a single central fund to manage all health-related finances. Presumably, this does include the new hospital. Therefore, the question remains to what extent has it been discussed that, under these

new arrangements, financial governance of the new hospital will step outside to this new board? Has that been considered? Is it being discussed in Government?

**Deputy M.E. Millar:**

That will, of course, be fully discussed in Government, but I think that the cost of the hospital ... I think the Deputy referred to services. There is a distinction between a budget to provide services and to provide what happens inside the hospital, and a budget to build the building within which that happens. The 2 will be kept and monitored separately, I have no doubt of that.