

STATES OF JERSEY



OUR HOSPITAL SITE SELECTION: OVERDALE (P.123/2020) – AMENDMENT (P.123/2020 AMD.) – AMENDMENT

**Lodged au Greffe on 16th November 2020
by the Council of Ministers**

STATES GREFFE

OUR HOSPITAL SITE SELECTION: OVERDALE (P.123/2020) – AMENDMENT
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1 PAGE 2, PARAGRAPH (b)–

Delete the words “Outline Business Case” and substitute the words “financing strategy” and, in paragraph (b)(ii), after the words “a statement” for the words “by clinical specialty that senior clinical representatives have agreed and signed off their respective departments” substitute the words “that the Associate Medical Directors for Scheduled Care, Unscheduled Care, Mental Health and Primary Care have agreed and signed off operational areas for Our Hospital that fall under their respective care groups”.

COUNCIL OF MINISTERS

Note: After this amendment the amendment would read as follows –

Amend paragraph (b) to –

- “(b) to request the Council of Ministers to present a report to the States prior to lodging any proposition seeking the Assembly’s approval of the **financing strategy** for the new Hospital to contain the following –
- (i) the performance detail from the demand-modelling with all key demand and capacity assumptions linked to the sizing of the new hospital and how this links to the role and function of health facilities as set out in the Jersey Care Model;
 - (ii) a statement **that the Associate Medical Directors for Scheduled Care, Unscheduled Care, Mental Health and Primary Care have agreed and signed off operational areas for Our Hospital that fall under their respective care groups**, both room areas via the Schedule of accommodation, and drawings that match the latest hospital plans;
 - (iii) the proposed hospital total area including all main hospital street communication corridors, department circulation and non-roof plant, in order to provide a total inclusive Schedule of Accommodation;
 - (iv) the calculations for all project cost including non-works costs, equipment costs, non-medical costs (including the whole life transport solution), inflation, optimism bias, a clear split of all project contingencies, the premium costs for materials and confirmation that all “current exclusion” are subject to at least the latest provisional sums;
 - (v) an analysis that the aligned programme has taken account of both the programme impact, Covid-19 and Brexit;

- (vi) a full breakdown of the assumptions and amounts for recurring savings supporting the overall affordability of the project for both capital and clinical/support revenue; and
- (vii) forecast Cost at Completion, broken down into components identified in Paragraph 6 of the report accompanying this proposition.

REPORT

P.123/2020, ‘Our Hospital Site Selection: Overdale’ (hereafter ‘P.123/2020’) was lodged by the Council of Ministers on 6th October and is scheduled for debate on 17th November 2020. The Proposition seeks the approval of the States Assembly for Overdale to be the preferred site for Jersey’s new hospital.

On 13th November 2020, the Future Hospital Review Panel lodged an Amendment to P.123/2020 asking the Council of Ministers to bring a report back to the States Assembly by March 2021 to address the matters detailed in the amendment, prior to lodging any proposition seeking the Assembly’s approval of the Outline Business Case.

The Council of Ministers (COM) does not intend to lodge a Proposition seeking the Assembly’s approval of the Outline Business Case, but intends to seek the Assembly’s approval of a financing strategy for Our Hospital, which will be supported by the Outline Business Case.

COM accepts the matters detailed in the Amendment as appropriate controls for a major project of this scale and will address these matters in the Outline Business Case it will present to the Assembly prior to the COM proposing a financing strategy for Our Hospital in late spring 2021.

However, the project timeline does not allow for the Outline Business Case to be developed and presented to the States Assembly by March 2021, as noted in paragraph 2 of the Amendment to P.123/2020.

COM intends to lodge a proposed financing strategy for Our Hospital with a view to a States Assembly debate on that strategy before summer recess 2021. COM therefore proposes to present the Outline Business Case to the Assembly prior to lodging the strategy, in accordance with the Amendment to P.123/2020.

COM also seeks to amend the Amendment to the Proposition to clarify the definition of ‘senior clinical representatives’, as described in the Amendment. The Director General, Health and Community Services and Our Hospital Clinical Director have advised that the most appropriate group of clinicians to sign off plans would be the Associate Medical Directors of Scheduled Care, Unscheduled Care, Mental Health and Primary Care.

COM does not accept some of the opinion included in paragraphs 3 and 5 of the Report appended to P.123/2020 Amd, specifically that:

- The figure of £804.5m is “not based upon sufficient detail to make it robust and deliver confidence that it will not change as the project progresses.” This is not correct. The financial projections included in P.123/2020 are based upon best HM Treasury guidance, which is best practice for appraising costs of major projects.
- “The advisers were not provided with affordability calculations that confirm that this sum is affordable and how it will be financed.... whilst cost and affordability would normally feature significantly in any options appraisal, it is noticeably absent from this site selection process.” This is not correct. The site selection criteria were firstly clinically-led and secondly patient-led – by the

Citizens' Panel. The site selection process did take cost into account as part of the process, but not before the clinical and patient criteria had first been applied– in accordance with R.54/2019: New Hospital Project: Next Steps¹.

Financial and manpower implications

There are no additional financial and manpower implications arising from adoption of this amendment to the amendment.

¹ <https://statesassembly.gov.je/assemblyreports/2019/r.54-2019.pdf>