States of Jersey
States Assembly

États de Jersey
Assemblée des États

Future Hospital Review Panel

Witness: The Chief Minister

Friday, 14th June 2019

Panel:

Connétable M.K. Jackson of St. Brelade (Deputy Chairman)

Connétable J.E. Le Maistre of Grouville

Deputy K.F. Morel of St. Lawrence

Deputy R.J. Ward of St. Helier

Senator S. Ferguson

Witnesses:

The Chief Minister

The Assistant Minister for Health and Infrastructure

Chief Executive

Director General, Health and Community Services

[14:32]

Connétable M.K. Jackson of St. Brelade (Deputy Chairman):

Welcome to the Future Hospital Review Panel and I am going to ask everyone to introduce themselves initially, starting with Rob.

Deputy R.J. Ward of St. Helier:

Deputy Rob Ward, member of the panel.

The Connétable of St. Brelade:

Connétable Mike Jackson, Deputy Chairman of the panel.

Deputy K.F. Morel of St. Lawrence:

Deputy Kirsten Morel, member of the panel.

Connétable J.E. Le Maistre of Grouville

Constable John Le Maistre, member of the panel.

Senator S.C. Ferguson:

Senator Sarah Ferguson, member of the panel.

Chief Executive:

Charlie Parker, Chief Executive.

The Chief Minister:

Senator John Le Fondré, Chief Minister.

The Assistant Minister for Health and Infrastructure:

Deputy Hugh Raymond, Assistant Minister for Health and Infrastructure.

Director General, Health and Community Services

Caroline Landon, Director General, H.C.S (Health and Community Services).

The Connétable of St. Brelade:

Thank you very much, we have several questions, Chief Minister, to put to you on this subject. We have restricted time so I am going to be very succinct and forgive me if I bring you up a little bit just to keep things moving. To begin with, do you fully understand the panel's terms of reference and our rationale for undertaking a review at this time?

The Chief Minister:

I believe so.

The Connétable of St. Brelade:

Good.

The Chief Minister:

We will find out at the end of this.

The Connétable of St. Brelade:

Yes, indeed. What is the rationale behind the next steps as set out R.54?

The Chief Minister:

The report as a whole is called "Next Steps". To recap, we had 2 events, 3 events, if you like, if you count the elections, so during the elections we know the hospital was a hot topic of the day but, perhaps more importantly, we had 2 things post-election, one was the planning permission and the refusal of the planning permission and, secondly, was the rescindment debate which was passed by 36 to 7, something along those lines. It was a significant debate and vote. Obviously there are 2 things that have to come out of that, which is … well, there are a number of things that come out, which is where do we go from here? That is the really the purpose of the next steps report. If it helps to refresh, the debate was in February, we then sat down very informally with States Members during the period March, we had a slight delay because as you may recall then the beneficial ownership kicked off with Margaret Hodge and some of us had to go away to Westminster at the time, so it bled into April slightly. Then we put the report together, which was issued in May, and now we have got … that has kind of set the terms around the Political Oversight Group" that has been created. That group has met once and will be meeting this time next week for its second time. I understand we have a stack of documentation coming down the line, which will then be obviously shared with yourselves.

The Connétable of St. Brelade:

Are you updating the work that was undertaken in 2015 in respect of clinical arrangements or are you starting again from scratch?

The Chief Minister:

I am going to hand over to Caroline and Charlie in terms of the details, the principle is that where we can use … where the work that has been done is sufficiently robust we are seeking to use it. Where things have changed or perhaps things might need strengthening we will obviously have to revisit, but whoever wants to take between Charlie and Caroline, perhaps Caroline, in terms of detail.

Director General, Health and Community Services:

I think we recognise that the original scope took place 7 years ago and that there has been significant changes in the delivery of healthcare since then, particularly around the advancement of laparoscopic work, changes in the way that we deal with patients that present through outpatients, an increase in the utilisation of day case and a move away from bed based care towards more community based and care closer to home. So what we have done is we have re-evaluated some of the key metrics from inside the hospital to try and understand exactly what it is that we need to change and what it is we need to involve our clinicians around discussing, so giving them pertinent information.

The Connétable of Grouville:

Can you explain laparoscopic? Sorry, that is not a term …

Director General, Health and Community Services:
That is keyhole surgery.

The Connétable of Grouville:
Thank you.

The Connétable of St. Brelade:
Why are you delaying the task of identifying hospital sites?

The Chief Minister:
What we are very consciously not doing is jumping into a site. What we have been clear on is to make sure that the specifications, if you like, are as up-to-date as they should be before we go to the site selection. That goes straight back to the work that Caroline is referring to. Is making sure that the scope and specifications are correct.

The Connétable of Grouville:
I was just going to say, where the hospital goes … you will need to know the size the site needs to be but where it goes is almost irrelevant, to develop the hospital you need a site, surely you could be looking for a site now?

The Chief Minister:
I do not really want to be drawn on where it should go, to some extent. We have been quite clear it has to be the specifications first. Now, at the moment, and I would not want to prejudice where we end up, it is eminently possible - I do not think probable is the right word - we could end up with a smaller hospital because of the work that Caroline has referred to and the way things have changed. What we are saying is to make sure we get that right first and then see how that applies to the site.

The Connétable of Grouville:
The biggest criticism of the existing hospital site is that it was too small. Are you saying that now the new hospital might fit?

The Chief Minister:
I genuinely on that front cannot comment yet because that is the work that is going on but I think the issues around the Gloucester Street site were quite complex, one was around size and the impact on the site, one was about the impact on patients and staff during the course of the work,

and a whole range of other areas. What we have said is let us get the specifications up to date and then see how it works through. Then go from there. I do not know if you want to add anything to that?

Director General, Health and Community Services:
Shall I talk about some of the work that we have currently been doing which suggests that … we have 119 attendances through our emergency department every day, we convert 14.3 of those to a bedded stay, that would suggest that we are either are really efficient emergency department, and we are very good, or it would suggest that perhaps we do not require a fully functional emergency department but perhaps something more like a U.T.C. (Urgent Treatment Centre).

The Connétable of St. Brelade:
U.T.C.?

Director General, Health and Community Services:
Sorry, an urgent treatment centre. Our new to follow up ratio for outpatients is one to 5, which benchmarks against the standard of one to 2, so it suggests that we are bringing lots and lots of patients back to outpatients. Our day case rates, so that is procedures that we do without an overnight stay, sits at 65 per cent against a benchmark of 86 per cent. Our theatre utilisation, which we try for about 85 per cent, so the amount of time that we spend using our theatres, our most expensive resource currently sits at 60 to 65 per cent. We start most days at the hospital with 35 beds empty, staffed beds, and we have significant capacity available across the Island at the start of every day. It would suggest that perhaps we need to think about how we can work differently and how we can deliver healthcare differently.

Deputy R.J. Ward:
When you say you benchmark, who do you benchmark against?

Director General, Health and Community Services
We use the U.K. (United Kingdom) information. We use the British Association of Day Surgery; theatre utilisation we benchmark against the N.H.S.E. (National Health Service England).

The Chief Minister:
We have challenged on the U.K. side only and we have asked …

Deputy K.F. Morel:

The problem with the U.K. is we talk about people in corridors, we talk about … I have got a relative at the moment in hospital in the U.K. who is having to be fed by her relatives because the nurses will not do it. The U.K. is a shocking benchmark.

Director General, Health and Community Services
Absolutely, and I have come back from 30 years of it, and I agree with you, care there absolutely needs to be challenged, which is why the Chief Minister has put the quite rightful challenge to me to go away and benchmark against France.

Deputy R.J. Ward:
The benchmark that I am talking about, and I agree with you, is this pure statistical benchmark …

Chief Executive:
You are absolutely right.

Deputy R.J. Ward:
… in terms of the numbers for an Island compared to a major teaching hospital, for example, in London, which is a very different beast.

Chief Executive:
So we are not benchmarking against somewhere which is incomparable. There are benchmarks against population sizes, types of procedures and also arrangements that give you a much better fit than a major urban centre which may be catering for 3 or 4 times the population levels that we are currently dealing with. You are right, and that is why we need to look at wider issues, but there are some really important, what I would call, industry benchmark data, rather than people and services, which is your point, Deputy …

Deputy R.J. Ward:
I am just wondering if there is anything specific about an Island and its hospital because it is very different than perhaps a borough, which is comparable in terms of size but you do not have a stretch of water separating you from the next borough.

Chief Executive:
By way of example, we will look at those things where you look at comparisons. That is the challenge.

The Chief Minister:

Just to be clear, we had that discussion and it was not just me, the politicians around the table said: "Okay, but what about …" and we have pushed back on that. But the principle to me that does make sense is - and it sounds very harsh, but it is - it is about making sure that money works, if that makes sense, it is about making sure you are using your assets efficiently. So the indications are that we could, without going completely mad, do better that what we are doing. So I emphasise we push back to check.

The Connétable of Grouville:

The projection that the smaller hospital … or the need is now for a smaller hospital, could that have been foreseen 7 years ago when we started the hospital then or are things changing so much and in another 5 years we could have another dynamic?

Director General, Health and Community Services:

I think that medicine is moving at pace and that is one of our challenges for the future, to ensure that we create a health economy that is without walls and that we future-proof the future hospital. Going back to the benchmarking, I absolutely hear your point but I would respectfully suggest that we should not be doing bunions as overnight stays and I would suggest that our day case rate of 60 to 65 per cent, when clinically benchmarked against the procedures, suggest that we are keeping patients in overnight. Now, I would not in any way suggest that our clinicians are not working hard. Our clinicians have been hamstrung because they have not had data available to them in order to be able to manage. We are working hard to clean up our data so that we are able to give our clinicians the tools to manage by, so they absolutely understand the resources available to them and how they can allocate that resource in order to be able to affect patient outcomes. We deliver really great care but I think we could deliver it differently and that is what we are working with our clinicians to try and understand.

Deputy R.J. Ward:

The specific demographic of Jersey is taken into account in terms of those stays but would this mean, therefore, in terms of a smaller central hospital that there would be more community centres, community based buildings and sites around the Island?

The Chief Minister:

There is a discussion around - and again I will hand over to Charlie and Caroline for the detail - where we do effectively do a hub approach. There is some stuff out of town that you would do. Do you want to touch on, for example, St. Brelade?

Director General, Health and Community Services:

We have looked internationally as well and we have looked particularly at Sweden, and a population in Sweden of 100,000 - and I cannot pronounce the name - but Richard has the information around that, which is looking at how we do outpatients differently. Our new to follow up ratio of one new to 5 follow ups anecdotally - and it is anecdotal - one of the reasons we are told is because our clinicians are loath to let patients go because they recognise that patients have a financial charge if they have to go back to primary care, so we hold on to them in the hospital. Again, anecdotal, I do not have evidence to give you around that. What we are talking about is maybe community hubs. So you come into outpatients and you may see a healthcare assistant, you may see a receptionist for a chat, you might have a bit of reiki, you might have a bit of acupuncture or you may need to see a specialist. We have a small bed base. If we have ward based clinicians that are covering the wards but are also available to attend the hub, whether that be the hub at St. Helier or the hub out in the parishes, we can work that resource slightly differently.

[14:45]

Again, this is all just ideas, it is all absolutely dependent upon the views of our clinicians and what they think is safe for delivering care to our patients. These are the kind of conversations we are having about a hospital that is almost Island-wide.

The Connétable of St. Brelade:

I am going to take you back now, Chief Minister, if I may to the timeline. In your recent report to the Assembly you estimated it would take at least 20 months to secure an agreed outline design, cost plan, delivery plan for a preferred option, along with the business case and a draft planning submission that links to the new Island Plan. How did you reach this estimated timeframe?

The Chief Minister:

Again, the high level - and then I will hand over to Charlie on that front - was we discussed through what the ambitions need to be and where we need to be and ideally within the confines of this political term as to what we can achieve. We basically gave Charlie a direction on that front. It has been put together in conjunction with Caroline, with John and with Richard Bannister, who is the Interim Product Director for their experiences and what is achievable. This is indicative, it is a target. Some will say it is ambitious target, other people have said: “Actually we think we can do it quicker” which is interesting. But the point is that you are trying to do things differently. If we all work together, and that is as a States Assembly, that requires us to get engagement right and be as transparent as we can - you might want to refer to that later - and work well. So the role of scrutiny is important up front, and you would really expect me to be saying that, and we work together so you challenge us where we make mistakes, because there will be mistakes made, I am sure, but we do not get political, if that makes sense, then this is achievable. If we get into politicians, for example, point

scoring or whatever it is and not working together then obviously it becomes harder. The point is hopefully all in the room and in the Assembly the objective is work together, in partnership if you like, to achieve something that is good for the Island. That is what we need to be targeting. I do think we have an opportunity here. Yes, there are challenges around it but the fact that, as Caroline was referring to, the scope of the whole thing is going to be different from where we were 7 years ago, you have got an opportunity now to be "does that pause, does that refresh" and then to deliver a good fit for purpose hospital.

Chief Executive:

The other thing is we are running some aspects of this in parallel and, Connétable, goes back to your point about sites, for example. We are doing a whole load of work which will influence the model of healthcare which therefore gets delivered by whatever piece of infrastructure but we are deliberately trying to look at a whole series of things earlier. By way of example, you will notice in the report the ambition is to bring in the developer/contractor partner earlier to help influence the way in which we can right size and deliver on the professional capability of the project. Of which part of that would then be looking at site assessments and all the configuration of what needs to be done depending on the parallel work that operates there. I think the Chief Minister said right at the beginning he wants us to be ambitious, and it is challenging, and we will be very clear about that, but that is about trying to create some momentum and some clear commitment to delivering a large scale project whereby we are not going to not use some of the work that has been done before.

The Connétable of St. Brelade:

Do you expect to use the same developer/contractor?

Chief Executive:

No, so we have stood down the teams. All the teams have been stood down, all the personnel have been stood down and we are rebuilding that. We have a procurement framework for all the component parts, of which we will go out for whoever that contracted partner is and there will be strict criteria about that. But what we also have is a whole series of work that was done previously that will help us. By way of example, we went to the end of a process last time with a design principle. What we want with the contracted partner is for them to come in early to help shape, from a construction perspective, what it is that we need to do so that we are not losing the opportunity to use their experience and their knowledge in that process. We will have some risk profile on here. There is a risk matrix that shows some of the challenges. Clearly one those previously has been about planning. Part of what we have to do here is to look at a public interest test to determine how we can get particularly the Assembly but other stakeholders to a position where there is an agreement about the site at a point that is appropriate but early, to give less ambiguity to the potential area for delay because politically, for example, there is not agreement. As part of that public interest

test, we have to marry that against the Island Plan timeline because obviously you are all aware the current Island Plan does not have the designation for a hospital. We need to be able to do that. Looking at the Island Plan, we are also speeding up the preparation timelines for the delivery of the Island Plan with a much more inclusive engagement process which will allow us to, depending on the times, have a statutory document that may be there. If we do not need to do that, we will go through the public interest test route. That is being prepared up front. In addition to that, and this is about de-risking the project, notwithstanding the physical components, is the engagement piece. We have to go out and talk to clinicians and staff who are involved in the delivery of the healthcare model but stakeholders, Islanders and, of course, Assembly Members. We want to do that much earlier and we want to engage in a more transparent way. We do not have that set out now. The Political Oversight Group" has a meeting next week. There are a series of papers coming about the approach and clearly, I think, the Chief Minister has given a commitment he wants to work with scrutiny much earlier in that process. That does not stop you challenging it but it does allow you to get visibility about some of this stuff.

Deputy K.F. Morel:

Chief Minister - and apologies if I have missed it anywhere - I was wondering whether you have had to provide compensatory payments to any of the previous contractor partners involved in the consortium?

The Chief Minister:

I am going to hand to Charlie.

Chief Executive:

Yes, we have some contractual commitments for people, so where you have taken someone on and you have brought their employment to an end you obviously have all the obligations that sit with that, notice periods and whatever. They are included in the write-down costs that were in the report. We have no contractual obligations, by way of example, to the developer partner but clearly we expect that they will be interested in what comes forward next time. On the back of the options that we have had for properties and whatever, they are all included in any arrangements where we have made agreements where there has not had to be a committed capital sum. So most of our liabilities are now all dealt with as far as I am alive to, unless something comes left field.

Deputy K.F. Morel:

What did they total?

Chief Executive:

I cannot give you that number straight off the top of my head but I can include it …

Deputy K.F. Morel:

Which have and which have not been dealt with?

Chief Executive:

As I said, unless something comes left field, as far as I am concerned they were all dealt with in all of that and they are in the figures that were in the original report.

Deputy K.F. Morel:

Is there any concern that future development partners or contractors may be put off by the fact that we have already done one U-turn?

The Connétable of St. Brelade:

Do we have reputational damage?

Deputy K.F. Morel:

Yes, and how do we deal with that? Is it likely that they will want compensation to be built into any contract in case a future Assembly turns around and says: "We are going to rescind this decision."

Chief Executive:

One of the rationales for bringing in a contractor/developer earlier is that they are part of that journey. You are not bringing them in at the end when you have chosen a site. You are bringing them in early to be involved in the determination of the best way of delivering a hospital, to be determined.

Deputy K.F. Morel:

Yes, but with a political element.

Chief Executive:

Yes, but the point that you bring them in is that at a given point you then have a schedule of works with an open book process for your pricing structures, which you will do once you have agreement on the site. When you get agreement on the site you have to get the political buy-in of the whole of the Assembly. There will be a different approach to the way in which you finalise the designated final location for the hospital. Picking up the Connétable's point previously, we chose a site and then there was a revisiting of it, and part of the difficulty was there was not unanimity around that, for the reasons that we have rehearsed. We have to develop the case for change, which is the medical case, that will drive you to a series of conclusions around sizing, for example, pricing, and all the attendant issues about environmental impact assessments, traffic impact assessments follow. At which point you go with your final business case, which is listed in there, to secure the resourcing.

The partner will have been involved in all of that. They will get certainty, at which point then they commit their pricings. The way we did it before was they had to bid £750,000, they had to do it to a set process and then there was more risk built into it. Now, we de-risked that previously by getting a contract for services piece before committing to the final contract. This way is going to further de-risk it we believe. I accept your challenge and that is why this timeline will not be delivered if we do not get the buy-in from all the constituent parts.

The Chief Minister:

If I can add to that, we have had interest expressed, shall we say - mood music more than anything at this stage - which is that there will be interest when that contracts comes round.

Deputy R.J. Ward:

There was something that you said about a model of healthcare delivered by infrastructure, does that point us towards the idea that it will not just be a central hospital but there will be satellite centres around the Island? If so, does that mean that you will need to develop other sites as well and, second, perhaps some of these sites can come on earlier, to have the impact earlier while the main, if you like, hospital facility is being built so we could see an impact earlier on from the money that is being spent.

Chief Executive:

You could do that. One of the reasons - and Caroline can come in - is we are obsessed I think about a medical solution in one place and to deal with some of the issues people always come to the centre. Depending on what you do with your G.P. (general practitioner) partners and the way in which you work with your consultants and G.P.s you can create more interventions at a local location which might deal with the sort of things that Caroline was saying. Why would you bring people who need an operation on bunions to be done overnight when you might do them in a different setting, because bunions vary in terms of the importance of the operation. At the moment we just do it in one place.

The Chief Minister:

I think that is where Caroline comes in to perhaps also talk about the engagement so far.

Director General, Health and Community Services

Absolutely. I am not a clinician and I am fortunate to work with some great clinicians in Jersey and I am constantly standing by the work they deliver within the environment, with paucity of information they have at their hands. Already a lot of them go out and about around the Island delivering a service. We have done this strawman, and it is very much a strawman because information can be presented in many ways, we took it to our away day where our newly appointed associate medical

directors … so what we have done, just quickly, is we have tried to transform our organisation so it is clinically led, not ostensibly clinically led but actually clinically led. We want to devolve accountability, budget management, decision-making to our clinical leaders. We have set up tri structures with associate medical directors working alongside a nurse and a manager which replicates the executive tri, which our medical director, our chief nurse and our general manager. So moving away from a system whereby the DG was invested with quite a lot of power of authority but making decisions as an executive in a clinical leadership team. At our away day we presented out strawman to our associate medical directors, our embryonic leaders, and tasked them to go away pull it apart, share it with their clinical directors, all led by our medical director, and come back to us. So we have 3 work streams currently in progress. We have had to chunk it up because it is a big elephant to try and change the model. We have primary care, secondary care and third sector, each headed up by an executive director, a programme team, and they are tasked with going away, setting up clinical groups and absolutely talking to our clinicians about what could we do differently to take care closer to our patients, and to move away from a model that is quite bed-based and quite Gloucester Street based. I have never seen work like the third sector here. I would have killed for it in the last 30 years. Some of that, we do not support them, we do not support their back office, there is back office duplication. Some of the care they deliver, they deliver 10 times cheaper than we can deliver it. We do not fund them properly, do not really …

The Connétable of St. Brelade:
It might be a good time for Sarah to come in. **[Laughter]**

Director General, Health and Community Services
So it is about just harnessing everyone that delivers care, not just us.

[15:00]

Senator S.C. Ferguson:
Yes, it will be closer to home, which is starting, which I am nervous about because I am connected with Age Concern. What I was going to ask, you have got all this going, you are going to have these construction partners and so on, at what stage are you going to be engaging your technical director of the project?

The Chief Minister:
As in taking on?

Senator S.C. Ferguson:
The director of the project, yes.

Chief Executive:

We have got an interim appointment made of someone who has dealt with large scale infrastructure projects who is currently in place. We will be going out though for the advert for a permanent project director, probably in the autumn, because timing-wise we expect that post to then come in in the first quarter of 2020. If you recall in the report we clearly identified that we would have an interim set of arrangements that would take us through roughly to somewhere around February 2020 and then we deal with that. We also have to get a clinical director because, as I said earlier, we have stood down all the previous incumbents because the incoming Government was very clear it wanted to start afresh. We will be going again. Now, the clinical phase is frontloaded. So this is all about the design, it is about what it is we need. We need more fixed term arrangements for that but, of course, the project director will take us through the construction phase as well, so they will be much longer term.

Senator S.C. Ferguson:

So there is going to be a technical director … the project director will actually be a technical person?

Chief Executive:

Yes, they have to have had experience of being able to deal with large scale infrastructure projects.

Senator S.C. Ferguson:

Not the one from Liverpool, please.

Chief Executive:

The nature of what we do will be subject to open competition for that.

The Connétable of Grouville:

The planning inspector, when he considered the existing site, said: "Wherever the hospital goes it is going to have to pass the public interest test." The outcome of that public interest test lies with the Minister for Planning alone, whoever that is. It is outside the control of the Council of Ministers or the Assembly as to what decision that Minister for Planning makes. He is not even allowed, as I understand it, to consult other politicians. He can only consult his officers. Do you think that needs to be changed so that a decision is made by a greater number of people and if that is the case a law change ...

The Chief Minister:

I was going to say, I think we made reference to that in there. Certainly the public interest test as a concept we know it is something that we have got to look at and we know because otherwise that may still remain as a massive risk, but we do have time to consider that and in fact I think, 99 per

cent certain, that John Young has also referred to that publicly about there needs to be some form of change.

The Connétable of Grouville:

He felt very uncomfortable making that decision, which I can understand.

The Chief Minister:

Yes, so I think the point is that ...

Deputy K.F. Morel:

He felt comfortable the first time.

The Chief Minister:

I think the point is that as a principle, as an area we have got to look at, we know that and within that we have time to consider it, because we are not going to be putting a planning application in next week, but I will hand over to Charlie on that one.

Chief Executive:

Picking up on my earlier point, depending on the timeline for the Island Plan, of course if you have an Island Plan that has a designated site or sites ...

The Chief Minister:

Les Quennevais School would be an example.

Chief Executive:

... that would be a much easier position for any Minister to make that decision. If the Island Plan timeline is slightly out of kilter with the need to go for an outline planning application and the Minister for the Environment has ... well, there are 2 things. First off, the Planning and Building (Jersey) Law 2002 does allow you to create an application for a major departure from the current Island Plan, so there could be, subject to a public interest test model, a mechanism for doing that. We need to bring back the framework for the public interest test, which we are developing at the moment. The public interest test could be determined through the Assembly. That is legitimate, of which then the Minister for Environment and Planning has to take cognisance of, and he is very keen to do that. He wants to, almost, create a supplementary planning guidance for the public interest test. That will be factored not just by the final arbiters but also the engagement process that takes place with clinicians, stakeholders, Islanders beforehand, hence why the engagement programme is so critical. The other bit is the Minister is thinking about, but has not decided, whether he wants to make a minor amendment to the Planning and Building (Jersey) Law Article 12(2), which is about decisions

of this nature being heard by a 3-person panel, which would then deal with some of those issues that you have touched on. That is a consideration that he is actively exploring at the moment, but that is a matter for him, as you rightly point out, but it would deal with, then, a more rounded consideration of issues, but it would be in the context of (a) a public interest test, if that was needed, or (b) you would already have a new Island Plan that would have indicatively laid out your sites, all of which helps with the de-risking phase of the planning piece that has, as you know, been the bête noire of the last 2 applications.

The Chief Minister:

So the principle is we know there is an issue around it and we are looking to try to work a way through this. There are some options in front of us and obviously a lot of those are in the hands of the Minister for Planning.

The Connétable of Grouville:

If it requires a law change it does take time and you need to do that sooner rather than later, if you need to do it.

The Chief Minister:

Yes, if we need to do it, but we do have a degree of time in that process.

The Connétable of St. Brelade:

In terms of time, what is your desired outcome of the project by the end of the year?

The Chief Minister:

By the end of the year? I think we have been aiming for February at the moment, with the timeframe, and we are sticking with that as laid out in the document.

The Connétable of St. Brelade:

What work has been undertaken? You probably have pretty well qualified what work you have undertaken since the presentation of R.54. Can you expand on that in any way?

The Chief Minister:

I think Caroline might be the best one. From a political side the P.O.G. (Political Oversight Group) has met once, 2 or 3 weeks ago I think it was, and our next meeting, which is a week today, is when we start rolling up the sleeves and getting down to it, as I understand it. I have not seen it yet, but we have a stack of paperwork coming our way and Caroline can tell us what work has been going on at the underlying level, because I believe there has been quite a lot.

Director General, Health and Community Services:

We kicked off our secondary care strawman in April when we had our away day and we pulled together a proposal around a future secondary care model, because that is easier for us, because we own it, and that is out with our commissions to be tossed around as they will and Rob Sainsbury, our group Managing Director, is heading up that work stream. He is tasked with bringing back a more accurate reflection of the conversations from those workshops by the end of June. By the end of July we are expecting to see a worked-up model. We are going to kick it around through August. By the end of August we expect to see the joined-up model, which we present to the P.O.G. in September. Similarly we are kicking off with primary care next week with a workshop with G.P.s talking around how we could do primary care differently. We have already had a brief meeting with them this week, which I chaired, where we spoke to G.P. leaders and they were up for having a conversation around having to do things differently, same timeframe. That is led by our Medical Director to bring something back to the P.O.G. in September and Rose, our Chief Nurse, has kicked off a work stream. We are having an away day on, I think, 24th July, with the third sector to talk about how we could do that differently. Overriding it we have a project team, a Programme Director, who the individual work stream leads report into, and his task is to pull together the threads, because he is able to see the duplication across the sectors and see where we can make a more efficient delivery of care. That is the work that we are in the thick of. Alongside that we are trying to kick off a more formalised comms programme with commissions across the Island and our Medical Director is tasked with leading on that.

Deputy R.J. Ward:

What you mean by secondary care is being in hospital?

Director General, Health and Community Services:

Yes.

Deputy R.J. Ward:

Primary care is anything else, so by September you should have a picture of what you want in primary and secondary care for the new set-up?

Director General, Health and Community Services:

Yes, and the voluntary sector. That is the aspiration. One health economy. It is an aspiration.

Deputy R.J. Ward:

I am just trying to translate. There is a lot of jargon in there.

Director General, Health and Community Services:

I am a career manager, sorry.

The Chief Minister:

You are going to learn a lot more, I promise you. Politically as well, do not forget, so the reason Hugh is Vice-Chair is that he is obviously Assistant Minister for Health and Social Services and Assistant Minister for D.F.I. (Department for Infrastructure) so that fits quite nicely.

The Connétable of St. Brelade:

He has got builders, in other words.

The Chief Minister:

I would not lay that particular load on him but, yes, broadly. The point is as well so as Vice-Chair … obviously Ministers will have different pressures and get pulled in all sorts of directions at any point, by having him as the Vice-Chair he is the go to daily political contact to make sure there is political input all the way through.

Deputy K.F. Morel:

What is the Deputy Chief Minister's role as Chairman?

The Chief Minister:

He is Chairman.

Deputy K.F. Morel:

Yes, so what is that role? What does he do in that role? It sounds to me as if it is the Assistant Minister who is the one who does things.

The Chief Minister:

No. Hugh is going to be in on the day-to-day stuff and obviously it then comes up to the Political Oversight Group" which Lyndon will chair, and then obviously that then feeds into the Council of Ministers.

The Assistant Minister for Health and Infrastructure:

Can I just say something here, because I have been very quiet and everybody has been listening? It is interesting in the fact that all of you want to know where I am coming from and the gentleman sitting opposite knows that I have been very much part of the U.K. as well as here. This could well be the wrong statement or the right statement; it depends how you take it, but I am one of the few people I think sitting around this room, or in this room, who has sat on a National Health trust board. One of the amazing things was that when I sat on the board I then became Vice Chairman, and

believe it or not and I am sure our D.G. (Director General) will vouch for this, in the late 80s, mid-80s a lot of the trusts decided to close what we would call in the old days cottage hospitals, and they decided to start ... and I can never quite understand it, I am not anything to do with medical situations, but we started closing these little cottage hospitals in outlying districts. Here we are in 2019 and you are nodding your head, believe it or not a lot of the districts and a lot of the boroughs are now going back to community hubs. The most refreshing thing, and that was one of the reasons why I was very keen to come on and would support Deputy Ward totally, is that we are not only looking at hubs in terms of what the medical side can do. We do not have a youth club in the northern part of St. Helier. It is trying to put things together and if you take a population of 62,000, which is St. Clement, St. Saviour and St. Helier, to provide these hubs and not use the hospital, and provide the facilities that the D.G. has expressed I think is an absolute ... and I am very keen to push this through because I think the community work out there, and I know that Sarah and I have spoken at length, is unbelievable and we must not lose it.

The Connétable of St. Brelade:

To go back to the review, are there any external consultants currently engaged to undertake work on this project?

Chief Executive:

Yes, so the interim Project Director is external. We will, as I said, be going out for work ... sorry, we will be going out for a range of posts, so when you asked earlier what had we been doing I was going to come back and just say a number of things, and can I pick that question up? We closed down the first iteration of the project. We have also done a: "lessons learned" from the team that was there, so we have dissembled some of the information and the issues that they felt ... we have as a result of that been using that to shape a number of things, so there has been a full review of what our governance structure needs to be for the Political Oversight Group. That will be endorsed based on the framework that is in the original report from the Chief Minister. We have been preparing the procurement strategy for the overarching framework that will pick up individual posts and/or where you have to go for specialists, so to pick up your point about site assembly, you have got to have some people who have that specific skill. We have been looking at what work has previously been done that is - whatever the location for a hospital or the size or whatever - still relevant. We have been doing that due diligence of the documentation and all the outline business case information and all the stuff that we have previously spent significant amounts of money on, so that we are not going out to reproduce that. We have specifically identified on the procurement that we need to look and get a specialist for large-scale capital infrastructure projects, which is not something we have on Island or within the public service, so we have done an agreement with the Cabinet Office for a secondment from the U.K. of a specialist adviser to come in, so that will be external. It is not a consultancy, but it is a Government infrastructure projects person who will have

done that, and they will bring some legal advice and support in that. The team currently is a combination of in-house and one or 2 specialist consultants, but we have got to go out and get the clinical lead that I referenced in my earlier answer. That will be done very early and we are in the throes of procuring that now.

[15:15]

Then we need on the back of that to develop the project management methodology and we are doing that. These are part of the suite of documents that go into the next meeting with the Political Oversight Group, and within that the politicians have designated people that will take, almost in a sub-group way, parts of the work so whether it is about engagement, communication, whether it is about clinical design, whether that is around ultimately site assessment, or whether that is around construction. There has been a recognition that you just do not wait for the meeting of the totality of that group; you do things in parallel to try to speed stuff up and get then obviously the group's recommendations to go through to the Council of Ministers as part of the decision-making process.

The Connétable of St. Brelade:
Where do you see the risks being in the timeline at the moment?

Chief Executive:
Procurement. You might not secure people that are good enough. Your point earlier, they might be out there and there will be some reputational issues, so you might not get the contractor partner at the right time, or the right one. You might not get political processes working in partnership, so there is a whole host of risks. One of the things we are doing that is different is we have put into the governance that the risk and the audit function that the C. & A.G. (Comptroller and Auditor General) highlighted in her report is there from the outset, and next week again at the meeting there is a risk assessment piece done and there is a whole load of work that the political leadership of the oversight group, including the Back-Benchers involved in that, need to undertake. That will be clearer. We will bring that back to the next time that this body meets with a full risk matrix for you.

The Connétable of St. Brelade:
In terms of the linkage to the States with regard to any delays that inevitably will come up will Deputy Raymond be the link piece, shall we say, with States Members on that?

The Assistant Minister for Health and Infrastructure:
We want to be as transparent as possible. The whole point is the more you know the better, you are on our side and you know where we are coming from. I think in the past, from what I can see,

the communication was not as good as it should have been, and I think that we really want to change that and all of us around the table want to make sure that you know exactly what is going on.

The Connétable of St. Brelade:

Where are the comms team placed? Are you planning a strategy with regard to feeding the public and States Members?

The Chief Minister:

The short answer is yes. The longer answer is the comms director is not just someone who is doing the odd article for the *J.E.P.* (*Jersey Evening Post)*. It goes all the way to engagement with the clinicians and how that gets structured and then all of the way up to public engagement and so on, but yes.

Deputy K.F. Morel:

Can I bring you back? You mentioned secondment from the Cabinet Office. It sounds like you probably know who that person is already.

Chief Executive:

I personally do not know who they are.

Deputy K.F. Morel:

No, in the sense of the naming of, just that they have been identified and that they are coming here?

Chief Executive:

Do I know?

Deputy K.F. Morel:

Sorry, I do not mean you personally. I just mean the team, this is a person who is known to the team, as in the person has been identified and ...

Chief Executive:

So there has been a negotiation with the Cabinet Office that has seen a number of names that they are considering for the secondment, because clearly it has to operate in a mutually beneficial way, i.e. from their end they have got to release them. I genuinely do not know if we have settled on an agreed name yet.

Deputy K.F. Morel:

Once they have will we be able to have that name? I do apologise for my scepticism but there are plenty of failed U.K. infrastructure projects or very delayed infrastructure projects so I would like us to be able to satisfy ourselves that the appointment that is made is an appropriate appointment and it is someone who has succeeded in that role in the past.

Chief Executive:

No, so let us just take you back. They are coming from the Cabinet infrastructure project team, but they are a procurement specialist for large scale infrastructure. That is different, so those individuals do not build things, they procure them.

Deputy K.F. Morel:

Absolutely, but where they have been procuring partners for dealing with these infrastructure projects it would be quite useful to know that they worked and succeeded.

Chief Executive:

I understand what you mean, for sure, but succeeding is often around the delivery of projects. We procured quite successfully a construction partner for the hospital, but we chose not to deliver it.

Deputy K.F. Morel:

I understand that.

Chief Executive:

The procurement person is not responsible for that, so we need to be clear about that.

The Connétable of St. Brelade:

Going to public engagement, we have not seen anything yet, so I wonder at what stage that you are going to get going on that? There is an insatiable appetite from the public to know something.

Chief Executive:

There is a framework for the Political Oversight Group to look at, going back to one of the roles and responsibilities about communication. The Chair and the Deputy Chair are leading on that and there is, as the Chief Minister has said, a lot of work around this. It is not something you do off the side of the desk and I have stressed to politicians that if we are to learn the lessons of what went on before, that you have to do this right, you have to do it early and you have to do it thoroughly, then that is going to require a strategy and a framework to be developed. We will bring that back for your consideration as part of the scrutiny process but it is not designed yet. The framework is now ready for consideration.

The Chief Minister:

That is basically what we made very clear in the first meeting, that we want to talk about in the second meeting as how that engagement will start looking like.

The Connétable of St. Brelade:

Referring once again to R.54 there was a reference to an early weighting on the public interest test. I am interested to know what that means: "The ability to provide an early weighting on the public interest test" page 10, third bullet point from the bottom.

The Chief Minister:

This is comments from States Members, is it not?

The Connétable of St. Brelade:

The third one up from the bottom.

The Chief Minister:

To be honest, it depends how it is phrased, I think that is what we have alluded to in terms of how do you address ... at what point, we know we have got a discussion to deal with around the public interest test, and that might, for example - so this is recollection at the time, as in feedback - have probably been from individual States Members. These were the comments that came through, so if you look at the Gloucester Street site this is where, for example, the impact on heritage buildings like the Opera House would be one. If you went up to a different site it might be the impact on the skyline or it might be something else, so the query is, I suppose, when you get to that public interest test and what that might look like is there a discussion to be had around the impact on the skyline might be less important or more important than the impact on the heritage building? There is no decision there but what I think it is alluding to are those are the kinds of areas that you might want to understand on what are likely to be the public interest elements. Does that make sense? So there is nothing decided on it, and it may not come out, but that was just an element that was raised in the discussion around the table at the time.

The Connétable of St. Brelade:

It may be a question for Caroline. In the next 3 months, you spoke up to July, I think, which is not far away we want to be talking to you in 3 months' time, so we would like to know in 3 months what we will be asking you and what you may have done.

Director General, Health and Community Services:

Again there are 3 work streams around primary and secondary and the tasks are ... so secondary care is slightly ahead. Primary care, an initial outline came through as a result of the workshops we

are going to have with G.P.s, what it could look like at the end of June. At the end of July a more worked-up paper for people to kick around. End of August, the absolute this is what it is going to look like and I can put it into a whole plan to bring to the P.O.G. and similarly the same timescales for secondary care and our voluntary sector colleagues. Quite challenging and again we are kicking off a whole programme of engagement because we are conscious that we have to absolutely involve our clinicians in all of this.

The Chief Minister:

I think we made that very clear from the start.

Deputy R.J. Ward:

Just to mention, when you have gone through that work and you have spoken to clinicians and G.P.s and so on and you have got a very clear idea of what they want and you take it to the Political Oversight Group what do you want them to do with it? Is it for their information? They have not been through the process. I am just not entirely sure … and I think I just jumped the gun on the question about the role of the Political Oversight Group.

Director General, Health and Community Services:

It is their decision. It is very much what I will bring. I am not going to ask the clinicians. That is why we are setting up the groups. It is going to come from them, and then we will bring the model to the Political Oversight Group, there are very clear determinants. It has got to be safe, it has got to be sustainable, it has got to be affordable, it has got to be outcome-based, it has got to be different to what we currently do but the P.O.G. may very well turn around and say: "That is not fit for purpose. That does not fit with what we want to do" and we will be tasked to go away again.

The Chief Minister:

It could be: "What about X? What about Y?" If you go back to the earlier meeting, which was around the benchmarking to the U.K. side of things we have push backs in other areas, so it will depend what comes through and then it goes further up.

The Assistant Minister for Health and Infrastructure:

To follow that through, the open session that the D.G. had I went and so did the Minister for Health, so even the P.O.G. are being involved with regards to most of the meetings, especially with the connection with regards to the general public, because I think it is essential that we get people … and we do not want to go there, dare I say it, mob-handed. We want to go there with just one or 2, so that we can listen to what the general public are feeling and saying and this would be our intention throughout the next 3 or 4 months.

Director General, Health and Community Services:

I will be reporting back to the P.O.G. and being held to account by the P.O.G. every month but very much from when I first came into post and started coming here a day a week in February my Minister and his ministerial team were really clear with me that we needed to change the way we were doing healthcare and I am accountable to them as a servant to the Ministers.

The Connétable of St. Brelade:

I am pleased to hear that, because that was the next question, who is accountable, so you have obviously drawn the short straw.

Director General, Health and Community Services:

I am absolutely accountable.

The Connétable of St. Brelade:

In terms of that, your priorities, you have outlined the next 2 or 3 months. What are your priorities?

Director General, Health and Community Services:

My priorities, as well I have other work going on around that, predominantly around risk and governance and ensuring that we are delivering safe care for our patients that is outcome-based. I am also clear that around the whole programme that we have really robust governance of risk management, so that we do not take any decisions that will impact negatively on the care that we are currently delivering and the care that we propose to deliver.

The Connétable of St. Brelade:

In order to initiate this new project your proposal to appoint this new hospital ...

Director General, Health and Community Services:

Not my project. I am utilising the resource ...

The Connétable of St. Brelade:

The Island's project. Our project. You are already proposing to appoint the new Project Director, who I think will develop the outline business case.

Chief Executive:

The director will lead the day-to-day team, which will have a variety of people within it who will have roles that will ultimately contribute towards the outline business case. The outline business case will be based on a Treasury Green Book model, which is what we are now using as a public service for all of our financial appraisals, and within that obviously there will be fiscal inputs, there will be

clinical inputs, there will be a physical site and all of those things as part of it. The first phase of that is you have to get your clinical model right. If you follow the decision-making tree that will be set out that then determines a whole series of subsequent decisions that all form part of the preparation for that outline case. So when you said earlier: "What will we expect in 3 months?" you will have the project team details. You will have clarity about all the procurement frameworks. You will have, as Caroline said, the strategic model for healthcare worked through, and then we have got to start to have a look at the current build to State capabilities, because that is a big issue for us. What and how do we have to invest short-term to keep the current facility going? We will be looking to do that starting in about 3 months and then within that we will have done, or at least made appointments, and will start to have a look at some of the impacts then for the site, picking up the earlier sequencing piece that I referenced.

The Connétable of St. Brelade:

You are recruiting the Project Director at the moment, I take it?

Chief Executive:

No, we have got the interim. I think I said earlier we are going to go out in the autumn for the formal recruitment. This is not a good time of the year to do recruitment, because you get the summer break in the middle of it, so we will start post the summer holiday period, with the intention that they are in post somewhere in the first quarter of 2020.

The Connétable of St. Brelade:

So that goes back to your February?

Chief Executive:

Yes.

The Chief Minister:

That is subject to, obviously.

Deputy K.F. Morel:

I truly do not understand. Can I ask what your role is, Chief Executive?

Chief Executive:

I am overseeing the Senior Officer Group, which brings together all the various strands so the public service as a whole is prioritised with dealing with all the demands that are made to support this key project. Underneath that there is a clinical group that will be the first phase of the day-to-day operations, which the Senior Responsible Officer, Caroline, will lead.

[15:30]

The Project Director will deal with all the day-to-day support. I then service the Political Oversight Group and the principal role I will take is through to the business case position, at which point I will step back. Once we get to a fixed site and we know the model of healthcare and all the issues we have been discussing today there will be another phase which will be about construction. The Senior Responsible Officer will change at that point, because that is about an infrastructure build programme and we will then review all the operating structures that sit below the Political Oversight Group that we have outlined. There is a governance matrix that will be available. Again we would expect you to be able to have all of that information so that you could look at that and challenge where appropriate.

The Connétable of St. Brelade:
How often would you expect the P.O.G. to be meeting? Nothing to decide at this point, I suppose.

The Chief Minister:
Yes, we have not ... I think we are talking monthly at the moment and there might be a lull in August, but that is the intention, but we will adjust accordingly. There are other groups that I sit on that in theory should meet monthly, 6-weekly or whatever but meet somewhat more frequently. I would hope on this it is a considered process and I think we are aiming for around monthly.

The Connétable of St. Brelade:
So there will be a relationship between the P.O.G. and the hospital project team I presume in some form or another?

Chief Executive:
I would anticipate that the Project Director, interim to begin with and then permanent, will be servicing and reporting through all the various levels, so the delivery group, the day-to-day operational piece, the clinical bit and then subsequently the physical development phase, the Senior Officer Group and to the Political Oversight. I would also expect other key people to play a role, so S.R.O. (Senior Responsible Officer) will be in there. I will play a role for the first phase. It is clearly not sustainable that I am involved but because I have done quite a lot of large-scale infrastructure projects at this stage it is felt that that is a good utilisation of some experience.

The Connétable of Grouville:
Would it be possible to have some kind of diagram of how all this works so that you could ...

The Chief Minister:

We did have a request but it only came in a couple of days ago, I think.

Chief Executive:

We are going to provide all of the governance structure, the organograms, the structures, the team, all of the issues, the provisional costings ... all of that will be available for the scrutiny committee. That is the work that you said: "Are we preparing?" which goes through to the next meeting and at which point clearly it is appropriate for you to have it.

The Connétable of St. Brelade:

There will be a need for an interaction between the future hospitals team, I think it is going to be called, and States Members and I just wonder how you expect to manipulate that ... that is perhaps the incorrect word but it needs to be handled in the right sort of way.

The Chief Minister:

Yes, I do not like the word "manipulate" definitely. I think at this stage, as I said, we had the very informal discussions which were, broadly speaking, in March. I think at this stage in the back of my mind I am thinking some form of quarterly update but it kind of depends very much, as I said, on when we start seeing the documentation as it comes through and, as I said, that is coming next week. We know we have got to do regular and we know we have got to take certain numbers with us so at the moment there is nothing set in stone. In the conversation piece that is going to have to happen around how we do engagement that is going to be part of it. I am thinking quarterly but it will depend. I think it is going to be key milestone, is it not? You want to have a kind of ongoing thing; this is what we are up to and at the key milestone saying: "Right, this is where we are and this is the formal update." How we do that as a discussion becomes ...

The Connétable of St. Brelade:

I am going to ask a very simple question. Who is the client in this?

The Chief Minister:

Who is the client?

The Connétable of St. Brelade:

Yes, who is the client? The people of Jersey is the sort of the base client but in contractual arrangements who would you describe as being the client?

Chief Executive:

So there will be a clear clienting role that will take place through the project team because that expertise and oversight of the technical arrangements for dealing with a contractor by way of example needs to be at that level. The S.R.O. has a more strategic client responsibility for this phase of the development of the health model and indeed when we move further across there will be a change in that for an S.R.O. for the infrastructure phase. Ultimately, at this stage I am responsible for the officer contribution and team but that will change when I step away and that will fall directly to the S.R.O. who will combine that responsibility along with that strategic clienting function. But the day-to-day project client function will sit with the project director and the clinical director at this phase. So in designing the model we will have a clinical director who will be leading all of that work and the benchmarking and the association with the work that Caroline has identified with consultants. Going back to your question earlier, Deputy, around other providers in the healthcare economy because you have got to get medical and clinical and operational colleagues to be all involved in that. There are different levels of clienting responsibility.

The Connétable of St. Brelade:

Going to procurement; we have a States procurement team, are you utilising them or procurement obviously started ...

Chief Executive:

So the director, the commercial director, will have oversight of the procurement phase but this is why we are bringing in someone who will take charge of this project and all the associated procurement requirements because the current team just does not have that expertise in it.

The Chief Minister:

Yes, you have got the biggest capital project on the Island so ...

The Connétable of St. Brelade:

Speaking of which, you have estimated the first phase of the work, a period of 9 months, will cost £2.6 million, the second phase a further £4.8 million. How did you arrive that these sums?

Chief Executive:

We have done a cost estimate at the beginning around what we felt was the expenditure likely to be incurred; whether it be by salary or by operational requirements. So, you know, if you are going to do survey work there is a cost. So that is built into the first phase. There is also some resources for communication engagement and the Chief Minister also wanted some other resources put in there for reasons that the Chief Minister can explain. Then for the second phase we have done again a cost estimate. What we are then doing at the moment is we are preparing the outline application for funding for the £2.6 million with the commitment to go to the remaining £4.8 million which will be

prepared. We have made it clear though that if there are any variations to that we have to bring it back because the Minister for Treasury has put the criteria in you have to draw down money in £500,000 tranches to give absolute clarity about the use of public money in the light of the history around expenditure levels.

The Chief Minister:

They were very clear on that and, you know, we were fully supportive of that and that is about improving the governance.

Chief Executive:

But that will only take us to a certain point at which point we will develop within the business case the model of how we ... what we think the overarching figures are going to be and the model of how we will then want to finance it. There has been a lot of work done in the past on that. We, again, are not going to throw the proverbial baby out of the bath water, there is no need to, but that has not been determined at this level but there will be, as soon as you get to planning, the cost change and that is when we have to have an agreement ready for the Assembly to debate about the fixed price arrangements, if that is where we go, or the overarching cost envelope and that will need to be ready at that business case level.

Deputy K.F. Morel:

In terms of not understanding how we finance it what you are saying it is an open book, you go down any route for financing.

Chief Executive:

Yes. So we have got ... a number of discussions took place previously. I am not going to rehearse them here but there is some learning from all of that. Some of that might be appropriate, some of it can be discounted, but we will also just have a refresh of what else might be other options for the overarching capital finance arrangements.

The Connétable of Grouville:

The financial implications are slightly different if we are looking at a different model because you are having satellite hospitals around the Island. We are not just building one hospital, we are building a system.

Chief Executive:

So I think the term “satellite hospitals” is probably wrong. Just by way of example, and it is no more than that, and I am sure Caroline ... you could have an expanded G.P. function that can do elective care procedures in it. That would not, necessarily, be a huge amount of capital extra if you have got

the right facilities already. If you want a community based facility ... so going back to the point about prevention, which is really important particularly in relation to mental health then you might need a different type of facility. So we have to look at that as part of the design of the model of healthcare which will then impact on your pricing structure because if you do not need as big a single site but you also need some capital for extensions or maybe of some new building local services situations, then you will need to price that into your overarching model. Whether that is bigger, lower ... who knows at this stage? My guts tell me it will not be beyond the envelope that was previously being discussed. The challenge that has been given is of course we should bring it in lower but you do not drive the price until you know the content of what it is you want it to be.

Deputy K.F. Morel:

Unfortunately one of the political reasons for rescinding the previous decision was entirely to deliver a hospital for less money so I think that is going to be quite an important consideration for everybody.

Chief Executive:

I am acutely aware of that but there is also a recognition about what it is that the hospital does, which I think some Members are concerned about.

The Chief Minister:

Previously there was probably inadequate provision for mental health in that territory. Caroline, do you want to add anything on the comment from the Connétable of ...

The Connétable of Grouville:

Perhaps I should have said medical centre rather than …**[Laughter]**

Chief Executive:

But the connotation for a hospital you can well imagine out there that we are having 7 hospitals. "Oh, hello, what is that going to do?"

The Chief Minister:

Do you want to add anything?

Director General, Health and Community Services:

I just echo what Charlie says. We have mapped out our voluntary sector provision across the Island. We are already delivering informal health all over this Island and duplicating services that H.C.S. offer and probably providing them more fiscally efficiently so there is something about how we harness that in these hubs and we take H.C.S. out to bolster that provision that is already there but

informal provision. I think we have a massive opportunity because of the strength of the voluntary sector and because of the willingness of our G.P.s to do something different.

Deputy K.F. Morel:

Of course the strength of the voluntary sector also means it is reliant on funding from Government which in general has only been going in one direction. It has not been improved.

The Connétable of St. Brelade:

Just going into the budget once again and ensuring the project does not exceed its estimates costs. I am not quite clear who is managing the budget in the structure of the project.

Chief Executive:

So the States Treasurer is on the Senior Officer Group and there is a designated finance person who is meant to ...

The Connétable of St. Brelade:

Within the Treasury?

Chief Executive:

Within the Treasury and deals with the health at the moment. When we get beyond this phase we will have to have a dedicated finance capability in the team. You cannot do this, as I say, as if it was a sort of second job. When we start getting into commercial negotiations, pricing structures, value for money tests, outline business cases, this is a fulltime piece of work. So that will be part of the makeup of the client team that we will establish at which point that will give you assurance about your value for money test as you go through this and that is what the Treasury Green Book approach, 5 case model, seeks to do and we will take everybody through that. Now, the reason why I am emphasising that is because that gives you all the governance as well for transparency about spending money. So your point about States Members wanting to understand that this is being done right, that is where you get your oversight and your rigor to be able to ensure that taxpayers' money is being spent correctly.

The Connétable of St. Brelade:

Are there any costs associated with engaging the construction partner?

Chief Executive:

Well, not initially because you go out to procure and then you will look to engage. There will be a price for that once you have done it because they will price in that role, so there is no free lunch here, let us be quite upfront, but the initial piece ... so the way in which we procure will be very

different from what we did to get the contractor partner last time and again we will take you through that once we have got the procurement strategy ready for you which you will see in your next hearing.

The Connétable of Grouville:
It does not really allow you to go out to tender, if you like, to find partners to do the build or to develop the ...

Chief Executive:
No, it does. So if you go for a partner ... it depends what it is and how they are configured. You are unlikely to get single operations, there will be a consortium, and they will come and they price up the individual works packages and that will be on an open book basis and you drive down costs but you can create a cost model. It depends how you want to do it for different parts of the infrastructure. The key bit for me is, you need the people who are going to be there delivering this in at the beginning from a construction point of view because if you start retrofitting things to a process you end up adding cost.

[15:45]

So the earlier you get the partnership working; that may include all the site pieces, the construction but it will also have all the other bits that you need to consider in terms of the technology and support. So a construction partner is not going to deal with the health technology package. They will have to bring that with their capability and team. So when we look at the works packages there will be an awful lot which will allow us to consider 3 things. One is clearly the supply chain and the real importance of that is, what do you do with the local supply chain versus specialist supply chains? Secondly, you need to be able to bring the specialisms in and they will vary, for instance technology is different to building theatres, what type of theatre, and all that. Thirdly, we will want to ensure that there is a track record. So going back to, I think Deputy Morel's point, what you do not want is some people coming in who have got a failed track record of non-delivery.

The Connétable of St. Brelade:
Can I just step back into our hospital in Gloucester Street?

Deputy R.J. Ward:
Something has occurred to me as the discussion of changing model of healthcare that you mentioned as well. There was a written question in February that was answered to say that there is a cost of around £63 million to keep the current hospital up and running while we are deciding on a new hospital. If you are changing the model of healthcare to have these satellite medical centres,

for example, would there not be an opportunity to move some of the services out earlier and save some of that cost of constant repair of the hospital? I would not have thought ... you talk about funding in this but if there was, I do not know, somewhere where bunions could be dealt with ...

Chief Executive:

Bunions are going to be the flavour of the month.

Deputy R.J. Ward:

It could be the Deputy Raymond Bunion Centre.

Chief Executive:

So we will do ... I think we have said in months 3 to 7, so that will be by the end of this year, we will do an assessment of the current site's requirements in detail for investment for patch capital works. So the question was raised at a point in time where we could give a best estimate based on previous figures, we will go back and review that. You are absolutely right the implications of the work that Caroline is doing will then determine a number of things about where do you prioritise and secondly, if - and subject to a big if - our timelines, our challenging timelines come in and they are delivered - notwithstanding the risks I have said earlier - then that also will have to be factored into how long do you keep the current arrangements and when and what your view of the risk about not doing or doing patchwork for maintenance comes into play. So that piece of work will form part of the pre-outline business case because when we do the outline business case we have to put in the cost of the maintenance for the existing site and I think people forget that. The previous arrangement, of course, you were demolishing and doing things that meant that we were not in that same space so there will be in the outline business case those sorts of financial implications.

The Connétable of St. Brelade:

Decommissioning costs as well.

Chief Executive:

There will be, ultimately, decommissioning albeit it depends what you want on that site. That is another whole area of discussion, I suspect.

The Chief Minister:

Just get the thing built first.

Deputy K.F. Morel:

I take it that means then Gloucester Street is not the site that is being looked at.

Chief Executive:

No. If you recall no site has been discounted at the moment apart from People's Park. Apart from People's Park which ...

Deputy K.F. Morel:

No, the Chief Executive just said that we will not decommission that site so that sounded like a certainty.

Chief Executive:

No. The site will still have to be decommissioned in some shape or form so even if you built on it you have to decommission some of the things, particularly if you are going for a different model of healthcare. There is nothing out yet but there will have to be a discussion - and I am not prejudging that - about how you deal with the site's piece. So going right back to the first question, do you spend your whole time going back over work that has already been done or can you use that work and of course you should to be able to then get to an options appraisal and at some point, and that is to be determined, you could before you do your site assessments do some discounting and that might be part of the public interest test that the Assembly is engaged in. We just need to think about that but we have not got an answer and I am not giving you an answer. I am just hypothecating what might be a set of issues. So no sites out, but let us be honest there are a number of sites that possibly just would not work.

The Connétable of St. Brelade:

Chief Minister, I am going to ask what lessons have been learnt from the work of the previous Government.

The Chief Minister:

That is quite fun. I think the biggest one is probably around making sure we get better engagement at all the levels. I think that was lesson No. 1. I think lesson No. 2 ... and that then ties us quite nicely into the model of healthcare and the engagement with clinicians and G.P.s at an early stage and the third sector, or voluntary sector organisations, depending which label you wish to use. I think all of that lot, as I said, lesson learned or, Deputy, do not look back and let us look forward? The opportunity bit of where we are now because it is a potentially a different model of healthcare … potentially around the ambitions that we have looking ahead I do think we have a real opportunity in front of us to get this project moving forward.

The Connétable of St. Brelade:

I am sure you have got some structure to ensure that we do not make the same mistakes again.

The Chief Minister:

That is the intention and the intention, as I said, is learning from the lessons of the past, taking what is still robust and using that and where it is not sufficiently robust strengthening it and that then falls down to the fact that we are using different people within the structures or tried to. It is about listening to Islanders and it is making sure that it is clinician led.

Deputy K.F. Morel:

Can I ask one question about the existing site? I appreciate that my comments will be thought of as horrible to what I would consider to be a minority of influential people. Has the possibility of knocking the old building down ever been considered because that would make the site considerably bigger?

The Chief Minister:

The granite building. Put it this way, at the Political Oversight Group" level now, no, because we have not got on to site specific issues, if you want to go down that area I think that is the discussion, let us get the specification side sorted out first and then worry about the site.

Deputy K.F. Morel:

Can I just ask ... I am going back to the question that the Constable asked, was at the end of all this, regardless of when it is, would you intend to have a kind of ... we talked about what lessons can you learn from the previous attempt, assuming this will be a successful attempt, will you go back and have a look at what lessons can be learnt because you will make mistakes? There will be things that the civil service can learn from this so will that be part of the overall closure of the project?

The Chief Minister:

I think when we ... I was going to say, let us focus on getting the project done but, yes, so are you … hang on. Sorry, do you mean ...

Deputy K.F. Morel:

I mean an evaluation at the end so we can learn from it so Jersey can become better at infrastructure projects in Jersey.

Director General, Health and Community Services:

I think it is an ongoing evaluation. If you look at our governance structure that has been put around the project and, you know, if replicating what is happening within these clinical projects is an ongoing evaluation. That is why my work is in monthly chunks so that we can evaluate early if we are going down the wrong road. I think similarly that the governance structure around P.O.G. is my understanding. It is continuous evaluation.

The Connétable of St. Brelade:

Caroline, this might be for you to answer; in terms of numbers of beds are we at that stage or is that going to evolve as your plans, your discussions, go forward?

Director General, Health and Community Services:

Absolutely not at that stage because we have not done the ... enough clinicians have not sat around the table in order to be able to be involved in those conversations. But if I may, could I just go back to Deputy Morel's point because I do not know if he misunderstood me or if I am being obtuse. We are not intending to divest ourselves of work and put it out to the voluntary sector without any funding. The intention is the model funding will follow activity but what we are trying to move towards is much more outcome around investment model of care so that we are spending that Jersey health pound that we are the custodians of as a system wisely but absolutely money will follow activity.

Deputy K.F. Morel:

I am just aware that ... and obviously you play no part in this as someone who has recently arrived, that it seems to have be Jersey has been placing more demands on a lot of third sector organisations while at the same time simultaneously reducing their funding and I find that an interesting equation and it is one that I will be interested to see whether you follow or not.

Director General, Health and Community Services:

So I think what we are trying to do ... so at the moment, since I have come into post, what I have done is started to have a formal review of funding and extended contracts with absolutely great organisations for only 6 months because we have to change the way we deliver care but we also need to change the way we commission services. So previously we have commissioned services and we have not necessarily commissioned them based on outcomes on investment. So we have given organisations money, which they may have spent quite wisely, but we have not gone back and seen them, we have not had monthly performance meetings where they hold us to account as well, so I have come into post and had lots of organisations come to me saying: "We are going to the wall, doing incredible work" but there is no trail, audit trail, around how we have invested that money and what the outcomes have been. I am trying to work with the third sector to get to that model of working so that they are able to plan, because at the moment we only commission for a year, but also we are able to understand and justify to the tax paying public how we are spending that money and what the impact is on their care.

The Assistant Minister for Health and Infrastructure:

We are taking that one step further just on a minor point. On 6th July, I think it is, we are doing a hard sell with regards to Communicare and not only bringing health in but with social security and everything else there just to see how it works. We would very much like your replies on those to

sort of gauge because that is very much in the east of the Island so that we can get some feel ... sorry, west of the Island.

Deputy R.J. Ward:

Just one question which has come out of the discussion and it was not on the bit of paper but we have talked about the restructuring of the model of our healthcare, can we have a reassurance that there will not be any creeping privatisation by the backdoor, which has sort of happened in some areas of the N.H.S. (National Health Service) in the U.K.?

Chief Executive:

There is not a market. I do not think you can make the analogy across. I understand why you would ask the question but I think ... going back to the very early point that you raised about N.H.S. models and everything one of the uniquenesses of being on this Island is it is an island, but that also means that you cannot and do not get readymade markets for doing some of that stuff. Hence why you have got to work with the grain and that includes the partners and the stakeholders who are already here. So the point about the voluntary and third sector is huge. I think it could be harnessed in a much better way but we do not have a commissioning framework and it is not just for large grants that we give out through heath, social care and social services, children's, but all the small grants. We have got a lot of duplication where groups have sprung up from very legitimate reasons where for some people they are just a single issue and they are concerned about that. It is entirely inappropriate to try and bring them into a system but there are others who are bigger and would want to play a role and would reach, particularly if we talk about mental health, some of the people that need edge of care and also preventative services earlier to avoid people getting into a medical solution requirement. I think that is what we have got to think about. So when we talk about that that is another part over here of where we have got to rethink our relationship with the voluntary and community sector and we have been having lots of meetings. That is why the local services piece and the Communicare project is the first organic piece of bringing people together but not in a formalised way for some of that because it is not appropriate but if we are talking about some of the care structures you could do that very differently and make it very unique to Jersey.

The Connétable of St. Brelade:

Just going back to our hospital, there was much talk previously about liaising with the French, with the French building the hospital and such like. Is there any intention to go in that direction?

The Chief Minister:

There is a short answer and there is a long answer and I will hand part of that over to Caroline. So I have raised France generally. I always remember sitting on that side of the table 8 years ago I think. We had somebody in who said: "You have got the world's second best health service on your

doorstep" and they were not pointing at the UK, they were pointing at France "and why do you not do more?" I have certainly challenged officers on that to an extent so I think it is in the longer term and that is about health rather than hospital construction. For me that is something I would at least seek to or like to understand and see if it is practical. If it is not, fine, but at least we have asked the question and that is a discussion but that is longer term. If you are looking at the construction project what we have said is it is open to anybody when you get to that level in the process and so that does not preclude any nationality of operator who comes in. Do you want to add anything on that because I know we do do some stuff with France already in terms of ... at a very small element.

The Connétable of St. Brelade:
I was thinking towards the structure of the building because it was spoken of. We have seen our energy from waste plant built with partners.

Chief Executive:
So we will have a procurement framework, we will go out; that will be open, and it will go on the international portal so I am expecting there to be interest from across the board.

The Chief Minister:
I expect people to be tracking down that from the ...

The Connétable of St. Brelade:
Any further questions from the panel?

The Connétable of Grouville:
Just obviously I was on a former panel and there was a group that said there is a group in France who built this hospital before. They will be able to tender for the process along with everybody else?

The Chief Minister:
For sure, yes.

The Connétable of St. Brelade:
Ladies and gentlemen, thank you very much for coming along today, we much appreciate it, and we look forward to the project moving ahead of pace.

[16:00]