STATES OF JERSEY

Future Hospital Review Panel

FRIDAY, 10th NOVEMBER 2017

Panel:

Deputy S.M. Brée of St. Clement (Chairman)

Deputy R.J. Renouf of St. Ouen (Vice-Chairman)

Deputy T.A. McDonald of St. Saviour

Deputy J.A.N. Le Fondré of St. Lawrence

Senator S.C. Ferguson:

Witnesses:

The Minister for Health and Social Services

The Minister for Infrastructure

Assistant Minister for Health and Social Services

Hospital Managing Director

Director, Future Hospital Project

Director, Gleeds Management Services

Director, Estates Department for Infrastructure

Deputy Director, Out of Hospital Community

Director, Finance and Information, Health and Social Services

[9:32]

Deputy S.M. Brée of St. Clement: (Chairman):

First of all welcome, Ministers, Assistant Ministers and everybody to the first public hearing of the Future Hospital Review Panel. Just to confirm, we are scrutinising P.107/2017, which was lodged on 31st October 2017 by the Minister for Treasury and Resources entitled Future Hospital: Approval of Preferred Scheme and Funding. We have appointed an adviser to this, Concerto Partners, and the adviser's report has already been circulated to the various departments so they are aware, at

this stage, of what is in our adviser's report. This is unusual. Normally an adviser's report forms part of the ultimate panel review however we felt, because of the importance of this, and the points that it raised it was only fair and proper that we do so.

The Minister for Health and Social Services:
That was very helpful, Chairman.

Deputy S.M. Brée:
Ministers, and ladies and gentlemen, who will be giving evidence, I draw your attention to the notice in front of you there with regards to the conduct that is expected to be carried out in such a public hearing. Members of the public and press, once again, I would ask you to please remain quiet at all times. If you can ensure that any mobile devices are switched to silent. I am just going to double check mine because I have just had a horrible thought that it is not. I was quite right and mine is not set to silent. Also, just to confirm, with regards to this public hearing we will not be discussing or asking questions on anything that has come out or been raised in the independent planning inquiry that is currently taking place. It will be wrong of us to do so. I would also ask any answers that you may give you confine your answers to what is contained within P.107 and do not stray into the areas that are being currently investigated as part of this inquiry. This is to ensure that we do not stray into any areas that we should not, at this present moment in time. Now obviously there are a large number of people here that are probably going to want to say or give evidence. For the benefit of the tape we will go round the table and introduce ourselves. My name is Deputy Simon Brée, I am chairman of the Future Hospital Review Panel.

Deputy T.A. McDonald of St. Saviour:
Deputy Terry McDonald, member of the panel.

Deputy J.A.N. Le Fondré of St. Lawrence:
Deputy John Le Fondré, member of the panel.

Deputy R.J. Renouf of St. Ouen (Vice-Chairman)
Deputy Richard Renouf, vice-chairman of the panel.

Senator S.C. Ferguson:
Senator Sarah Ferguson, member of the panel.

Assistant Minister for Health and Social Services:
Deputy Peter McLinton, Assistant Minister for Health and Social Services.

Director, Gleeds Management Services:

Michael Penny, Director of Gleeds Management Services, lead technical adviser on the Jersey Future Hospital project.

Director, Estates Department for Infrastructure:

Ray Foster, Director of the States Department for Infrastructure.

The Minister for Infrastructure:

Deputy Eddie Noel, Minister for Infrastructure.

The Minister for Health and Social Services:

Senator Andrew Green, Minister for Health and Social Services.

Director, Finance and Information, Health and Social Services:

Jason Turner, Director of Finance and Information at Health and Social Services.

Director, Future Hospital Project:

Bernard Place, Future Hospital Project Director for the Health brief.

Hospital Managing Director:

Helen O'Shea, Hospital Managing Director.

Deputy Director, Out of Hospital Community.

Bronwen Whittaker, Deputy Director for Out of Hospital Community.

Deputy S.M. Brée:

Thank you very much. Before we commence on specific questioning, when we started looking at this with our advisers it was felt that there was one important document that seemed to be missing from the process, which is something called the *Health Impact Assessment*. The advisers felt that this should be, in normal circumstances, the first step that is undertaken prior to any further work being put forward. Has a *Health Impact Assessment* been done?

Director, Future Hospital Project:

Yes.

Deputy S.M. Brée:

Is that document publically available?

Director, Future Hospital Project:
Not at the moment, until the board receives it next week.

Deputy S.M. Brée:
So you have done a health assessment but the board has not received it and it is not a public document?

Director, Future Hospital Project:
Not at the moment, no.

Deputy S.M. Brée:
When will it be made public?

Director, Future Hospital Project:
It will be determined by the board, and I look to my board members.

Hospital Managing Director:
Assuming that the board approve it next week, then it can become a public document.

Deputy S.M. Brée:
So you can confirm that the whole process, if you like, lodging P.107, the detail in it, and indeed all the other steps that have been taken so far, have been done in absence of a *Health Impact Assessment*?

Director, Future Hospital Project:
The requirement for a *Health Impact Assessment*, it is not a requirement in Jersey to do a Health Impact Assessment and so we have done one regardless. We commissioned one because we felt that was best practice.

Deputy S.M. Brée:
So is it a requirement in the U.K. (United Kingdom) to have one in place before anything else happens? This is just to inform our understanding of the situation.

Director, Gleeds Management Services:
At the time of commencement of this piece of work and the planning inquiry it would not be a formal requirement, it is best practice. It is now becoming a formal requirement in the N.H.S. (National Health Service).

Deputy S.M. Brée:

In the U.K. But it was considered, before becoming a formal requirement, as best practice, is that correct from what you have been saying? It was considered to be best practice?

Director, Gleeds Management Services:

Yes.

Deputy S.M. Brée:

Okay. Why was it not extended as best practice to the Future Jersey Hospital project?

Director, Gleeds Management Services:

I think as Mr Place said, it was considered and therefore the hospital project team did undertake one.

Deputy S.M. Brée:

But it is not yet publically available and it has not been approved by the Future Hospital board, is that ... it is just to confirm our understanding?

Director, Future Hospital Project:

It was commissioned by the Project board and it will go back to the Project board when it is a completed document.

Deputy S.M. Brée:

Timeframe on publically available, if the board approve it?

Director, Future Hospital Project:

The board is on the 15th of this month. I will need to be advised by the board as to what the publication then would be.

Director, Finance and Information, Health and Social Services:

If it is approved by the board there is no reason it would not be public the day after.

Deputy S.M. Brée:

Okay. Could I ask that you ensure that once the board have approved it you liaise with our Scrutiny office to provide this panel with a copy of it as soon as possible?

Director, Future Hospital Project:

Yes.

Deputy S.M. Brée:

Thank you. Going on to the specifics, if you want to call it that, of this proposal. Obviously any future hospital and the planning for it is determined to a great extent by population growth estimates and figures. Now as we note, a scenario of plus-700 net inward migration has been used to forecast demand and ascertain costs that may be required. This has been done in absence of any formal population policy because the Chief Minister has yet to announce a population policy. So does the scenario of plus-700 correspond with anticipated inward migration levels?

The Minister for Health and Social Services:

Do you want me to start off and then ... okay. What we have done really is to test above the 700 and below the 700. Now we have not got a population policy as yet, as you say. But I think the prime thing for you to concentrate on, if I could suggest that, Chairman, is the profile of the population rather than just the pure numbers. I will let Mrs. O'Shea or Bernard take us through why that is important.

Director, Future Hospital Project:

Just some background, Chairman. The 700 is the base case. We use that number in the absence of a population policy because that is the planning assumption of the Social Security Department and is therefore a number advised that is base case by the Chief Minister's office. We have to done sensitivities because it is difficult to predict with any degree of certainty the population. We have done what we call sensitivities at plus-325 and at plus-1,000 and at plus-1,500 net inward migration. So it is modelling all of those scenarios but we chose the base case on advice. I think the broader point, because you are absolutely right, there are 2 elements to this. There is the growth in absolute numbers, and net inward migration gives an indication of that. Then there is the demographic change, what we call colloquially “the ageing population”. Both of those have an impact. They have different impacts. By far the greater proportion of impact is on the ageing demographic, not the net inward migration.

Deputy S.M. Brée:

It is interesting you say that because in the Public Health Statistic Unit’s disease projections report the Medical Officer of Health said there could be up to 20,000 more people needing treatment of chronic diseases by 2036. So the question is: have you considered this report in planning for the bed numbers in the new hospital and do you believe that your planning is future proof?

Director, Future Hospital Project:

The report was not in favour of the timeline we did in our plan, that particular report was published in September. It does indicate a growth in primary care attendance as the order that you describe

there. The question in modelling terms is how many of those primary care additional attendances are converted into hospital attendances. So there are several layers to that consideration. One is how much of that additional activity converts. We use beds as quite a rough indicator. We have done some analysis based on that. Again, it was too late to incorporate into this, which shows again, confirms that there is a negligible impact on bed requirements as a result of those primary care attendances because the kind of things that people are attending primary care for do not always convert into hospital activity and, indeed, should not convert into hospital activity if the health of the Island is going to be sustained.

Deputy S.M. Brée:

But surely, if your own Medical Officer for Health is projecting chronic diseases increasing at this level, and we are talking about acute chronic cases, which in a layman's terms, one would expect would require a stay in hospital at some point to receive treatment of some kind, then in purely layman's terms one would expect to see a major increase in the number of beds being provided for to future proof the hospital against such an increase. Why are we not seeing the corresponding number of beds increasing?

The Minister for Health and Social Services:

Can I just, before you answer that, this report that came out was no surprise.

[9:45]

It confirmed everything that we had been saying all through this debate on whether we needed a new hospital. In fact it was gratifying to see that it was confirming what we had been saying for at least 4 years and it justifies the expense of P.82 in terms of supporting people more in the community, but I will let them answer your question.

Hospital Managing Director:

You are absolutely right in the sense that chronic conditions are going to grow with the ageing population. That is exactly how we have done the modelling. So we have taken not just the absolute numbers but the ages of those people. We know from today that people over 65 stay twice the amount of time in hospital than people under 65, and if you are over 80 you stay 3 times as long. So we have modelled all of that in to all of our figures. So we have taken into consideration how many people have been living on the Island with increasing chronic conditions, comorbidities based on their age and based on the type of conditions that this would ...

Deputy S.M. Brée:

So you are confident that the number of beds project the increase in the number of beds projected with the future hospital is future proofed, both against population growth - I mean net inward migration - and the increase in acute chronic diseases? All we are asking: are you confident?

Hospital Managing Director:
Yes.

Deputy J.A.N. Le Fondré:
A couple of questions for Mr. Place. You mentioned that the scenario for the population was supplied by the Chief Minister's Department. Can you give an indication roughly?

Director, Future Hospital Project:
I would have to look at the email for a precise date. I mean it is 6 to 9 months.

Deputy J.A.N. Le Fondré:
It is this year, is it not?

Director, Future Hospital Project:
Yes.

Deputy J.A.N. Le Fondré:
So just to confirm my recollection is that the last time we were having these kind of hearings, which would have been this time last year, say, at that point you were working on 325, 350 as the basis for ...

Director, Future Hospital Project:
For the strategic outline case.

Deputy J.A.N. Le Fondré:
Yes, that is correct?

Director, Future Hospital Project:
That was correct.

Deputy J.A.N. Le Fondré:
Very quickly, you said the impact as a result of the 20,000 more people with chronic disease was negligible.

Director, Future Hospital Project:
I did not use the word “negligible”, I think.

Deputy J.A.N. Le Fondré:
You did. I wrote it down and said define “negligible”. The impact was negligible.

Director, Future Hospital Project:
My apologies. What I wanted to say was that the relative impact of those 2 factors - growth and ageing - of the 2, the more significant is ageing. If I can just describe what is in this report. They take that challenge and it says here: “The effect of the ageing of the current population is explored by an artificial migration scenario of no inward or outward migration.” Results of this exploratory analysis gave similar increases to babies plus-1,000 in this document, net inward migration, for those affecting mainly older population, such as coronary, heart disease, chronic kidney disease. And it indicated that the ageing of the population is driving the increases in numbers of people with these conditions independent of net inward migration. This is not my report. This is the report of the Public Health Department. That is consistent, as the Minister said, with all our modelling but shows that while net inward migration is the important factor to consider it is not the more significant factor when compared to the ageing demographic.

Deputy J.A.N. Le Fondré:
Can I go one further? Just probing slightly: so the argument, if I have understood it, is that the ... basically people who are over 65 who are going to - for want of a better expression - cause the problems. They are going to cause the extra demand. I am going to be one of those at some point.

The Minister for Health and Social Services:
Most of us, yes.

Deputy J.A.N. Le Fondré:
They are here on the Island now and so therefore the argument is that if next year 1,000 people, 700 people arrive that is not going to increase that impact significantly, I presume.

Director, Future Hospital Project:
Yes, most of that amount is on the Island, is here in this room.

Deputy J.A.N. Le Fondré:
The life of the hospital is obviously going to be several decades - we will cover that later - what happens towards the end of that period for the people who have come in now who are fairly high? Will they not be impacting then on your ageing population?

Hospital Managing Director:

They will. In terms of additional beds I always look at it as the acute adult beds that I am comparing today and tomorrow with rather than the obstetric beds, the paediatric beds because we cannot use those flexibly. We have got 148 beds operating today and in the new build the equivalent bed numbers will be about 212, so a 74 increase of beds. As a proportion of 148 that is - I cannot do it off the top of my head - but that is a lot. So it is a significant increase in the flexible adult beds. What we do not know, and cannot do, and nobody in health planning can, is predict many decades ahead. We have done our best to predict the next 20, 30 years. They say you cannot really predict beyond 10 years in health care, so we have added what we think are robust assumptions to our workings. We have looked at how we might shape services in the future with out-of-hospital care and we know we can change our current practice. But we cannot predict what the future is going to bring in terms of technologies and changes in health care. If we go backwards 30 years we did things very differently. If you had a hip operation you would be in for 3 weeks, now you are out in 5 days or less. We did not have laparoscopic surgery. We did not have diagnostics that we have got today. We did not have an intervention in radiology. Things change rapidly and all of those things I have mentioned have reduced bed days of patients. So, yes, there will be a change in the future. Yes, this will continue to grow. But I am confident that with the changes that we will see we will be shaping and flexing this hospital in those decades ahead.

The Minister for Health and Social Services:

Could I also ask if Mrs. O'Shea would expand on how we can manage the beds much better because of the single rooms?

Deputy S.M. Brée:

We have the area of flexibility of design a little bit later on.

The Minister for Health and Social Services:

It is relevant, Chairman, on the number of beds.

Deputy S.M. Brée:

It is. We were just trying to ascertain the net inward migration population and ageing demographic impact at the moment. We will go on and talk about flexibility a bit later.

Senator S.C. Ferguson:

We seem to be catering for lots of beds for old people and yet the 40-year trend forecast I have seen are saying, yes, there will be more chronic diseases, however they lend themselves to earlier diagnosis and treatment at home. So how have you factored that into your calculations?

Hospital Managing Director:

That is in terms of what I was talking about how we might change models of care and do more things out of hospital. So that is the wider P.82 reform programme. That is about how do we keep people safe in their own homes, how do we have specialist nurses looking after respiratory conditions, diabetes, all of those long-term conditions. Part of our whole strategy is admission avoidance and how do we keep people safe in the community, which is the wider P.82 plan.

Senator S.C. Ferguson:

So you would not need as many beds?

Hospital Managing Director:

That is factored in. We would need probably another 116 beds if we did not factor that in.

Senator S.C. Ferguson:

Yes, because there are 40-year forecasts around.

Hospital Managing Director:

Yes.

Deputy S.M. Brée:

Shall we move on now to a few more specifics?

Deputy T.A. McDonald:

Westaway Court. The redevelopment of Westaway Court will provide outpatient services and pathology services, we are told. How will this work in practice and how will pathology be able to function away from the main site?

Director, Estates Department for Infrastructure:

I think functioning of the services is probably best amplified by the Health team and we can pick up on any issues about the physicality.

The Minister for Health and Social Services:

Perhaps I can start with an introduction. One of the reasons for moving it at this stage of the scheme is (1) we have very, very old labs that are frankly not up to scratch, and (2) you do not want to make a temporary arrangement for a lab and then have to redo it all again. So this is a permanent arrangement where we would get a modern lab set up. In terms of communication I have heard the stories about how our samples might or might not get from theatres to labs. Already within the

hospital we use the tube system. We put samples in a container, they get sucked up, comes out in the path lab and that will just be extended to this lab.

Deputy T.A. McDonald:

How will the actual Pathology Department function away from the main site?

Hospital Managing Director:

Pathology is all about processing either blood tests or bits of tissue. So the samples need to get to the labs, then the automated systems, used mostly these days, will produce the results and those results go back electronically to the user. So the only real issue logistically is how do you get the samples into the lab. We are going to have a pneumatic tube that will go from all the clinical areas and it will just be exactly the same as it is today, go through a pneumatic tube and get into the labs. So the transport issue is not an issue. If you look at the shape of what people are doing with the pathology labs in the U.K., there was a Carter report that came out many years ago now and they are being centralised into specialist labs, not sitting within acute hospitals, and in acute hospitals they are just having some very basic near patient testing laboratory services and samples are going miles away to great big laboratory setups. Obviously Jersey is not in that position so it is easier for us to keep it close via the pneumatic tube. But they can function perfectly well away from the main hospital as long as you can do the urgent tests.

Deputy T.A. McDonald:

So we can get samples to the laboratory but how will the people working in the lab be able to examine those samples when they arrive by virtue of the vibration problems, which we have led to believe will be pretty horrendous?

Hospital Managing Director:

I am sorry, I misunderstood. The fact that we are moving pathology to Westaway removes all of that problem because they were concerned that if they remained in their current location and we built alongside them that vibration might be an issue. So we have 2 choices: we move them temporarily to get them away from the build line or we did what we think is the right thing to do and move them permanently, move them just once, over into Westaway where there will not be any vibration because they will be going into the redeveloped building.

Deputy T.A. McDonald:

Yes, I do not think it will be a case of there will not be any vibration but I think it would probably be a case of greatly reduced vibration.

Hospital Managing Director:

There is technical data on how far away certain bits of kit need to be from a building site and Westaway is plenty far away.

Deputy T.A. McDonald:
Fine, I will accept that. What other departments obviously use vibration sensitive equipment?

Hospital Managing Director:
We have asked them all and the only ones that are sensitive enough to that level of vibration - I am looking at Mike if he wants to add to this - is pathology and their equipment.

Director, Gleeds Management Services:
There is some sensitive equipment in the Radiology Department. We have done a quite detailed study provided by Arup Engineers, which looks at where the equipment is located in the Radiology Department and none of that is within the zone that could be influenced by the vibration from the construction site.

Director, Estates Department for Infrastructure:
If I may add: the hospital's been built on in phases over many years. The existing glass building that links the ground floor to the other buildings was built right in the middle of the site. Vibration was not a particular issue, ways of working allowed for the building to be developed with minimal or very little, from my recollection, disruption to the existing services. It is not uncommon to demolish and build in a very close proximity to existing services elsewhere in tight sites, city sites. So we are confident that the development proposals will have minimal or very little impact on the services. But as we work through with our contractor, when a contractor is appointed, we will take these things into another level of detail so that we can examine in even more fine detail to ensure that we have crossed i's and dotted t's, or the other way round, on all of these aspects.

Deputy T.A. McDonald:
Bearing in mind obviously the majority of us sitting around this table are lay people, so we have our own perception of how all this will work and so on. Are there any other issues around the use of equipment, in other words, technical surgery or X-rays or M.R.I. (magnetic resonance imaging) scanners and so on, because obviously vibration, if this is in the actual hospital itself, and very close to it, must play a part and it just seems to me ... I accept technology has moved on greatly, but at the same time it has moved on in a fashion where it is much more precise now and it seems to me that it has got to be secure, and it has got to be protected from things like dust and vibration. That is just a worry and if you can expand on that I would appreciate it.

Director, Estates Department for Infrastructure:

I can reiterate what I said because the process of building, altering, refurbishing the hospital - not just this hospital but other hospitals - is a very normal activity for hospital sites. Precaution is taken to ensure machinery, technical machinery, functions within its appropriate tolerances are upper most in delivering safe building work within those sites.

Director, Gleeds Management Services:
I was just going to reiterate we have done a very detailed analysis from the point of our specialists, Arup Engineering, to look at the whole site construction. One thing to remember is that the site itself is fairly significant so not all the operations of the construction are going to take place at the edge.

[10:00]

So while we do consider that the edge is close a large proportion of the construction will be in the centre of the site and further away from the existing hospital.

The Minister for Health and Social Services:
Perhaps I can give a layman's view as well. As a layman, I was around when the 1980 building was built. That is far closer to where the sensitive equipment was, and in some cases still is, and much closer to the patient wards. That was 7 floors after demolishing the current path lab at the time and the hospital chapel and everything else. That was done sensitively. Of course we are not the first people in the world to decide to develop a hospital near another hospital. It happens in London all the time.

Deputy T.A. McDonald:
Could I also ask about connectivity between the 2 sites? To me there is a concern that there is going to be coming and going between the 2 sites. Can we just start to talk about connectivity between the 2?

Hospital Managing Director:
In terms of the patients that will be visiting Westaway Court, they are not going to be patients that need to visit Westaway Court and then go to the hospital for a particular issue. These are going to be people receiving physiotherapy, podiatry, going to see the diabetes team, going to see the rheumatology team, the pain management team. Some of those services now, pain and diabetes, are already up at Overdale. These are patients that are discrete in their conditions and they just come on a regular basis to be checked by the specialists. So they are not people that ... they are not surgical patients, for example, that are going to see the consultant in clinic and they need to go across for some blood tests, X-rays and all sorts of things. So they are a different group of patients.

Deputy T.A. McDonald:

The multiple, I am assuming, will be senior citizens or people of a certain age and also there will be queries about their ambulatory capabilities. That does concern me, that there will be this space and an area to get these people to.

Deputy S.M. Brée:

May I just use a real-life example of my father, who is 86 years old, and regularly goes to various outpatient clinics in the hospital, probably at the moment about twice a week? The concern we have is if you put these clinics in Westaway Court, my father some days can walk very well, other days cannot. He currently parks in Patriotic Street and walks through into the outpatient clinic. If he has to, in future, go to Westaway Court how is he going to get there? What facilities will be available at Westaway Court for people who have similar issues to get there, park there or are you expecting all patients to outpatient clinics to walk from Patriotic Street to Westaway because we cannot see anything in here that gives us any comfort that that has been taken into consideration? So, again, we are asking a question, can you allay our fears on that matter?

The Minister for Infrastructure:

If I can start on that one. The planned number of parking spaces at Westaway Court are in excess of the current parking provision outside then Gwyneth Huelin Wing currently.

Deputy S.M. Brée:

Right, okay. How many disabled spaces are there outside the Gwyneth Huelin Wing at the moment?

The Minister for Infrastructure:

I believe it is in single digits.

Hospital Managing Director:

It is 6.

Deputy S.M. Brée:

It is 6. So how many are you going to be providing at Westaway Court?

The Minister for Infrastructure:

Fourteen.

Deputy S.M. Brée:

How many patients go to out-clinics on a regular basis when you look at the fact that at the moment outpatient clinics; everybody is asked to turn up 9.00 a.m. or 9.30 a.m. and you will be seen as and when you can, so how many patients on a daily basis go through your current outpatient clinics?

Hospital Managing Director:

It is probably in the whole of our service approaching about 3,100 a week but most of our clinics ...

Deputy S.M. Brée:

So on certain days it is more.

Hospital Managing Director:

These will not all be at Westaway. [About 1,000 a week just for Westaway Court specialties.]

Deputy S.M. Brée:

No. So the question is, do you seriously believe that the provision of 14 disabled parking spaces at Westaway is going to cater for the demand that there is of the outpatient clinics that will be placed there? Do you seriously believe it is going to cater for that requirement?

The Minister for Infrastructure:

With the provision of other transport solutions then, yes.

Deputy S.M. Brée:

What other transport solutions?

The Minister for Infrastructure:

Those are in the process of being worked up. For example, it will be relatively easy for us to put on a link between Patriotic Street carpark and Westaway. There is going to be a ...

Deputy S.M. Brée:

How would you do that?

The Minister for Infrastructure:

We will provide a patient transport facility. There is going to be a designated bus stop for Westaway Court. In addition to the 14 disabled spaces, which is 8 more than ... in addition to the ...

Deputy S.M. Brée:

Yes, but an awful lot of people ...

The Minister for Infrastructure:

Let me finish, Chairman. In addition to the additional 8 disabled spaces over the current requirement there are also drop-off spaces and also spaces for patient transport vehicles.

Deputy T.A. McDonald:

Sorry, there are what?

The Minister for Infrastructure:

There are additional drop-off spaces.

Deputy S.M. Brée:

Drop off, okay.

The Minister for Infrastructure:

Drop off and pick up and there is also additional provision for patient transport vehicles.

Deputy S.M. Brée:

But you still do not get over the problem that there are only 14 disabled spaces where you are centring both outpatients and pathology.

The Minister for Infrastructure:

Currently there are only 6.

Deputy S.M. Brée:

Yes, but that is not sufficient.

Director, Future Hospital Project:

Could I perhaps help? When we think about what we have currently because the Future Hospital is predicated on some changes in the way that we work and we would expect that for a new facility. But you described absolutely something at the heart of it, which is scheduling of outpatient facilities. We currently, I would argue, do not schedule as efficiently as we should.

Deputy S.M. Brée:

I do not think anybody would disagree with that.

Director, Future Hospital Project:

So we also schedule within quite a narrow working day, where the clinics tend to start at 9.00 a.m. They tend to finish, start winding down from 4.00 p.m. to 4.30 p.m. Clearly, to make best use of this

space we need to attend to that. The other thing is the characteristics of the patients going here, we are very careful about not labelling Westaway Court at the moment in terms of what happens inside the building, not because we are not clear about it, because it sets a ... there is a hare running but the kind of patients in here will be characterised by long-term conditions. That does not mean we are running a primary care centre. It means we are running an activity which otherwise would be in the main hospital for people with predominantly long-term conditions. There are patients where there are not generally cures for their disease so they may be attending over a long period of many years I suspect, as your father is now. They are characterised generally not by a single condition. Many of these patients will have heart disease and diabetes and rheumatological disease, rehabilitation and need a range of testing. Now, those patients currently are making multiple journeys to the hospital to have those engagements in sequence. I suspect that accords with your father's experience. That is not the way modern health care should be delivered. So this whole notion of how we begin to manage patients in ways which improve their experience and allow the estate to be used in a particular way, a much more efficient way than we are able to do at the moment. All of that is built into the planning of Westaway Court.

Deputy S.M. Brée:
Sorry, John, do you want to ask your question?

Deputy J.A.N. Le Fondré:
Yes. Reference has been made to disabled spaces, is that defined as blue badges?

Director, Gleeds Management Services:
With the disabled spaces?

Deputy J.A.N. Le Fondré:
Yes. So basically somebody who is not a blue badge holder will not be able to have access to the disabled space.

Director, Gleeds Management Services:
So the purpose of them defined as disabled spaces at this point in time is that we know that a number of the patients that will visit Westaway Court will require some additional assistance to exit their car. They may not necessarily be a blue badge holder themselves or they may be brought by a person that is not a blue badge holder. So the definition of the space as a disabled space gives it ... it is a broader space. It has got access all the way round it. We are not at the level of detailed planning to define how many of those spaces will ultimately have a blue badge only condition on them.

Deputy J.A.N. Le Fondré:

But some will?

Director, Gleeds Management Services:
Yes, absolutely.

Deputy J.A.N. Le Fondré:
Right. So the reason I am asking is, and I will direct this to the chairman. For example, are you or your father blue badge holders?

Deputy S.M. Brée:
My father is, yes.

Deputy J.A.N. Le Fondré:
Right, okay. So that is good order there but I was thinking of other circumstances where we may have elderly people looking after elderly relatives who may not be blue badge holders and therefore would not potentially have access to what is a restricted amount of space at Westaway Court, and then the other ambulatory issue is from parking in Patriotic Street or even getting on to a minibus for an elderly person could be a challenge.

The Minister for Health and Social Services:
We also have the pick-up and drop-off facility.

Deputy J.A.N. Le Fondré:
Even so. Sorry, with practice that means that ... a real life example of an elderly relative looking after a mother or husband, so they drop off at the moment then they are going to have to get to Patriotic Street and then get back to Westaway.

Director, Gleeds Management Services:
We are expecting significant improvements in the method of booking patients' appointments and that can extend as far as understanding how the patient is getting to the hospital, if someone is bringing them, and then as part of their appointment they can be directed to a space that they are allowed to park in because they have an appointment and they may remain for the period of time of their appointment or they may be dropped off by a relative. So those controls are expected as part of delivery of an improved management flow through the hospital.

Director, Future Hospital Project:
Without getting in to ... is it helpful to explain how a modern hospital manages that lack of ...

Deputy S.M. Brée:

Yes. We are merely raising the point that as far as we can see there remains issues surrounding the connectivity to and from Westaway Court. Now, Richard, did you have a question?

The Deputy of St. Ouen:

I just wanted to ask how many parking spaces are planned for the Westaway Court site. How many would be for staff or hospital use and how many would be for public use?

The Minister for Infrastructure:

There are none for staff. There is no provision for staff as there is not now at the existing site.

The Deputy of St. Ouen:

Okay. Well, how many for hospital use because you might need a van?

Deputy S.M. Brée:

Patient transport.

The Deputy of St. Ouen:

Patient transport.

The Minister for Health and Social Services:

We have got a patient transport facility.

The Minister for Infrastructure:

Yes. Well, we have already got the ... as I said, there is provision for patient transport vehicles and there are pick-up and drop-off facilities as well as the disabled spaces.

The Deputy of St. Ouen:

What is the total number of spaces planned?

The Minister for Infrastructure:

It is difficult to give a precise answer to that because the patient transport vehicles are larger vehicles and therefore they take up ...

Director, Gleeds Management Services:

Might I just ask, are you asking the total number of spaces planned at Westaway Court?

The Deputy of St. Ouen:

Yes.

Director, Gleeds Management Services:
So that is 14 currently sized as disabled spaces plus 2 drop-off bays, plus a drop-off bay for patient transport vehicles which is, as the Minister said, in excess of the current provision for the Outpatient Department even though not all of the Outpatient Departments are fixed at Westaway Court.

Deputy S.M. Brée:
Hang on a minute, Sarah, just quickly one on this subject?

Senator S.C. Ferguson:
Yes, okay, fine. So we have got a geriatric centre because from the descriptions this is going to be mainly a geriatric thing and you have dementia patients so ... and you are only allowing 14 spaces and 2 drop off spaces. So if you are dropping off your elderly mother who has got dementia and you have got to drop her off, hopefully she will go in through the door, because if you have got so many ... you know, we are talking best part of 2,000 people a day I think you said.

Hospital Managing Director Sorry but we do not call Westaway a geriatric centre that is the wrong terminology

The Minister for Infrastructure:
No, 1,000 a week.

Senator S.C. Ferguson:
1,000 a week, okay.

The Minister for Infrastructure:
Not all there, across the whole estate.

Senator S.C. Ferguson:
The travel arrangements that you are describing really do sound to be a problem.

The Minister for Infrastructure:
Well, they are an improvement on the current situation.

Director, Future Hospital Project:
Can I answer that first and then hand over to Mrs. O'Shea? I think ...

Deputy S.M. Brée:

If I may ask, we are getting a bit bogged down in this parking issue at the moment. We have got a lot of other questions to ask. I would like us just to move on and we can always revisit this at a later point once you have got more details.

Deputy J.A.N. Le Fondré:

Can we suggest that anything you put in writing, you respond, that they can be public?

Director, Future Hospital Project:

Yes.

Deputy S.M. Brée:

Would that be okay? Just to confirm details, just to perhaps ... okay. Last question on this area.

Deputy T.A. McDonald:

Thank you, yes. Final question on the redevelopment of Westaway Court. Does the Minister accept that this is a 2-site hospital and if not, why not?

The Minister for Health and Social Services:

In a word; no, I do not and why not? Because this is part of the development of a health campus and those of us that have worked in U.K. hospitals, and there are a couple of us in the room here, or at least 3 of us, maybe 4, who can comment. If you walked from one end of the Bristol Royal Infirmary for example to the other end you would have to go to Westaway Court and back twice.

Deputy S.M. Brée:

In the Bristol Infirmary, do you have to cross a main road to get from one end to the other?

The Minister for Health and Social Services:

It depends which route you take.

Deputy S.M. Brée:

But you do not have to cross a road to get from one end to the other.

The Minister for Health and Social Services:

Most people do because they do not know about the service underpass.

Deputy S.M. Brée:

Right. So you are refusing to accept that you have 2 buildings separated by a road and a distance apart.

[10:15]

However, you are not willing to accept that it is 2 separate sites.

The Minister for Health and Social Services:
That was not the question you asked.

Deputy S.M. Brée:
It was.

The Minister for Health and Social Services:
No, it was not.

Deputy S.M. Brée:
We said: "Will you accept that this is a 2-site hospital?"

The Minister for Health and Social Services:
No, I will not.

Deputy S.M. Brée:
You will not. Okay.

The Minister for Health and Social Services:
I will not. I will accept it is 2 buildings but that is not unusual but this is not a 2-site operation.

Deputy S.M. Brée:
That is an interesting definition but anyhow let us move on.

Deputy J.A.N. Le Fondré:
Okay. Westaway Court still but it is on an early point on the critical path. Now, I understand the planning application has not yet been submitted for Westaway Court. Can you confirm this?

The Minister for Infrastructure:
The fact is that it has not been submitted yet but it is due to be submitted before the end of this year.

Director, Estates Department for Infrastructure:

But we have ... if I can pick up, Minister. We have 2 planning applications for Westaway Court. We have planning application for the demolition of the existing buildings which is very near to being submitted and will certainly be submitted before the end of this year. We then will have a full planning application, not now, but a planning application for the replacement building which will be delivered early in the new year.

Deputy J.A.N. Le Fondré:

Can you define "early"?

Director, Estates Department for Infrastructure:

It is in the first quarter.

Deputy J.A.N. Le Fondré:

So it could be March.

Director, Estates Department for Infrastructure:

It could be March.

The Minister for Infrastructure:

It could be January.

Deputy J.A.N. Le Fondré:

Okay. If there is a delay in the planning approval, for whatever reason, on Westaway, what impact would this have on the rest of the scheme?

Director, Gleeds Management Services:

So just a small point first of all. So on this programme in here, Westaway Court is not on the critical path. If you truly analyse the critical path ... I am not saying ....

Deputy J.A.N. Le Fondré:

I just challenge you on that.

Director, Gleeds Management Services:

I am not saying it is not.

Deputy J.A.N. Le Fondré:

Pathology is going into Westaway Court. You have just said you have got sensitive machines in there. Surely you are not going to stay if it was delayed. You cannot start demolishing a building before ...

Director, Gleeds Management Services:

Critical path is a term used in planning and programming which defines a part of the programme that has no float. So it has no opportunity to move or be linked without impacting the end of the programme. So Westaway Court currently is not on the critical path. That does not mean to say it is not important and it is a very long piece of programme within the works. So since our last assessment, we have done quite a lot more work on Westaway Court, a much more detailed analysis of this programme. That has led to some changes elsewhere in the programme that has managed that overall change in the opening date at Westaway Court. If it was delayed we have a float in the remainder of the programme with which to address that.

Deputy J.A.N. Le Fondré:

Right. So question 1 is, how much float in terms of weeks?

Director, Gleeds Management Services:

What, all the way through the programme? So it is very difficult to ... so each individual task, and there are 800-odd tasks currently, within the Future Hospital programme and that will expand to probably 2,000 to 3,000 when we bring a contractor on board. So each of them has either float or not float. So if you counted the float on all of them you would come to hundreds of weeks. You cannot deploy that float all in one place but that does not mean to say that there are hundreds of weeks of available opportunity but that does mean that throughout the programme, because there are certain tasks that do have float and you are able to manage changes, and I will perhaps use the word “delays” to the programme.

Deputy J.A.N. Le Fondré:

Okay. So at this point in time if there is a delay, a delay in planning approval at Westaway Court, you do not see that having an impact on the rest of the scheme?

Director, Gleeds Management Services:

I suppose I will just clarify that point, it would depend on how long the delay was but, no, at this point in time a delay ...

Senator S.C. Ferguson:

That is a bit sort of ...

Director, Gleeds Management Services:

I am more than happy to have a look at the ...

Senator S.C. Ferguson:

... elastic with the truth, is it not?

Director, Gleeds Management Services:

I am more than happy to look at the criticality of Westaway Court to consider how much float is in its programme to answer that question.

Deputy J.A.N. Le Fondré:

I think that would be useful.

Deputy J.A.N. Le Fondré:

If we can have the feedback on that. Can I just note ...

The Minister for Health and Social Services:

No, I would just like to pick up on this "elastic of the truth". I would like to understand what you mean by that.

Senator S.C. Ferguson:

Well, yes. We are saying that it is ... let me finish please. We are saying that it is ... or least the gentleman from Gleeds is saying that it is - what is it - it is not on the critical path at the moment. Well, in fact there is quite a critical path. In fact one of the criticisms made by Concerto was the fact that critical paths ... I do not say it of the gentleman from Gleeds but there was an impression that perhaps critical paths were not something that people worked with often on a familiar basis. But a critical path, from my experience ...

The Minister for Infrastructure:

Senator, could you put forth ...

Senator S.C. Ferguson:

I am just a bit concerned ...

The Minister for Infrastructure:

Could you point it out in Concerto's report please?

Senator S.C. Ferguson:

... a major ... no, I am sorry. A major part of the organisation upon which quite a lot depends because until the Limes is altered we cannot move out the doctors and any delay on Westaway Court means we cannot move outpatients, you cannot move the pathology lab and the pathology lab is absolutely vital to the operation of a hospital. So I think it is perhaps a little optimistic to say that it is not on the critical path, do you not think?

Director, Gleeds Management Services:

No. It is just factual to say it is not on the critical path. That does not mean to say it is not an important piece of work that we must ensure, because we would do that diligently to prevent it becoming a critical task, we must ensure that it does do that. So we must plan it, action on those words.

Deputy S.M. Brée:

Okay. Can I just ask a question then? Westaway Court is not currently on the critical path. Have you any ideas of if delays were to occur how long a period you would give it before you looked at saying: "Yes, Westaway Court is now part of the critical path"? I mean, i.e. what sort of room for manoeuvre have you got embedded there because obviously you have looked at this, you have looked at the way in which things are going to work. At the moment you are saying: "No, we do not consider Westaway Court to be on the critical path" for the reasons you have given. I think what we are trying to get to is: at what point would it become impacting on the critical path?

Director, Gleeds Management Services:

So I think I said to Deputy Le Fondré I was happy to go and look at the programme in detail.

Deputy S.M. Brée:

Okay. That would be brilliant if you could. Thank you very much.

Deputy J.A.N. Le Fondré:

Right. Very quickly, you talked about a planning application going in for demolition by the end of this year. On one of the previous project charts that you showed us, construction was meant to have started on 4th September 2017. So does that mean that the timetable from that point of view is delayed?

Director, Estates Department for Infrastructure:

It is not delayed. The timetable changes. So ...

Deputy J.A.N. Le Fondré:

So to rephrase that, it was originally planned for 4th September 2017 as when construction was going to start. When, at the moment, are you anticipating that construction will start, assuming the process goes through promptly? If you do not have that to hand could you send it to us?

Director, Estates Department for Infrastructure:
We can do, yes.

Deputy J.A.N. Le Fondré:
Good. Right, moving on. One of the short term risks, but very key short term risks that our advisers have identified, as you will have seen in the report, is the failure to obtain planning permission within the next few months. So what is the option should the initial planning application be refused?

Director, Estates Department for Infrastructure:
I think it depends on whether the refusal is something that requires a small amount of activity or a large amount of activity but, in any event, further design work to develop the scheme from the outline planning application to deal with reserve matters if the planning application were approved, needs to happen in the next period, in the next 12 to 18 months. So does it have an impact? It does have an impact. Is it a critical impact to the project? It would depend upon how much redesign work would be needed and what the failure to obtain planning approval was based on.

Deputy J.A.N. Le Fondré:
Okay. I want to make it very clear in asking this question, I am not going anywhere near the planning inquiry, okay, and we do not want to go into planning matters.

Director, Estates Department for Infrastructure:
Then I will try to answer in the same vein.

Deputy J.A.N. Le Fondré:
That is okay. What I do want to raise is input that was fed through, which is public in terms of a comment that had been made publically by the planning officers, and I will just then look for a brief comment, okay, but I do not want to go into planning matters, if that makes sense. It is about the input into the application, if you see the subtlety. What I want to quote from the planning officer, it is public, so it is on their website. It says: "It becomes obvious that their [and they talk about the 'theys'] images provided were not representative of the scheme under consideration." Then he also says: "A further significant concern is in relation to the accuracy of the heights of buildings shown on several drawings." Briefly, I am asking about the quality in the context of risk of impact on a planning application. Could you just respond briefly to that, just to why there seems to be these issues?

Director, Gleeds Management Services:
So this depends on ...

Deputy J.A.N. Le Fondré:
I do not want to go into the inquiry ...

Director, Gleeds Management Services:
Yes. It depends around the difference between people's perception of matters for approval and matters that illustrate what might be and there has been some misunderstanding both across the department and I would say ...

Deputy J.A.N. Le Fondré:
Sorry, which department?

Director, Gleeds Management Services:
The Planning Department, with regards to the use of illustrative information. I would say this, when I began my career illustrative information was done by a man or a lady who drew, with some watercolour, an artist's impression and that artist's impression, everybody could fully understand was not what the building was going to look like and it was never really to true scale. The unfortunate circumstance now is that illustrative information comes from a digital model which is very similar and looks very accurate. It is not intended to be accurate. It is intended to illustrate the application.

Deputy J.A.N. Le Fondré:
Okay. Let us stop there. What happens if the States reject P.107/2017?

The Minister for Health and Social Services:
Patients will have eventually ...

Deputy J.A.N. Le Fondré:
To the project?

The Minister for Health and Social Services:
We will run out of beds and patients will have to be sent to England for treatment and it will cost considerably more and that is in the short term.

Deputy S.M. Brée:

That is not the point of the question. We are talking about the project here, not about what happens with patient care. We are talking about the risks to the project.

The Minister for Health and Social Services:

You cannot separate providing a hospital from how it affects a patient.

Deputy S.M. Brée:

No, Minister, please. I said right at the beginning, we are talking about P.107 here, which is the building of the hospital. We are asking about the risks to the project here, not to the risks to patient care.

The Minister for Health and Social Services:

No, Deputy Le Fondré asked me what happens if the States says no.

Deputy S.M. Brée:

If the States ... yes. We are talking about in the context of P.107, not in the context of any other delivery of care and I would appreciate it, Minister, if you would not conflate the 2 issues. We are very clear on what we are reviewing here and the question was: with regards to the risk to the project what would happen if the States rejected P.107?

The Minister for Health and Social Services:

There will not be a new hospital and all the consequences that follow from that.

Deputy S.M. Brée:

Minister, please. We are just asking; so if the States reject P.107 ...

The Minister for Health and Social Services:

Well, I will not answer that because that is the only answer I can give.

Deputy S.M. Brée:

Fine. Okay. No, we understand your point. Carry on.

Deputy J.A.N. Le Fondré:

The next question is if the contractor ... right, if it is approved but you are unable to appoint a contractor what is option B?

Director, Estates Department for Infrastructure:

I am very conscious that we are in the process of appointing a contractor for the next phase of the design.

Deputy J.A.N. Le Fondré:
So, sorry, you have chosen a contractor?

Director, Estates Department for Infrastructure:
No. We are in the process ...

Deputy J.A.N. Le Fondré:
So you are in the process of selecting a contractor?

Director, Estates Department for Infrastructure:
... of selecting a contractor for appointment. That process is live and for obvious reasons I do not want to go into much of the detail.

Deputy S.M. Brée:
Which we fully understand. Yes, carry on.

Director, Estates Department for Infrastructure:
So all I can do for the panel today is to confirm that process is progressing well. We have good interest, credible contractors who have associated themselves with local companies. We have met with them twice and we are going through a process which we believe will deliver an outcome that will have a contractor capable of being brought on to the project, on a pre-contract services agreement, by the end of January 2018.

Deputy S.M. Brée:
Okay. Shall we move ...

Deputy J.A.N. Le Fondré:
Okay. Next question, what happens if the costs come back much higher?

Director, Estates Department for Infrastructure:
Which costs? There are a lot of costs within the project. The simple answer to "costs come back higher" is that they will be contained within the £466 million funding.

Deputy J.A.N. Le Fondré:

Hopefully, in the ... I will not even want to say unlikely event or I hope the risk is less than that, but in the unlikely event that the contingency will be utilised, what is the position?

Director, Estates Department for Infrastructure:

Again, I can only repeat, we will keep this project within its funding envelope. The contingencies have been set up and there is much commentary within the report, so I will not go into any detail, about contingencies and the reasons for their existence. At this stage within the project we are at a design development stage with those ... quite a proportion of the budget still remains within contingencies and will need to be deployed as the design development progresses and we reach a point of being able to have a pre-tender estimate in effect, working with the successful contractor. So where we are in terms of a funding envelope is having a process that provides us with an estimate that will become narrower or more focused upon providing a specific price or set of prices because these will be bundles of activity that will end up being contracted out and those bundles of activity, the pricing for them will be honed during this process so that we can be increasingly more confident of the final price of the main works project and we can be more confident in relation to the amount of contingency that will have crystallised during that process.

[10:30]

The contingency that will remain uncrystallised and available to the project, should things happen that are outside our expectation, unknowns.

Deputy J.A.N. Le Fondré:

Okay. Very quickly, on the Budget Statement 2018. Two projects, capital projects, caught our eye, one being Grainville School phase 5 which is presently 51 per cent over budget and the Les Quennevais School, which is approximately 14 per cent over budget. What confidence can we have that the budgetary costs from the hospital project that we are not going to have that kind of change, shall we say, at some point, in the future?

Director, Estates Department for Infrastructure:

Both of those projects' budgets have changed for very different and specific reasons and I am not here to go into the details of other projects. What I can say with regards to the budgeting process, and this is something that we have spent a considerable amount of time with your advisers, the enabling works, the locally delivered works, are costed on the basis of local cost estimates provided by local quantity surveyors. Those estimates take account of the current climate. Projects that you referred to, the estimates were based some years ago. So the current climate, we understand the current climate, we know that the level of construction work on-Island for projects of the scale of the enabling works projects is significant. The States has, indirectly through its social housing bond and

other works that are undertaken within the Island, we understand the ... and have within those costs estimates taken that into account, the potential inflationary effect of an activity level on Island currently.

The Minister for Health and Social Services:
I am surprised though that when you were looking at capital projects you did not look at the exemplar example of the police station.

Deputy J.A.N. Le Fondré:
One looked at what is in the Budget on that. Anyway, let us move on.

Director, Estates Department for Infrastructure:
If I may, just because I half answered your question, if I can complete my answer. The main hospital project is an entirely different animal. It will be procured through a different mechanism. We do not know exactly what yet because we have not got a contractor on board but it will utilise a degree of off-Island, potential prefabrication assembly, system builds and the like, which will be very different from what is undertaken on-Island as the run of the mill projects that are built on-Island and the cost base and inflation assumptions and the like that go with that are based upon the indices that are prevalent in the U.K. and for those types of systems build. So ...

Deputy J.A.N. Le Fondré:
That is the B.C.I.S. (Building Cost Information Service) indices, is it?

Director, Estates Department for Infrastructure:
It is B.C.I.S. basis, yes.

Deputy J.A.N. Le Fondré:
Okay, right. Shall I go to 13? Slightly cautious, bearing in the mind the terminology here in terms of critical path, but as far as you are concerned you are fully aware of the obstacles that lie on ... if I can use the terminology “critical path”. I think we might be looking at a slightly different terminology issue and what are you doing to ensure that you are tracking and managing this?

Director, Gleeds Management Services:
So there are a series of critical tasks on the main programme. These critical activities are managed individually by members of the team and that will be a very broad range of activities, some of them are design, some are them are approval. So within the Gleeds report that goes to the project board each month we identify any particularly interesting critical tasks, so they are on the programme today or they need to be finished soon. The real hub here is that the main critical tasks that face us going

forwards before we get into the body of the programme are, and you have already mentioned 2 of them, the planning inquiry approval, the appointment of a contractor and the approval of this proposition. They are certainly 3 of the largest critical aspects of the short term programme, I just look at it that way round, and I think the level of resources that the Department for Infrastructure, the Health and Social Services Department and the Treasury and Resources Department have deployed to manage that is significant, hence they are ensuring that those critical tasks are delivered.

Deputy J.A.N. Le Fondré:

Okay. Properties at Kensington Place. If a current owner of a property decides they do not wish to sell that will involve obviously going to the States compulsory purchase which will take time. Would you agree that this is a risk?

Director, Estates Department for Infrastructure:

There were a stream of things within that sentence so if I can go back to the start of the sentence. Firstly, we have engaged with all owners and we have established with all owners their credentials, and again I do not wish to betray any confidences, other than to say that all owners are content to engage with us in discussions which will form the negotiations with regards to the acquisition of the properties. Is there a risk that if we do not reach agreement, compulsory purchase processes need to happen; yes, it is a risk? It is an undeniable risk. You spoke about the time taken. The compulsory purchase process is relatively quick. The law permits the process and I do not want to go into the details. We can share those details with you. We have a reasonable amount of time before we need vacant possession of those properties, probably 12 months away from vacant possession. So we have time to go into full negotiations with owners and our earliest expectation, which has been communicated to you, those owners and to States Members and others is that we would seek to reach a fair and proper settlement and a fair and proper settlement based upon independent values and the individual needs of those owners because everybody is an individual. There are tenants within properties as well so we need to discuss the tenants' needs. So it is an issue that needs to be dealt with. There is sufficient time to deal with it properly and reasonably. Compulsory purchase is a last resort but can be used. So I would suggest that if we were not the Government or if the Government did not have compulsory purchase as its backstop the risk would be much higher.

Deputy J.A.N. Le Fondré:

But obviously the risk in there is that ... you are assuming, therefore, that the States will rubberstamp the decision to implement a compulsory purchase.

Director, Estates Department for Infrastructure:

I think the States would consider the decision in its gravity and necessity with regard to the negotiation process that has been undertaken and will take a view, as the States Assembly always does, on propositions.

Deputy J.A.N. Le Fondré:

Okay. Now, one thing that is very clear moving on is that the successful delivery of the hospital is dependent on the successful delivery of the wider intervention programmes that are contained in P.82 of 2012. What if, for example, only 50 per cent of those were delivered or some are not delivered as successfully as anticipated? Would it have an impact on the size of the hospital for example?

The Minister for Health and Social Services:

I will let Helen answer but I think you can ...

Deputy J.A.N. Le Fondré:

I was assuming it would be Helen.

The Minister for Health and Social Services:

Yes, but I think you can take some reassurance from your own scrutiny report which seems to be really impressed with the progress on P.82 so far. Helen.

Hospital Managing Director:

Yes, I will start but we have got Bronwen who manages the P.82 out of hospital programmes. When we have been modelling for the future and looking at what interventions we can realistically model at this point in time we have taken the interventions that we know work elsewhere, that we have already started implementing, that we can already see that we are making progress and successes but they are not the only ones we are going to do. So if there is some slippage, whether it is 100 per cent delivery, 75 per cent delivery, 50 per cent delivery, we have got other schemes and other ways of working that we will be implementing as well. But in terms of success to date, with the schemes that we have already started I will pass over to Bronwen Whittaker.

Deputy Director, Out of Hospital Community:

The P.82 programme is making considerable progress against its objectives. The out of hospital recognises the need to transform alongside the in hospital. It needs to be one system approach. There is a robust and developing and growing portfolio of services in the community, across primary care and also working very collaboratively with the voluntary sector. This work is all progressing well and there is an additional range of services that have not been factored in that we can draw on to support this work.

Deputy J.A.N. Le Fondré:

Okay. Just to go back to the question though, because I have taken the point that one hopes - not hopes but anticipates - that the interventions will work well or there may be alternatives based on your experience, but what happens ... the question was, what happens "if" they are not as successful as you anticipated? So what is the consequence if you only get 50 per cent of what we need to actually deliver?

Hospital Managing Director:

Well, if we cannot release capacity in the hospital to the level that we were anticipating and the question was "if", I do not believe that will happen.

Deputy J.A.N. Le Fondré:

No, that is an "if".

Hospital Managing Director:

It is an "if", then obviously we will have more patients in the hospital so the bed capacity will be tighter.

Deputy J.A.N. Le Fondré:

What does that do in terms of the time period? Do you get a bed deficit at any point or what happens in capacity terms?

Hospital Managing Director:

There would be a bed deficit and our modelling would allow us to scenario plan that but off the top of my head I could not give you an answer to what and when by a percentage.

Deputy J.A.N. Le Fondré:

Okay. Do we want to request ...

Deputy S.M. Brée:

Yes, it would be useful if you could do that kind of modelling to say what would be the impact on the requirement for additional beds in the hospital if the intervention programme, for whatever reasons, fails to deliver the anticipated outcomes.

Deputy J.A.N. Le Fondré:

So we accept the points you are making about those outcomes.

Director, Future Hospital Project:

So I have been very close to this modelling. What we would have to do is a procedural issue that is agree the scope of that work because the modelling holds a number of assumptions. So we could do that modelling if all those other assumptions were held. One of the things we have done, we have taken reasonably conservative assumptions around bed occupancy and utilisation. So we absolutely can do this work for you but we just need to make sure because in doing it we would need to have a brief to do that work that we agreed.

Deputy J.A.N. Le Fondré:

Just to be clear, I had understood you had done the work so we were just trying to eke it out a bit. So that if you can look at what you have done, I have understood there is a thing on a 50 per cent intervention.

Director, Future Hospital Project:

If that is the only condition you set then we absolutely can do that quite quickly.

Deputy S.M. Brée:

Yes, it is.

Director, Future Hospital Project:

Delighted to do it.

Deputy J.A.N. Le Fondré:

I am trying to move on quickly. I suppose the query is, if the interventions do not work as you had hoped what is the plan B? Is it try different interventions, if that makes sense, or is it something that you can address?

Hospital Managing Director:

Yes, there are other interventions and we are already working some of those up because that would be best practice anyway, so we will be looking at all of the practice we can see working elsewhere and see if it is suitable to provide here in Jersey because not everything ... works in the U.K. and it does not work here. We will have other flexible options in terms of we have modelled the hospital on a Monday to Friday 9.00 a.m. to 5.00 p.m. basis, which obviously gives us leeway to extend the working day and extend the working week. That does not impact on beds as much as other services but outpatients, theatres, procedure rooms can all be extended in their life, if we need to, by extending the workforce and the working day. We are looking at how we manage beds for surgical procedures that will probably be ... they can be Monday to Friday beds so that you are not staffing them over the weekends initially so you can then extend them over the weekends in the future. We

will be looking at all sorts of technology, which I was mentioning earlier, about how does technology move on, how do you keep people at home more effectively or even just not in a hospital bed. We are, I think, worrying that the things outside the hospital might not provide us with that comfort but there will be things we can do inside the hospital to make sure that people recover faster and that we consider 7-day working, it is a big topic in the U.K. We know that we, at the moment, are mostly on a 5-day week with cover at the weekends so we could extend the way we work and that would improve things.

Deputy J.A.N. Le Fondré:

Okay. Thank you. Very quickly on that, I think Mr. Foster referred to it as well, in terms of Westaway Court he talked about scheduling, he was talking extending the hours. Is there anything in what you just said ... you mentioned extending the workforce and the working day, I presume there is a cost implication of that?

Hospital Managing Director:

Yes, there would be if we were going to extend the workforce. We have got a workforce plan. We have set out looking at exactly what the new hospital and the new models of care would require, what sort of new roles we would require, and we have already costed in workforce to just staff the size of the building and the models as we know them today but, yes, if we wanted to extend working days we would have to extend the workforce.

Deputy J.A.N. Le Fondré:

Okay. That leads me straight to the Minister for Health and Social Services. Under P.82 in relation to prospective, are you confident, as Minister for Health and Social Services, and it may be Mr. Turner that you want to answer on this one, are you confident, Minister for Health and Social Services, that you can deliver all of what is in P.82/2012 with the cost envelope that you presently have?

[10:45]

The Minister for Health and Social Services:

In a word, yes, but I would just like to expand on that because I hope you do not think that we are waiting for the approval of the hospital scheme to get on with the work of P.82. A significant amount of it is in place and has been evaluated and is up and working. You should take some comfort, if you do not want to take my words for that, from your adviser's report on page 2 and 3 but particularly 4, where she says that considerable process, or they say considerable process has been made, that is 2.7 on page 4 in the Social Care Transformation. This is a journey we have been on for a long

time and there is more work to do but a lot is already in place and been evaluated and we know that it is delivering.

Deputy J.A.N. Le Fondré:

Just to pick up and continue to keep going, is in relation, for example, to the healthcare charge that was proposed in the M.T.F.P. (Medium Term Financial Plan) and is presently stalled. Without that you are still confident that you have got the resources in place for P.82?

The Minister for Health and Social Services:

Probably a question for the Minister for Treasury and Resources when you see him on Monday but, as I understand it, there is no question now of the healthcare charge being brought forward again. Funding has to come from alternative sources. We are getting the money that we need and I think one of the deals that we have put around the new hospital now is that this will be funded and run without, at this stage. I cannot say what is going to happen in 10 years' time because I may be pushing daisies up by then, I do not know, but at this stage there is no increase in charge directly to the customer.

Deputy J.A.N. Le Fondré:

Okay. So just to be clear there, sorry, the healthcare charge, is that ... do you need the healthcare charge to be delivered ...

The Minister for Health and Social Services:

Not at this stage. There are no plans. If you want me to be clearer; there are no plans to bring forward a healthcare charge.

Deputy J.A.N. Le Fondré:

Right. So P.82 does not require the healthcare charge.

The Minister for Health and Social Services:

P.82 needs funding and that is the whole basis of the extra money that Health is getting every year and the whole basis of the economies that have been made by all the other departments in giving us our extra £40 million a year. P.82 is funded out of that.

Deputy J.A.N. Le Fondré:

So it is not predicated on a healthcare charge. You are getting extra funding from the other budget regulators.

The Minister for Health and Social Services:

It is not, no. Plan B was introduced when the healthcare charge was ...

Deputy J.A.N. Le Fondré:

Okay. That is clear. Okay. Our advisers also mentioned a lack of a target operating model. If you want the page number, you can turn to page 4, Minister, 3.4 and 3.5. What the target operating model will do which is compare basically the current "as is" with the future "to be" operating models, for want of a better expression. If you do not have this do you see you run the risk of a fragmented approach? What is your response including that too?

Hospital Managing Director:

Thank you. A target operating model is a tool and some people use it in these scenarios and some people do not. We have got service plans, operational policies, design briefs, workforce plans that cover all of the elements that a target operating model would normally encompass. I welcome that recommendation from your advisers to pull all that together into one place under an operating model and so we are going to do that.

Deputy S.M. Brée:

So you will be drawing up one?

Hospital Managing Director:

Yes.

Deputy S.M. Brée:

When will that be available for us to look at?

Hospital Managing Director:

I believe, if I am allowed to use your adviser's timescales, they are saying January.

Deputy S.M. Brée:

Okay. So you can confirm you are now working on one. We should have it with us by January?

Hospital Managing Director:

It is just quite a bit of work to pull it together but that is the intention.

Deputy S.M. Brée:

No, I fully appreciate it is a reasonable amount of work.

Deputy J.A.N. Le Fondré:

I mean my understanding is it is trying to bring ... accepting all the points you can about all the underneath stuff is to make sure that you brought it together in a level ...

Director, Future Hospital Project:
That is right.

The Minister for Health and Social Services:
In one place.

Director, Future Hospital Project:
We have one. We do not have a document describing all that distilled together. That has been a very helpful recommendation from the report.

Deputy S.M. Brée:
Okay, thank you. Right, Sarah.

Senator S.C. Ferguson:
If we look at revenue implications, first of all can you confirm the lifespan of the hospital that you are working on?

The Minister for Infrastructure:
Well, the building has got a lifespan of at least 60 years.

The Minister for Health and Social Services:
But I think there are some lessons to be learnt from the past though, that a properly maintained and kept up-to-date building will last way beyond that. I think the States in the past have built things and forgotten about them. That will not happen again or must not be allowed to happen here.

Senator S.C. Ferguson:
Well, admittedly the granite block is still standing. Right, so how will the £15.6 billion revenue cost of running the new hospital be funded?

The Minister for Health and Social Services:
At the moment it is funded under M.T.F.P.2 and no doubt whoever the Minister for Treasury and Resources is, when they bring back M.T.F.P.3 it will have to be funded there.

Deputy S.M. Brée:

Can I just seek clarification? Sorry, you are saying the building lifespan is 60 years. So it will be complete, providing everything goes ahead, the building handover and occupation will be when?

Director, Estates Department for Infrastructure:
2024 for the main hospital. Works will continue beyond that because we will have to remove all the temporary buildings and do the reinstatement works.

Deputy S.M. Brée:
Right. So if we were to say 2025, 60 years on that is 2085 but all of your projections with regards to forecasting only go out to 2065, this is that I am looking at here anyhow, forecasting on page 76.

Director, Estates Department for Infrastructure:
As the Hospital Director has already said, in health care particularly 10 years is doable. Predicting 2030, 2040 is more challenging. To predict beyond that for 60 years would be extremely challenging, if not impossible, but we do know that the building will last at least 60 years but with continual refurbishment and maintenance it could have a life a lot longer than that. As Senator Ferguson says, the original granite building is still operating today and will continue to do so and have a different function after 2025.

Deputy S.M. Brée:
Okay. Sorry, it was just to try and confirm what exactly we were looking at to make sure that ... okay. Sorry, Sarah, carry on.

Senator S.C. Ferguson:
That is all right. No. So we have estimated that the new hospital will cost £15.6 billion. How does that compare with the annual ...

Deputy S.M. Brée:
No. We are still going down the revenue costs here.

Senator S.C. Ferguson:
Revenue costs.

Deputy S.M. Brée:
The revenue costs for operating the new hospital.

Senator S.C. Ferguson:
Yes, sorry.

Deputy S.M. Brée:

You say the cost of the new building. We understood what you meant.

Senator S.C. Ferguson:

Yes. I meant the cost of running the new hospital. So how does this sum compare with the running costs of the current hospital?

Director, Finance and Information, Health and Social Services:

Senator, probably the easiest place to look it up, not trying to take you to the whole document, is in the finance case of the Outline Business Case, is that there is what I believe to be quite a useful and helpful graph on page 137 that moves from the 2016 cost of operating a hospital through to 2027 cost for operating the hospital. The point about that is that that breaks down and explains how the costs change over that time period. The reason for those 2 years is 2016 is the base year on which the modelling was commenced and 2027 is the end of an M.T.F.P. period at which point the hospital or the new hospital will be fully operational so it gives 2 years, one in the old hospital and one in the new hospital, and that explains that the main changes in cost are, in reality, the costs that the service will bear regardless of the development of a new hospital. So the fact that people will continue to require care, that we will suffer inflation and such like. The 2 sets of costs specific to the new hospital are those that relate to the fact that it will cost a different amount of money to operate a larger hospital because this new hospital will be significantly larger. It takes account of the fact that a new building would be more energy efficient, for example, and it also reflects the fact that the interventions that we have discussed at some length this morning have a financial impact as well in terms of they avoid costs that would otherwise be incurred if you did not implement those interventions. So if we do not become more effective and more efficient to manage the demand for beds more effectively that would generate more cost as well. Having the new facility enables us to be more effective and more efficient in the way we use our resources so it enables us to save some money in that way as well.

Senator S.C. Ferguson:

Yes. I wonder, can you just say the amount for the benefit of the public who have not got the documents in front of them?

Director, Finance and Information, Health and Social Services:

Of course. The figure shown in 2027 is £197 million.

Deputy J.A.N. Le Fondré:

So just to clarify; the operating cost in 2027 will be £197 million a year?

Director, Finance and Information, Health and Social Services:
Yes.

Deputy J.A.N. Le Fondré:
Is that projected? What is it now?

Director, Finance and Information, Health and Social Services:
It is £121 million in 2016. It is slightly more in 2017.

Deputy J.A.N. Le Fondré:
Just to clarify, the £197 million is the present figures or inflated?

Director, Finance and Information, Health and Social Services:
That is inflated.

Deputy J.A.N. Le Fondré:
It is inflated, okay.

Director, Finance and Information, Health and Social Services:
The vast majority, £40-odd million of the increase is inflation related.

Deputy J.A.N. Le Fondré:
So roughly speaking 2027 will be £157 million in current terms against £121 million now, roughly?

Director, Finance and Information, Health and Social Services:
Yes. The other big change in there is, of course, the fact that, as Mrs. O'Shea has highlighted, there will be a demand for significantly more beds so the 2027 figure is based on operating those extra beds. That demand ...

Deputy S.M. Brée:
So there are additional costs in that figure, above and beyond what you have currently been providing?

Director, Finance and Information, Health and Social Services:
That demand will be there whether we build a hospital or not so it is not related to the hospital build, it is related to the demand that will come into the service.

Senator S.C. Ferguson:

Have you done any sensitivity analysis to see what happens if it is only 50 per cent intervention successful?

Director, Finance and Information, Health and Social Services:

Yes, that goes back to ...

Deputy S.M. Brée:

That goes back to the information we are going to get.

Senator S.C. Ferguson:

Okay, fine. Super.

Director, Finance and Information, Health and Social Services:

It is worth saying that the modelling that has been done underneath this is really quite detailed and sophisticated and has had a high level of input engagement from a whole range of individuals, ranging from EY, who are expert advisers on this, through to our clinical colleagues who have looked at the modelling to establish whether it accords with their understanding and their views of where they think their particular specialties are going in the future. So it is quite a robust piece of work.

Senator S.C. Ferguson:

Super. Thank you very much.

Deputy S.M. Brée:

All right, I think if we move on to governance now because we have already discussed the issue of a health charge.

The Deputy of St. Ouen:

Yes, Deputy Noel perhaps, can I ask you who makes the final decision on the appointment of the main contractor?

The Minister for Infrastructure:

Obviously taking in advice when we have ... and work not in silos but across Health and Social Services, Treasury and my own department, it will be based on advice and will probably come to the Project board but the ultimate decision with the building contract will come to ...

The Deputy of St. Ouen:

Sorry, the ultimate ...

The Minister for Infrastructure:

The ultimate decision, because it is a building contract, will be the Minister for Infrastructure.

The Deputy of St. Ouen:

I see, okay. So discussed at the Project board level with the final decision being made by yourself?

Deputy S.M. Brée:

Or whoever is the Minister of Infrastructure at the time.

The Minister for Health and Social Services:

Only the Minister can sign that anyway and you would expect a recommendation to come forward from officers through to the Project board and then through to the Political Oversight Group.

Director, Estates Department for Infrastructure:

If I may, Minister, a decision of that scale is almost certainly going to be referred to the Council of Ministers for its view but, as the Minister said, a number of delegated functions rest with the Minister for Infrastructure who signs the piece of paper as the Minister.

Deputy S.M. Brée:

Will ultimately be the Minister for Infrastructure, okay.

The Deputy of St. Ouen:

Okay. So our advisers have praised your team as a team that works effectively, we note that, but they do raise concerns about resources and the question of capacity. Now, do you have plans for introducing further expertise in to the team?

The Minister for Infrastructure:

Yes, we do. Both from the intelligent client side and from the procurer of the building.

The Deputy of St. Ouen:

So what are those plans? What future personnel ...

Director, Estates Department for Infrastructure:

If I can perhaps ... and since this time last year when the report was provided by the same advisers previously, one of the recommendations was to strengthen the team in certain areas and we have done that.

[11:00]

We have procured a larger level of service throughGleeds Management Services and a more on-Island presence, which is very helpful, but we have also secured the services of a hospital contract specialist, if I can call him that, and we have also had considerable assistance from the team, with the client team that developed the Alder Hey Hospital in Liverpool. The principal there and their team have provided us with significant assistance and it really is significant because these are people who are in our teams' office on a daily basis. So much so that we have moved offices once and will need to move again this month because the number of people locally based advising and providing support to the teams is growing. It will continue to grow as we move through and the contractor comes on board, the contractor's team. Contractors that we have spoken to have been very clear about the need to be placed within an integrated team 6, 8, 10 people, with the relevant specialisms. So the team itself will naturally grow. However, those posts of adviser supporting the health brief and adviser supporting the delivery team and interfacing with that contractor, a wise old bird, I think was described, he may have even described himself as such, are absolutely necessary. We are planning the structure and we are refining it as we go along but we are planning the structure for delivery in January/February next year when those posts are in place. We cannot procure to those posts because we do not have funding yet. The funding available to the project does not allow us to procure somebody into a position and make commitments for the long term. So the short answer to your question is, yes, we have done a considerable amount of thinking in relation to this team, the size and structure, and how it embeds itself within the overall governance governing the structure of the project.

The Deputy of St. Ouen:

But is there a risk of delay if it is going to take several months into next year to appoint more members to the teams to deliver on the Project?

Director, Estates Department for Infrastructure:

I do not think that that is significant in terms of delay and we will be ready to go, effectively, post-12th December to put these systems in place. Contractors are likely to be appointed at certainly end of January; they will spend a lot of February familiarising themselves with the levels of detail. A normal procurement process for attracting these people will get them on board and up and running in much the same timeframe.

The Deputy of St. Ouen:

How long would you expect it to take to secure the appointments of a project director and for that director to be in post?

Director, Estates Department for Infrastructure:

I think we can do that within a 3-month period post-advertising. There are quite a number of people who we are aware of who could undertake these activities, so we are already cognisant of the market of people. It is a relatively small market. It is a relatively small village of people but they are out there and they exist.

The Deputy of St. Ouen:

Okay, that is encouraging. Our advisers also comment that you are reliant on external advisers and do praise the external advisers for their strengths but what are your plans for the future makeup of the team to remove the reliance on external advisers?

Director, Estates Department for Infrastructure:

I think we are always going to be reliant on the advice of externals. We have a balance and I think this is one of the things that when talking to your advisers they were very interested in the fact that because we are a whole government and not a health service, that the balance we have within the team, so we have transport expertise, we have planning expertise and we have a number of other expertise functions in-house that would have been made into a team if they were being delivered by an organisation's primary function, was running a hospital or running hospital services, it means that we can rely less on out-of-house expertise. The project is a long project, we thought 2024/2025, so it is years away from fruition but it is still only a temporary project in the sense that roles are not fully permanent. We need to take a decision as to whether we procure these resources and have them as direct employees or whether we have them on contracts that are not direct-employee contracts but are serviced contracts. Either way, in my experience of working with Mr. Penny and others in the team, embedding those individuals into a team is something that is essential to make the project work, that team dynamic work and to buy into the team resource and the team focus. Whether they are employed directly by the States or whether they are employed by another organisation and procured by the States, to my mind is less important than developing that team dynamic and having a common understanding of achieving the goals and objectives of the project. I am quite relaxed that when we finally settle on that balance, it will be the right balance but, more appropriately, the right people.

The Deputy of St. Ouen:

Okay, but I am not suggesting it will happen but what would happen if Gleeds were not able to continue working on the project for any reason; it might be very high-level reasons?

The Minister for Infrastructure:

You could have that scenario for any project team made up of direct employees as well.

The Deputy of St. Ouen:

Yes, so what are the risks to the hospital project?

Director, Estates Department for Infrastructure:

There are stages within the project and specific stages of handover and we will be approaching one as we appoint a contractor on to the contract services agreement and with the enabling works as we move from the current design stage, which is the R.I.B.A. (Royal Institute of British Architects) stage 2 into detailed design and delivery stage. Within any large multiple process there will be steps that need to be reconfirmed, reappointed. It gives an opportunity to the client to consider the performance of those that will be providing services. But with due respect to my colleague from Gleeds, there are a number of organisations that can provide that service. It is not something where the embedded knowledge is such that it is impossible for you to untangle your relationships and re-establish them quickly.

Deputy S.M. Brée:

Okay. Yes, that is fine. All right, very quickly I would like to move on to contingencies and, in particular, the control of contingencies. There are various contingencies contained within the cost reconciliation. We have optimism bias and then we have the various contingencies embedded in the other costs. I think the most important question we have is: how will you control contingencies to ensure that they are not consumed just as part of the project?

Director, Estates Department for Infrastructure:

The short answer is we will monitor our cost planning vigorously to ensure that where contingencies are released, that they are released for a purpose, that that purpose is well defined, that there is a business decision or a specific need behind that purpose and it delivers towards the goal of the best hospital we can get for the funds available that delivers value. We have a value log and I will ask Mr. Penny in a moment to explain that in some detail. We have a value log that looks at things that we have not yet taken as cost items within the design or within the project more generally and the benefit of including them or the impact of removing them.

Deputy S.M. Brée:

Okay. But I suppose the fundamental question here is: who will control those contingencies so that you may have a reason why you need to, say, use up part of the contingencies that are there? But who will make the decision as to whether or not those contingencies are used? Where does it lie?

The Minister for Health and Social Services:

Okay. Obviously this is something that would come through the Project board to the Political Oversight Group but, ultimately, the only person that can sign off the use of the contingency would

be the Minister for Treasury and Resources and I believe that was at the request of the States when we debated it in …

Deputy S.M. Brée:

You can confirm that all contingencies will be under the control of the Minister for Treasury and Resources and that application will need to be made to the Minister for Treasury and Resources for release of any and all contingencies.

Director, Estates Department for Infrastructure:

I think any and all is too encompassing. The details of the process for holding release of contingencies is set out within the information on the report and proposition. It is a balance between the contingencies that need to be within the gift of the budget holder and the contingency sums that need to remain within the gift …

Deputy S.M. Brée:

Can you confirm which contingencies will lie with those?

Director, Estates Department for Infrastructure:

I do not have the P.107 but in simple terms the works contingencies …

Deputy S.M. Brée:

Which is how much, just to confirm so we are clear on the figures we are talking about?

Director, Gleeds Management Services:

I have the page here, so the works contingency on the main scheme is £9.71 million and the works contingency on the relocations project is £2.59 million.

Deputy S.M. Brée:

Right, so those 2 contingencies …

Director, Estates Department for Infrastructure:

Page 19 of the report position.

Deputy S.M. Brée:

Okay, so those sit with the project team, all other contingencies sit with the Minister for Treasury and Resources, is that what you are saying?

Director, Gleeds Management Services:

That is my understanding of what is written into the Treasury and Resources …

Deputy S.M. Brée:

It is merely trying to confirm something.

Director, Estates Department for Infrastructure:

Yes, that is correct, the detail of the operation …

Deputy S.M. Brée:

Say, for example, at the end of this project that not all the contingencies and I am including in here optimism bias, if there are some that remain unspent, what will happen to them?

The Minister for Infrastructure:

It is set out in the proposition …

Deputy S.M. Brée:

Yes, I am just going to ask you for clarification from …

The Minister for Health and Social Services:

It goes back to the central reserve.

Deputy S.M. Brée:

Okay. Just purely for clarification purposes at the moment …

Director, Estates Department for Infrastructure:

Absolutely clear …

The Minister for Health and Social Services:

It is covering part of the proposition.

Director, Estates Department for Infrastructure:

If I can just expand upon that it may be helpful. It is very clear in the proposition that we would turn to the Strategic Reserve Fund but other than it is being returned to that fund is not really very different from any other capital project where contingencies are returned to the Consolidated Fund because that is the fund that released the budget in the first place, so it is mirroring the current arrangements.

Deputy S.M. Brée:

Okay. One of the things that we have noted when looking at the new costings that we have, which is where we are comparing the previous estimate, commonly known as CR025, which I believe Gleeds was involved in preparing and the O.B.C.(Outline Business Case). One of the things that does leap out at us is the relocation costs have increased from £39 million to £80 million. Obviously this does leap off the page at you, the question is: where has the additional £41 million come from to fund that additional cost?

Director, Estates Department for Infrastructure:
I am glad you asked that because this is a point that has been raised and has been in the media and information requested and so on. Very simply, we are not comparing like with like and indeed you will be not surprised to hear that. Of those relocation works costs, the significant element, roughly 50 per cent, reflects a difference in approach between the 2 cost plans in relation to the development of Westaway Court and the services that will be built in Westaway Court. Think of it in terms of area, the area of the overall total hospital facilities is broadly the same; it has not changed with any real significance. The greater proportion of that area is now built at Westaway Court. Pathology is an example of a service that would have been in the hospital numbers and now Westaway Court …

Deputy S.M. Brée:
I think the point we are trying to ask is not a direct comparison between what is being provided now versus what was planned to be provided for under this cost envelope, particularly relocation costs. But taking into account we understand why the price has gone up, where has the money come from to fund that additional price increase within the total budget envelope? Has it been taken out of contingencies?

Director, Gleeds Management Services:
There is a difference in contingencies. There is a reduction in contingency from the figures quoted in P.110 to the figures quoted in this proposition, so that has led to some design changes.

[11:15]

Most of the difference, as Mr. Foster is articulating, comes from a movement of scope from one part of the estimate to the other. There is a coincidental advantage by bringing forward a large piece of the scope of works into Westaway to deliver it earlier, that it does not suffer such significant inflation by delivering it in the latter part of the Future Hospital. If I build a pathology lab in 2022 I have to inflate the cost of the pathology lab to do that. I am planning to build the pathology lab in 2019 and that does have a significant impact and you will see a difference between the inflation figures and where the …

Deputy S.M. Brée:

Could one say, all other things considered, effectively, when you look at a total envelope of costs, that the funding to do the extra work under the relocation costs has been, effectively, taken from what was previously a contingency figure, so contingency is already being used up?

Director, Estates Department for Infrastructure:

The contingency figures have reduced because the design has developed. Contingency figures will continue to reduce as the design develops because some of those contingencies are design-related contingencies and what …

Deputy S.M. Brée:

If the contingency figure falls because it becomes easier to define where your contingency risk is, so if those contingency figures lower, does that mean that the envelope of costs will lower as well because you are identifying we no longer need that contingency or are you going to use that contingency saving up in other areas?

Director, Gleeds Management Services:

Firstly, just the point about the change since the last estimate, this is very normal in the course of estimating buildings and it is not true to say that the reduction in contingency has funded the changes in relocation projects because the 2 numbers are dramatically different. What we would expect to occur because contingency is associated with project risk, so we did not answer the question about how we would manage contingency. The first way of managing contingency is to manage project risk, so that is to look at the risk we have, agree mitigation plans for those risks, which are articulated in the support documents and were discussed at some length with your external advisers. If we are unable to manage certain risks, they would materialise; they would become no longer a risk, they would become an issue, something that we had to respond to and that would lead to one of the contingencies being expended if we were not able to manage that risk. What your external advisers also point out is that in the last 6 months the Project board, with the support of the Health and Social Services Department, has done a significant amount of value management on the potential outcomes of the hospital. We have delivered on some of that value management and it has been included within the design. We have seen a reduction in cost in some aspects but retained value. We also have a number of opportunities that remain on our value-management register that we may consider to bring within the design of the scheme, should we at a later point have risks that materialise, so that is how we manage contingency through the project.

Deputy S.M. Brée:

Okay.

Deputy J.A.N. Le Fondré:

Right, 2 questions, in fact one is and hopefully quickly, first on the inflation costs, which have obviously come down, I would say £15 million but, yes, let us go for £15 million, who signed off the utilisation risk?

Director, Gleeds Management Services:

I am sorry, I missed that.

Deputy J.A.N. Le Fondré:

The contingency costs have come down on inflation, yes, on about £15 million …

Director, Estates Department for Infrastructure:

There has been an adjustment to inflation, yes.

Deputy J.A.N. Le Fondré:

The assumption on inflation costs on this thing has come down £15 million, correct?

Director, Estates Department for Infrastructure:

Yes.

Deputy J.A.N. Le Fondré:

Right, who signed off on the utilisation of that contingency?

Director, Estates Department for Infrastructure:

The Project board and the Political Oversight Group.

Deputy J.A.N. Le Fondré:

It was not Treasury?

The Minister for Health and Social Services:

But Treasury are part of that.

Director, Estates Department for Infrastructure:

Treasury are part of both of those.

Deputy J.A.N. Le Fondré:

No, which Minister signed off on it?

Director, Estates Department for Infrastructure:

The Project board and the Political Oversight Group.

Deputy J.A.N. Le Fondré:

No, who?

The Minister for Health and Social Services:

I chair the …

Senator S.C. Ferguson:

Whose name is at the bottom?

The Minister for Health and Social Services:

I chair the Political Oversight Group.

Deputy J.A.N. Le Fondré:

Minister, so the Minister for Health and Social Services signed off on the utilisation of £15 million in inflation.

Deputy S.M. Brée:

Saving.

The Minister for Health and Social Services:

The board agreed to …

Deputy J.A.N. Le Fondré:

No.

The Minister for Health and Social Services:

The board and the group …

The Minister for Infrastructure:

We do not work …

The Minister for Health and Social Services:

We do not work in silos.

The Minister for Infrastructure:

We do not work in silos, this is a plan going …

Deputy J.A.N. Le Fondré:

No, we are looking at responsibility. Who, ultimately, took to sign the decision?

The Minister for Infrastructure:

The responsibility is the Project board, is the ultimate …

Deputy J.A.N. Le Fondré:

But you had previously told us that it is only the works contingency, which I would rather see did not include inflation, was held by the Project board and the rest of it was Treasury.

Director, Estates Department for Infrastructure:

Once the proposition was …

Director, Gleeds Management Services:

We do not have the project yet.

Deputy J.A.N. Le Fondré:

At the moment anybody can dive into inflation and spend it. Who is responsible now?

The Minister for Health and Social Services:

The recommendations come from our advisers via the board to the Political Oversight Group and on that Political Oversight Group is myself, the Minister for Infrastructure, representatives from Treasury, it is usually Constable John Refault and the Treasurer is there as well. It is a team that is putting this project together.

Deputy J.A.N. Le Fondré:

Is there a Ministerial Decision that says that £15 million was going to be applied to the project, rather than being kept for inflation contingency?

The Minister for Infrastructure:

Let us be clear, the inflation figure is not a contingency.

Deputy J.A.N. Le Fondré:

Certainly it used to say, I do not know about now, inflation contingency but, okay, I accept it does not say contingency on this schedule but said in the past it was.

Director, Estates Department for Infrastructure:

Inflation is not included, it is the reflection of the costs increasing over time.

Deputy J.A.N. Le Fondré:

Right, okay, moving on. What is the risk? What happens if inflation reverses?

Director, Estates Department for Infrastructure:

Do you mean we have negative inflation?

Director, Gleeds Management Services:

Do you mean deflation?

Deputy J.A.N. Le Fondré:

No, sorry, start again. The inflation assumption, the comment is that the B.C.I.S. inflation indices have dropped, it shows decline, therefore you have a saving, shall we say, of £15 million on inflation estimates, which has now been obviously spent, you are probably saying incorporated into the cost of the project.

Director, Estates Department for Infrastructure:

We have not spent it yet because we have not got the budget.

Deputy J.A.N. Le Fondré:

But it has been incorporated into the cost of the project. What happens if the inflation indices change and start going up?

Director, Estates Department for Infrastructure:

The value log that Mr. Penny referred to has a number of opportunities on there to reduce costs, which could be taken. Some of the designed in opportunities that have been taken, depending on when your change of circumstances comes to fruition, could be reversed; there is still flexibility.

Deputy S.M. Brée:

Okay.

Deputy J.A.N. Le Fondré:

Thanks very much.

Deputy S.M. Brée:

Right, we need to just move on because we are running tight on time. Richard, do you want to …

The Deputy of St. Ouen:

Okay. I would like to ask a few questions about information and communications technology.

The Minister for Health and Social Services:

I will hand you over to the expert on that.

The Deputy of St. Ouen:

Yes, so I understand.

The Minister for Health and Social Services:

The only thing that I would say is that the department was recently praised for its work on I.C.T. (Information and Communications Technology) but I will let Mr. Turner tell you all about that.

The Deputy of St. Ouen:

Can Mr. Turner explain, how important all that technology is for the overall programme of health and transformation in the Island?

Director, Finance and Information, Health and Social Services:

It is hugely important and recognised in the point that we talked about in the proposition before, so I will not dwell too much on it. But it was recognised in P.82 as one of the key enablers to support the transformation of services inside and outside the hospital as we go forward. Earlier this year we were working with the primary care body representing G.P.s (General Practitioners) across the Island and Digital Jersey and Family Nursing and Home Care and some others. We launched our Digital Health and Care strategy that sets out where we, as a health and social care system, if you like, I do not mean I.T. (Information Technology) system but ourselves, primary care, Family Nursing and so on where we see this going and how we see technology supporting the delivery of care to individuals in the best way it can. That ranges from how we use information to outlay our resources and plan our resources, through to clinicians sitting with a patient providing care directly to them. One extreme is about making sure that the information is there for a clinician to use to support care, so that may be the paramedic responding to a 999 call being able to access information about the individual. It may be your G.P. being able to see the results of diagnostic tests quickly and electronically without waiting for pieces of paper to be delivered. It may be me, as an individual, being able to look at my own care record and contributing to it in terms of telling my G.P. how I am feeling today. It is all of those things and much more. If you start to look outside it there would be …

The Deputy of St. Ouen:

Specifically, how has the planning of the Future Hospital taken into account this new technology and the strategy?

Director, Finance and Information, Health and Social Services:

Through Gleeds a firm of experts was appointed specifically to look at the use of technology in the new hospital and they produced a strategy document, which your advisers have digested and spent an hour or so, with one of them talking through. That is entirely consistent with the larger Digital Care Strategy across the whole Island and it talks about how the hospital buildings need to take advantage of technology, both inside and outside. To work effectively it needs to go outside the hospital as well, so it goes into people's homes to enable their movement in and out of hospital and to access hospital services to be as easy as possible. For example, we all check in to our flights when we are sitting at home in our armchairs using technology. Going back to Mr. Place's point earlier about better scheduling of appointments in hospital, it may well be that that is a direction of travel for hospital appointments as well. It is not just about the technology that sits in the hospital in terms of complex radiology information systems, it is much larger than that as well and it is about communications as well. We were talking about Westaway Court earlier, one of the ways you bring Westaway Court development and the main hospital closer together is you make sure that the information exchange technology and the supports for that is easy and available to everybody, so that it is no different to being in the room next door.

The Deputy of St. Ouen:

Okay, so I am sure we are pleased to hear that that has gone on. But the Outline Business Case is a huge document and I may have missed it but it does not appear that there is a great deal said in the Outline Business Case about the specific services to go into the hospital on the information technology.

Director, Finance and Information, Health and Social Services:

Yes, the Outline Business Case is based on what you would expect an outline business case to be and you would not have that level of detail on every particular area. What there is, which you may already have but I am more than happy to send you a copy, is a strategy document that supports the O.B.C. (Outline Business Case), which is just about the use of technology.

The Deputy of St. Ouen:

That is the specific one you have just spoken about for the delivery in hospital …

Director, Finance and Information, Health and Social Services:

Yes, so that is the one that was prepared by your advisers …

Deputy S.M. Brée:

Would it be possible for you to arrange for a copy of that to be sent through to our Scrutiny office?

Director, Finance and Information, Health and Social Services:

Absolutely, of course. Yes, of course.

Deputy S.M. Brée:

At least we are sure we have a copy.

Director, Finance and Information, Health and Social Services:

Yes, absolutely and that sets out probably the sorts of things that you are looking for.

Senator S.C. Ferguson:

Just a quick one: but what provision are you making for … this is assuming everybody is online, you have a computer or a tablet or an iPad or whatever, what about that section of the population who are going to need care for their chronic conditions but who either do not have a computer, cannot afford a computer, if they can afford it they do not want one and they are mainly the oldies?

Director, Finance and Information, Health and Social Services:

We are not assuming that everybody is going to make use of the technology. What we are doing is providing an opportunity for those who wanted to to make use of it. Of course, we have to remember we are trying to future-proof this, so as time goes on the demand to be able to access services using technology is likely to grow, rather than shrink. We are planning not just for today and 5 years, 10 years but we are trying to plan for 20, 30, 40 years as well. But we are absolutely not assuming everybody will use it.

Senator S.C. Ferguson:

Thank you.

Deputy S.M. Brée:

Okay, thank you. Very quickly, Minister for Health and Social Services, there was a ministerial response to a report done, it was the report that was presented on 30th August, S.R.4 it was called, 2017, which was the response of the Minister for Treasury and Resources to a Corporate Services Scrutiny Panel funding report. The area that I would like to ask you questions on, if I may, related down to having a health campus or Health Estate Strategy. The Minister said and he accepted in full or in principle our recommendation and the ministerial response said: "The Health Estate strategy will basically be developed and work had already commenced on this."

[11:30]

Firstly, are you aware of such work and, secondly, if you are, when will it be available for us to have a look at?

The Minister for Health and Social Services:
The quick answer is, yes, I am aware of such work. I was not aware of his answer but it is correct. There is a health strategy in …

Deputy S.M. Brée:
Health Estate strategy.

The Minister for Health and Social Services:
Estate Strategy in particular at the moment being worked up on the facilities for mental health. But you touched on my desire for a possible campus as well …

Deputy S.M. Brée:
A health campus sort of as well within the …

The Minister for Health and Social Services:
Yes, health campus and I think this is something that is still under development really, if I was to be honest because the 1980s building and the 1960s building will be fully in use until 2025, so we have time to work that out. But when the next iteration of the Island Plan comes along, I would want to see the current site occupied by Health as designated as for health use only, so a health campus. That might involve, eventually, other allied health things such as primary care providers and such like. The main driver behind that part of my thinking is that you have, in years to come, development space for different services, for, dare I say in 100 years' time, a new hospital without …

Deputy S.M. Brée:
But with regards to an actual overall Health Estate strategy, so we can see where the new hospital sits in …

The Minister for Health and Social Services:
Yes, so there is a Mental Health Estate strategy being worked up as we speak.

Deputy S.M. Brée:
Right.

The Minister for Health and Social Services:

That was somewhat delayed because we did not know what was going to be happening at Overdale, for example, so that work is going on. I think in the shorter-term strategy, no, I do not think, I know in the shorter term, the strategy will deliver alternative accommodation for Orchard House as the first phase.

Deputy S.M. Brée:

When can we expect to see the Health Estate strategy?

The Minister for Health and Social Services:

I am not sure. I do not think we are very far away but I would not want to say tomorrow.

Director, Finance and Information, Health and Social Services:

If I may interject, there is more than one element to this. As the Minister has alluded, the Mental Health Estate is the next big issue that we need to deal with, then we do need a departmental-wider strategy, which we are working on together with Property Holdings. But the real challenge in this is to approach this in the same way as we approach the technology side of this, which is to look at it across the whole health and social care system because, as a patient, I want to go where it is convenient for me and where I can best receive the services I need.

Deputy S.M. Brée:

Yes, that is what we would be looking for. But over all of the buildings, over all of the services there is an all-encompassing Health Estate strategy; that is really what we are saying.

Director, Finance and Information, Health and Social Services:

Yes, and that is what we need to work on. That, as I can speak from experience with the technology side of it, is easily said and it is a hard piece of work because you would have to get lots of disparate organisations to fit together because this is not just about government, this is the private sector and voluntary sector.

Deputy S.M. Brée:

As of today you cannot really give us any idea of when that is going to be available.

Director, Finance and Information, Health and Social Services:

We intended to be working on it through the first part of next year but there are many organisations that we need to bring to the table to work together with, so it would be unfair of me to impose a timetable …

The Minister for Health and Social Services:

But the mental health part will be earlier.

Director, Finance and Information, Health and Social Services:

The mental health part is well underway.

Deputy S.M. Brée:

Good. Obviously we have run out of time. First of all, I would like to say thank you very much, Ministers and ladies and gentlemen for being here, and Assistant Minister, sorry. As I said, this is the first of a number of public hearings we are having into this but I would like to thank you very much for your attendance and for your responses. Thank you.

[11:34]