
STATES OF JERSEY



APPROACH TO DELIVERING NEW HEALTH CARE FACILITIES

Presented to the States on 28th February 2023
by the Minister for Infrastructure

STATES GREFFE

REPORT

Purpose

This Report provides the States Assembly with an outline of the New Healthcare Facilities programme, including:

- Direction of travel and rationale
- Programme governance
- Milestones and costs for 2023
- An optimistic but achievable timeline for delivery; and
- Key Risks and Dependencies

Introduction

The delivery of new health care facilities is one of the most important tasks faced by the Government – existing facilities are often in a poor condition and there is an ongoing clinical need for safe, sustainable health and care services.

The complexity of the approach, requirements, timescale for delivery, cost and financing has meant that the project has seen a number of iterations, none of which has achieved the construction milestone of a modern, affordable, value for money, fit for purpose, and efficient hospital for Jersey.

The New Healthcare Facilities Programme represents an evolution of the Our Hospital Project, leveraging the intellectual capital and project products of both the Our Hospital Overdale scheme and the Future Hospital Gloucester Street scheme, applying these to a phased approach with smaller scale delivery stages.

Restating the Direction of Travel

In line with the recommendations of R.154/2022 – A Review of The Our Hospital Project¹, the preferred direction of travel is to deliver a phased programme of new and appropriate health and care facilities at Overdale and Kensington Place, with the possibility of bringing other existing healthcare sites into scope.

In December 2022 as part of the Government Plan 2023-2026, the States Assembly approved funding to develop detailed feasibility studies to identify a route to delivery for a hybrid, multi-site scheme.

This represents initial Assembly support for:

- A prudent risk management approach to deliver a more affordable project through a different financing model, and by spreading commitment to spend over a longer period, rather than progressing a single large-scale and high-cost scheme that is particularly vulnerable to current global economic circumstances;
- Opening up procurement to a wider range of contractors by breaking the scheme into smaller constituent parts, leading to more competitive bids and making it more possible for local contractors to participate, keeping more of the money spent within the Jersey economy.

- A more appropriate service provision reducing the scale of environmental and infrastructure impacts, achieved by delivering services over two or more sites;
- An opportunity to commence the delivery and construction of the first phases quickly, by adopting a programme rather than a project approach, developing a number of smaller, more deliverable projects and leveraging current permissions; and
- Identifying opportunities to reduce costs, through exploiting modern methods of construction and digital healthcare services delivery, for example.

Whilst this reflects a number of key principles that a hybrid, phased approach is the preferred direction of travel, there is extensive additional detail included in the Review. We must also ask that at the point of delivery of feasibility studies, and an Outline Business Case, that the States Assembly and public do not just take into account cost in making judgements about plans for New Healthcare Facilities, but that they consider the environmental factors, the benefits, the risks, the constraints, the deliverability and the financing of delivering different options, in taking an overall view of the proposed arrangements.

The preferred approach to delivering New Healthcare Facilities' programme products will be 'reuse not rework'. To maintain momentum and build on the significant investment to date, the delivery of the new programme relies on the intellectual capital and material already prepared for the previous Our Hospital and Future Hospital projects. To ensure the best continuity within the team, support organisational memory, and to maximise the potential to save costs and time, we will retain much of the Government of Jersey Our Hospital Project client team. The project team will be led by the Acting Programme Director, a long-time Jersey resident – who has worked for the Government of Jersey for over 12 years.

We will also retain many of the professional advisers to the Our Hospital Project, of which several have worked on the Our Hospital and earlier Future Hospital projects. Supporting continuity of the team will enable those most familiar with the outputs of the previous projects to remodel these for appropriate application to the new programme of work, rather than having to develop a deep familiarity with older products or start afresh.

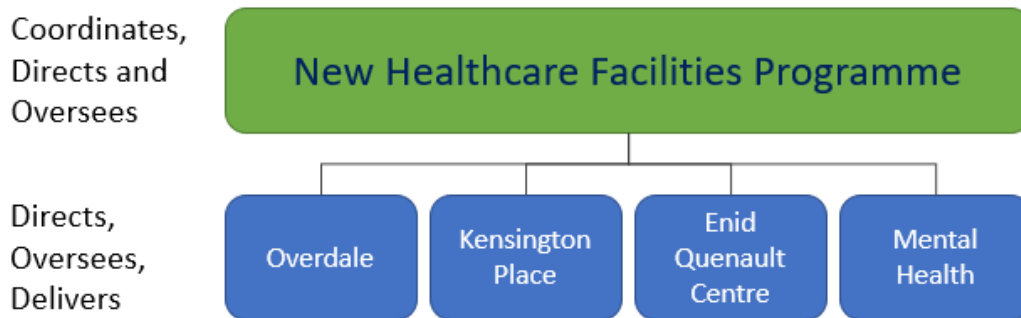
Whilst it is necessary to properly resource a team with sufficient capacity and capability to deliver this programme, this team assembly approach will represent a value for money compared to the previous project, saving in the region of £500k per month on team costs.

Governance and Oversight Arrangements

As the project shifts from a single phase, to developing a feasibility study for a phased programme of delivery over more than one site, some changes to the current governance arrangements will be required.

The New Healthcare Facilities programme will coordinate a number of subordinate projects over a number of sites, including, but not limited to; St Saviour, Overdale, Kensington Place/Gloucester Street and the former Les Quennevais School, which will now be known as the Enid Quenault Health and Wellbeing Centre. The programme will

be delivered within the Government of Jersey’s Corporate Portfolio Management Office (CPMO) programme and capital buildings frameworks, which are based on best practice methodology.



In light of this, the existing political governance, operational delivery, team structure, funding, and communications and engagement arrangements have been reviewed to enable this shift from project to programme.

The Council is keen that there is direct political input of the programme, on a day-to-day basis. To that end, the Minister for Infrastructure will work closely with ministerial colleagues and officers to provide oversight, direction and advice to ensure that the programme and its projects are being well administered, risks are being managed and feedback from key stakeholders is being responded to. However, one Minister cannot deliver this programme alone – the Council of Ministers will advocate for progress at pace with the support of officers from across Government.

Therefore, in line with the recommendation of the Comptroller and Auditor General’s report Decision Making: Selecting a Site for the Future Hospital², a ministerial group has been established that is focused and compact, comprising the key ministers with direct portfolio interest in programme. Its role will be to oversee the delivery of new healthcare facilities for Jersey in line with the decisions of the States Assembly and the States of Jersey Common Strategic Policy, and to ensure that:

- New healthcare facilities meet the needs of patients and staff within the overall strategic health policies adopted by the States Assembly.
- Delivery of fit-for-purpose, good quality, and value for money healthcare facilities commences within the Government’s term of office.

The membership of the ministerial group will be as follows:

- Chief Minister, Deputy Kristina Moore – will chair ministerial group meetings and provide oversight, direction and advice.
- Minister for Infrastructure, Deputy Tom Binet – will be politically responsible for the programme delivery.

- Minister for Health and Social Services, Deputy Karen Wilson and Assistant Minister for Health and Social Services, Deputy Rose Binet – will be responsible for advising on clinical and operational opportunities, risks and issues, including the Functional Brief.
- Minister for Treasury and Resources, Deputy Ian Gorst – will be responsible for ensuring that designs and plans present an affordable, value for money way forward for the Island.

The terms of reference for the ministerial group can be found at **Appendix 1**.

In addition, it is planned to seek an independent member to advise and act as a critical friend to the ministerial group on decision making and governance. The opportunity to express interest for this role will be publicised shortly.

At an officer level, the Senior Officer Steering Group (SOSG) will continue. The role of the SOSG will be to oversee and direct the programme team to support the successful delivery of new healthcare facilities for Jersey. The membership of the SOSG will be as follows:

- Chief Executive and Head of the Public Service – will chair meetings of SOSG and will ensure that the programme has a focused drive, in accordance with direction from the New Healthcare Facilities Ministerial Group and the Council of Ministers.
- Chief Officer, Infrastructure, Housing and Environment – will act as Supplying Senior Responsible Officer under the requirements of the Public Finances Manual³ – the officer responsible for the delivery of the programme.
- Chief Officer, Health and Community Services – will act as Accountable Officer and Sponsoring Senior Responsible Officer under the requirements of the Public Finances Manual – the officer responsible for programme expenditure, specifying the client requirements and accepting the programme products, once delivered.
- Treasurer of the States, with support from Group Director, Financial Business Partnering and Analytics – will provide financial direction, oversight and advice and ensure that any investment is made in accordance with the Government's investment strategy.
- Director of Communications – will provide strategic oversight of communications in the wider context of Government of Jersey communications activity.

Milestones And Costs For 2023

The immediate next steps will be to reappoint/appoint the programme team, where required, and to refresh the Functional Brief. The Functional Brief will describe the requirements for New Healthcare Facilities: what is in and out of scope, the configuration of services over sites and the adjacencies of services and areas.

Undertaking meaningful engagement with clinicians and healthcare workers will be critical to help them feel involved in the process of designing their new workplaces and therefore extensive opportunities for engagement with clinical, care and operational Health and Community Services staff will be made available. This engagement will enable designers to prepare concept schemes that reflect their needs and aspirations.

These key activities form part of the workstream to update feasibility studies in the first half of 2023. In accordance with the Council of Ministers Amendment to the Government Plan 2023-2026 (P.97/2022(Amd)(20) ⁴), the key workstreams for 2023 will be:

- To update feasibility studies to deliver a new delivery framework and programme with better time and cost certainty. These will require expenditure on Government of Jersey team and professional services to develop a revised brief, early designs and a project programme and plan.
- To continue the development of the former Les Quennevais School into a health and care facility, into which services can be relocated from Overdale during construction of that site or for other healthcare services. Although no future direction has been settled, there is an opportunity to retain this site as a delivery space for health and care services in the longer term beyond the construction of new facilities at Overdale, which may fit into a future model of care for Jersey.
- To transfer the land at Kensington Place from Andium homes as a strategic purchase to enable the delivery of a multi-site facility.

The breakdown of costs for each workstream for 2023, as presented in the approved Government Plan 2023-2026, is as follows:

Workstream	£'000
Healthcare facilities - Les Quennevais	7,000
Healthcare facilities -Strategic purchase of Kensington Place	16,000
Healthcare facilities - Development of Revised Scheme	28,500
Total	51,500

The anticipated key milestones for 2023 are:

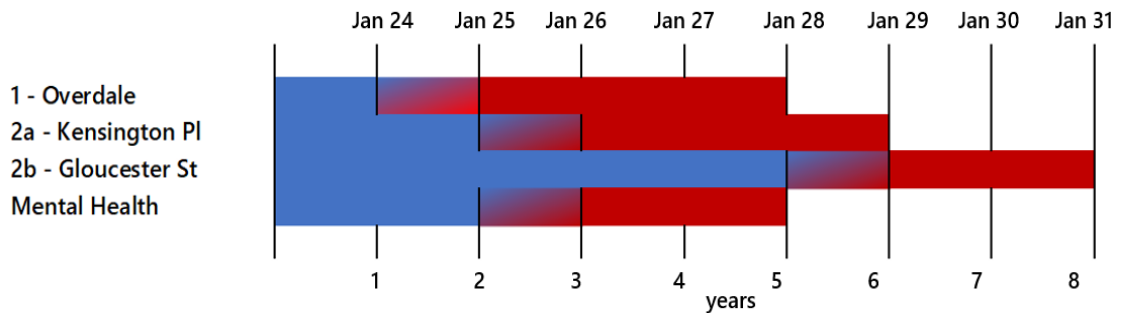
Milestone	Date
Appoint Client team for feasibility studies	Jan-Feb 2023
Update functional brief	Jan-Mar 2023
Strategic purchase Kensington Place from SoJDC	Mar/Apr 2023
Feasibility studies and refreshed Strategic Outline Case	May 2023
Commence demolitions of unused dilapidated buildings at Overdale	Jun 2023
Enid Quenault Health and Wellbeing Centre practical completion	Jun/Jul 2023
Phase 1 Concept design – RIBA2	Jul 2023
Phase 1 Outline Business Case	Aug/Sep 2023

Lodging of Proposition for approval of funding for Phase 1 delivery and continued programme development – part of proposed Government Plan 2024-2027	Sep 2023
Phase 1 Planning Application	Q4 2023 (anticipated determination Q2 2024)
Proposed Government Plan 2024-2027 debate	Dec 2023

Regular briefings will be provided to the Future Hospital Review Panel and States Assembly Members to ensure that they are kept up to date with programme progress and to provide assurance that all key risks and issues are being managed appropriately.

Beyond 2023

The Review of Our Hospital Project outlined an optimistic, yet achievable timeline for delivery of the programme. That timeline illustrated the delivery of the first phase of the programme within five years, and anticipated the full programme being delivered over eight years. Given that our work has now started in earnest in January 2023, following the Assembly decision to approve the funding for the activities outlined above, we anticipate that we can deliver the first phase of the programme by the end of 2027, only marginally later than the planning assumptions communicated for the Our Hospital Project. Our ambition to deliver the programme of New Healthcare Facilities within this timeline has not changed. However, our planning and assumptions will need to be robustly tested during the feasibility study stage of the programme. It is at this point, in mid-2023, that we will be able to communicate with greater certainty the cost and time implications of the programme.



With reference to the timeline illustrated above:

- We present planning phases in blue and construction phases in red, with periods of enabling works illustrated where the colours blend. We will look to undertake enabling works as early as possible.
- None of the Phases 1-2b illustrated above will involve refurbishments, and all will deliver new build facilities.
- We anticipate the first phase being delivered by the end of 2027, which will enable many services to be decanted from the current Jersey General Hospital site into a new build Overdale facility.
- We anticipate that we will be able to start enabling works at Kensington Place within two years. If economic circumstances allow, there may be an opportunity to accelerate work on this second phase, which is also intended to

improve the public realm on Kensington Place. Completion of this second phase will enable the majority of services continuing to be delivered from the current Jersey General Hospital site to a new build Kensington Place facility.

- Subject to the outputs of the feasibility studies, which are currently being worked on, there may be a need to completely redevelop and provide some new build facilities on the current Jersey General Hospital site. However, this is not the preferred direction of travel, and, if this is required, the Council of Ministers has resolved that this will only be done when there is little or no impact on clinical services being delivered from the current site. We have a vision of reserving the existing Jersey General Hospital site for gardens and green space for patients and the public to enjoy – which could be used for expansion at a later date – as well as retaining the listed elements of the granite building and utilising some of the remaining space for housing. This is why the delivery timeline for Phase 2b extends to January 2031, and we strongly hope that there will be opportunities to bring forward this timeline, subject to the outputs of feasibility studies.

High Level Project Risks, Constraints and Dependencies

Time - in honest terms, the most significant risk to the delivery of the programme is running out of time. We have seen from previous iterations of the project that successive governments have had differing views on project direction. In order to mitigate this, we have assembled a programme team that can work at pace to develop solutions. In addition, by breaking the programme into smaller constituent parts, we will be able to deliver the design phases earlier and ensure that construction starts in our term of government.

Communications and Engagement - public trust needs to be restored that the New Healthcare Facilities programme will be delivered on time, with value for money and the right size for Jersey. In order to achieve this, we will review the communications and engagement strategy to ensure that there are transparent and accessible methods of feeding back into the programme. We will keep all audiences up to speed with developments, endeavouring to do so in clear terms about what is a complex subject. These audiences will include Ministers, States Assembly Members (particularly the Deputies and Connétables of Parishes impacted by developments), clinical and non-clinical staff, individuals and businesses neighbouring sites, regulatory authorities, interest groups and all Islanders. A regular rhythm of briefings with Scrutiny and Assembly Members will be established to ensure our key decision makers are well informed about programme progress and help to restore confidence in the ability of the Government to deliver multi-site healthcare facilities for Islanders.

Planning – we will work closely with colleagues from Planning and other areas of government to understand the parameters within which we will have the best chance of securing positive planning determinations for each phase of the programme whilst also delivering healthcare facilities for the island.

Procurement of Delivery Partner(s) – we will seek to procure one or more Delivery Partners to support the construction of the different phases of the programme, once we have a clear idea of what we intend to build. This will result in a better value for money

solution for Jersey through a competitive process that also encourages collaboration across the team, driving down overall cost and rewarding successful delivery whilst also enabling greater local interest. Commercial strategies will look to encompass local companies, where possible, whilst recognising that not all of the skills and experience will be available on island. In enabling island and off-island partnerships, the programme will deliver a legacy of social value. In order to attract the interest of off-island organisations with the relevant skills and experience, we will need to undertake market engagement and publicise all opportunities widely – we will use established routes such as the Official Journal of the European Union (OJEU), as well as inviting other organisations known to the Government of Jersey in France and Poland that have previously been suggested to the programme.

Conclusion

The Council of Ministers is committed to the delivery of fit-for-purpose, clinically and operationally safe, high-quality, and cost-effective healthcare facilities at a suitable scale and value for Jersey.

We are committed to starting the new developments within the term of this Government and to ensuring that the Island benefits from a stable and happy workforce in this critical area of the public service.

The direction we have proposed mitigates the financial risks of committing to a large single development in the current economic climate through phased building. It gives greater control over the timing of construction and allowing us to commit to building when it best suits the Island's finances, or when interest rates are at most opportune levels. And it will help to avoid excessive changes to existing infrastructure while offering construction opportunities to local businesses; keeping more money in Jersey.

APPENDIX 1 Ministerial Group Terms of Reference

Title	New Healthcare Facilities – Ministerial Group
Purpose	To oversee the delivery of new healthcare facilities for Jersey in line with the decisions of the States Assembly and the States of Jersey Common Strategic Policy
Objective	To ensure that <ul style="list-style-type: none"> • New healthcare facilities meet the needs of patients and staff within the overall strategic health policies adopted by the States Assembly. • Delivery of fit-for-purpose, good quality, and value for money healthcare facilities commences within the Government’s term of office.
Responsibilities	The Group has responsibility for overseeing the range of activities associated with delivering new healthcare facilities – robust feasibility studies, design, construction and related activities, programme financing, and related risks, including: <ul style="list-style-type: none"> • Setting out and overseeing the programme and phases of delivery, ensuring the necessary governance and Scrutiny processes and assurance mechanisms are observed. • Taking responsibility for appraising the ongoing suitability from an Islander outcome perspective of plans for new healthcare facilities throughout the design and delivery phases • Providing assurance to the Council of Minister and States Assembly that plans meet the needs of Islanders and health and care professionals and that they fit with the wider social, economic, environmental and political considerations that are material and relevant. • For the key programme and project decisions described in the programme manual, recommending preferred options to the Council of Ministers and remitting decisions to the States Assembly where appropriate • Advising the Council of Ministers about the risks associated with the delivery of the new healthcare facilities. • Receiving reports from the Senior Officer Steering Group and its underlying groups where wider political consideration is required. • Championing the programme and liaising with Scrutiny. • Engaging in the resolution of issues that cannot be resolved by the Senior Officer Steering Group, specifically where these are cross Department issues and/or affect the wider community. • Leading relevant communication and engagement to ensure staff, stakeholders, and Islanders are kept informed of developments, and that relevant stakeholders are consulted and engaged wherever appropriate, practical and possible in decisions.

	<ul style="list-style-type: none"> • With the agreement of the Chief Minister, providing political advice and direction on any other matter which may be considered relevant <p>Additional responsibilities of individual Ministers:</p> <ul style="list-style-type: none"> • The Minister for Infrastructure is politically responsible for delivery of the programme and will lead strategic programme communication and engagement. The Minister is also responsible for ensuring that, in partnership, the Infrastructure, Housing and Environment department and programme: <ul style="list-style-type: none"> ○ Ensure that construction plans are fit for purpose and associated strategic workstreams are considered, such as market engagement (local, national and international), contracting strategies and supply chains. ○ Engage with the Planning Authority to support development of Planning applications for the programme ○ Develop plans to ensure that infrastructure connections to new healthcare facilities are feasible and appropriate • The Minister and Assistant Minister for Health and Social Services are responsible for advising on clinical and operational requirements, risks and issues, and for ensuring that, in partnership, the Health and Community Services department and the programme: <ul style="list-style-type: none"> ○ Deliver a revised functional brief for the programme of work, including split of clinical and non-clinical services across sites. ○ Develop operationally acceptable designs that enable optimum health and care delivery, taking advantage of innovation and digital methods of care delivery. ○ Lead communication and engagement with clinical and care audiences. ○ Develop appropriate operational policies and strategies, including those related to workforce and facilities management. ○ Develop fit for purpose handover and soft landings plans for delivery to commence from new facilities. ○ Outside of the programme, measures to improve and transform Jersey's health service and to address future care needs. • The Minister for Treasury and Resources is responsible for the ensuring that designs and plans present an affordable, value for money way forward for the Island, and for ensuring that, in partnership, Treasury and Exchequer and the programme: <ul style="list-style-type: none"> ○ Procure specialist support to the internal programme team, where required, in line with the Public Finances Manual, to resource the programme in such a way that appropriate skills and experience are available.
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	<ul style="list-style-type: none"> ○ Deliver robust cost plans and investment cases for the programme and its phases. ○ Develop and deliver financing strategies for the programme and phases as appropriate, and that these are approved by the Council of Ministers and States Assembly as required. ● The Chief Minister will provide oversight, direction and advice on all matters which they consider relevant.
Membership	<p>Chair</p> <ul style="list-style-type: none"> ● Deputy Kristina Moore – KM – Chief Minister <p>Membership</p> <ul style="list-style-type: none"> ● Deputy Tom Binet – TB – Minister for Infrastructure ● Deputy Karen Wilson – KW – Minister for Health and Social Services ● Deputy Ian Gorst – IG – Minister for Treasury and Resources ● Deputy Rose Binet – RB – Assistant Minister for Health and Social Services <p>In addition, it is planned to seek an independent member to advise and act as a critical friend to the Ministerial Group on decision making and governance.</p>
Meeting Frequency	Monthly or as required to maintain progress