
STATES OF JERSEY



REVIEW OF THE NEW HEALTHCARE FACILITIES PROGRAMME (S.R.2/2025): RESPONSE OF THE MINISTER FOR HEALTH AND SOCIAL SERVICES

**Presented to the States on 14th April 2025
by the Minister for Health and Social Services**

STATES GREFFE

Ministerial Response: S.R.2/2025

Ministerial Response to be presented to States by: The Panel requests a Ministerial Response *by close of business on Friday 11th April 2025.*

Review title: Review of the New Healthcare Facilities Programme

Scrutiny Panel: Hospital Review Panel

Minister's Introduction:

Along with my fellow Council of Ministers and the New Healthcare Facilities Programme and Treasury teams, I would like to thank the Hospital Review Panel (HRP), their officers and advisors for issuing their 'Review of the New Healthcare Facilities Programme'. Like them, I understand the intended purpose of Scrutiny Panels acting as Critical Friends to ensure the best possible outcomes for Islanders.

The Panel's report, however, contains inaccuracies and certain claims that may have caused unnecessary alarm for the public. Had the professional assessment been carried out in the context of a Jersey specific scheme, instead of assessing it as if it were a project for the NHS, the report would have been of greater impact.

As a consequence, eleven (a majority) of their 20 Recommendations have had to be rejected.

Seven have been partially accepted and a further two have been accepted, but in most cases, these were already partially complete, owing to the considerable progress that there has been since the NHFP Phase 1 Outline Business Case was collated in Spring 2024.

Findings:

	Key Findings	Comments
1	Key Finding 1: The demand for improvements to the existing General Hospital outstrips the available budget, due to a lack of decant facilities and access restrictions within the existing clinical environment.	This is noted, works are being prioritised within the budget.
2	Key Finding 2: The request by Health and Community Services for £5 million per year in 2026 and 2027 for refurbishment works was rejected by the latest central Government finance team review. This presents a risk to patients as well as to the healthcare system and will require further risk management activities within the existing General Hospital.	<p>No funding has been withdrawn. Funding for 'Health Services Improvements', the project that the report is referring to, was increased in the Budget 2025-26 to bring the funding available for 2025 up to £5 million, which is the amount requested for the year. This is consistent with the annual budget available for previous years. In agreeing to increase the budget to £5 million in 2025, the Council of Ministers also committed to ensure that additional funding at the same level would be provided for 2026 and beyond through subsequent Budgets provided that need can continue to be demonstrated.</p> <p>Health and Care Jersey's spending on estate maintenance is principally through its core revenue budget. The 'Health Services Improvements' Budget is to fund refurbishment and renovation projects on the hospital site. Given that the future of health facilities is being delivered through the New Healthcare Facilities Programme, there will come a point where it is no longer economical to renovate facilities that will shortly be decommissioned. Accordingly, the Council of Ministers decided that funding requirements should be re-appraised each year based on the specific works to be undertaken to ensure they continue to represent value for money.</p>
3	Key Finding 3: The procurement of a main contractor for the Overdale acute hospital is scheduled to commence in Quarter 2 of 2025, with early works and construction commencing in Quarter 2 and Quarter 4 of 2025 respectively.	Formal Procurement activities started in Autumn 2024.
4	Key Finding 4: The Proposed Budget (Government Plan) 2025-2028 approved by the States Assembly, included funding for the delivery of the Overdale acute hospital, with a target year for completion of Quarter 4 of 2028.	In all information it has been made clear that the Construction programme will depend on the Main Works Delivery Partner's ('MWDP') methodology and therefore all milestones are estimates that will be further refined once the MWDP is on board.

5	<p>Key Finding 5: There is inadequate detail available about the status of the dependencies associated with the New Healthcare Facilities Programme. This means it is not possible to assess whether they have been adequately addressed.</p>	<p>It is not accepted that there is inadequate detail available about the status of the dependencies. HRP did not request access to further material to demonstrate the tracking of dependencies.</p> <p>It is important to note that while dependencies are identified and actively managed as part of the programme's governance processes, there is no formal requirement to document their individual status within the Outline Business Case for the Programme.</p> <p>The NHF Programme team maintains regular engagement with key stakeholders involved and other Government departments in these dependencies to ensure that any risks or issues are addressed as they arise.</p>
6	<p>Key Finding 6: The New Healthcare Facilities Programme Team are engaged in negotiations to acquire fields for the proposed St Saviours Health Village. The provision of mental health facilities at the St Saviours Health Village received positive feedback from mental health practitioners, carers, user groups and service users. However, it is not clear to what extent the decision to co-locate mental health care facilities with additional healthcare provision at the St Saviours Health Village is informed by a wider Health Strategy.</p>	<p>The location of services on the multi-site healthcare facilities is informed by the Functional Brief, the Development Control Plan and a number of other key documents. Whilst they might not be collected into a specific document, this does not mean that work that will inform a Health Strategy has not taken place. The provision of mental health care facilities at St Saviour's Health Village has been the subject of stakeholder discussion and it is acknowledged as a good solution to the provision of these services.</p>
7	<p>Key Finding 7: The refresh of the Mental Health Strategy was due to be published by the end of 2024. However, the Panel has not been provided with confirmation of publication of the Mental Health Strategy or a timeframe for its publication.</p>	<p>The refresh of the Mental Health Strategy was deferred in 2024 due to other pressures (although some work was commenced on this). This work is now well underway, and it is anticipated the refreshed (all-age) mental health strategy will be published at the end of 2025.</p>
8	<p>Key Finding 8: There are substantial funds allocated to the proposed development of the Kensington Place Ambulatory Care Facility. However, full details of the proposals and potential uses are not clear. It is also not clear to what extent the proposed non-acute healthcare facilities are deemed essential to the New Healthcare Facilities Programme. Also unclear is the total cost of the non-acute healthcare facilities to the Island and whether the Government of Jersey will be committed to complete all the existing proposals.</p>	<p>The funds allocated to the development of the Kensington Place and St Saviour sites are intended to support the progression of plans and to make 'meaningful progress' on their development. This includes the necessary work to develop proposals, refine potential uses, and ensure alignment with broader healthcare service needs.</p> <p>Additionally, the funding will facilitate the exploration of suitable meanwhile use for the sites, ensuring that they provide value and utility while longer-term plans are being finalised. These efforts form part of the wider New Healthcare Facilities</p>

		<p>Programme, supporting the development of essential healthcare infrastructure for the Island.</p> <p>The Strategic Outline Case (SOC), SOC Information Update (SIU) and OBC provide specific information on the scope of all works within the NHFP. This Finding can therefore not be accepted since information has been provided to HRP.</p> <p>The phased approach to NHF was adopted to allow management of financial and economic risk in the context of both services and economic impact by advancing the commitment to spend over a longer period and across multiple projects. Funding for further phases will be subject to approval in future Budgets, which will include consideration of affordability.</p>
9	<p>Key Finding 9: The “meaningful progress” referenced in the Proposed Budget (Government Plan) 2025-2028, will include progression of the Development Control Plans for the Kensington Place Ambulatory Facility and the St Saviours Health Village, to feasibility studies. However, in the absence of further detail about what is meant by “meaningful progress”, it is not possible to effectively scrutinise the Kensington Place Ambulatory Care Facility and the St Saviours Health Village.</p>	<p>As referenced, the “meaningful progress” noted in the Budget (Government Plan) 2025-2028 encompasses a range of activities aimed at advancing the development of the Kensington Place Facility and St Saviour’s Health Village.</p> <p>This will include the progression of Development Control Plans and feasibility studies for each site, which are critical steps in shaping the future plans. This will also include additional work to enable progress on the intended uses of the sites while longer-term plans are refined. This includes site preparation, stakeholder engagement, and the exploration of interim meanwhile uses to ensure the locations provide value during the planning phase.</p> <p>These efforts collectively contribute to the structured development of the sites, ensuring alignment with healthcare needs and the wider objectives of the New Healthcare Facilities Programme.</p> <p>The Strategic Outline Case (SOC), SOC Information Update (SIU) and OBC provide specific information on the scope of all works within the NHFP. This Finding can therefore not be accepted since information has been provided to HRP.</p>
10	<p>Key Finding 10: A “whole Island system services strategy” was due to be published by the end of 2024. However, the Panel has not been</p>	<p>MHSS has determined that a whole system services strategy should be developed post-establishment of the proposed Health and Care Jersey Partnership Board. The rationale being, if the Partnership Board owns the</p>

	provided with confirmation of publication of the whole Island system services strategy or a timeframe for its publication.	strategy and leads on oversight of deliver, there is greater potential for strategy realisation if it is owned by non-GoJ partners. Previous learning shows that GoJ led whole system strategies (P82/2013 and the 2022 Jersey Care Model) fall by the wayside due to changes in political leadership.
11	Key Finding 11: The Outline Business Case for Phase One of the New Healthcare Facilities Programme was not informed by a comprehensive workforce strategy. A workforce strategy is considered a minimum requirement for an Outline Business Case.	<p>The OBC for Phase One of the New Healthcare Facilities Programme has been developed through clinical engagement, ensuring that the design of the new hospital supports modern models of care and best clinical practice. This approach also takes into account staffing efficiencies where possible, helping to create a healthcare environment that supports effective service delivery.</p> <p>While a comprehensive workforce strategy is not included within the OBC, it is important to note that under the UK government's Better Business Case ('BBC') guidance, there is no specific requirement for an OBC to contain a workforce strategy. The requirement referenced in the finding aligns with NHS England's OBC checklist, which does not apply in the Jersey context.</p> <p>Nonetheless, workforce planning remains an important consideration for the programme, and ongoing engagement with health service leaders and workforce planners will ensure that the new facilities are designed to support future staffing needs effectively. This work will then be enshrined within a workforce strategy.</p>
12	Key Finding 12: The lack of a clear relationship between current workforce planning, the Outline Business Case and the lack of a workforce strategy for the New Healthcare Facilities Programme is a significant area of concern.	There is a clear programme of work to refresh the HCJ overall workforce strategy and plan to take into account the future change to service provision as driven by the opening of new hospital facilities. The workforce plan included in the NHF business case will be considered as part of this wider work. The work will also take account of the impact of all of the NHF proposals (not just the new Overdale facilities) The Business case for NHF describes a relatively modest change in staffing and the changes will occur over a number of years after the opening of the new facilities. The revised workforce strategy and plan will be completed in 2025, which is in good time to enable the actions to be implemented ready for the changes predicted.
13	Key Finding 13: The Outline Business Case for Phase One of the New Healthcare Facilities Programme is not informed by a health and care strategy (a minimum requirement for an Outline Business Case). The timeframe for development and implementation of a health and care strategy, and how this will inform future phases of	The OBC has been developed based on clinical feedback and clinical modelling, ensuring that the design of the new hospital reflects the current and future requirements of Jersey. This evidence-based approach ensures that the facilities will be fit for purpose and able to support the delivery of high-quality patient care.

	<p>the New Healthcare Facilities Programme is not clear. A health and care strategy - which encompasses the provision of hospital-based healthcare, care in the community, mental health care, off-Island services and wider rehabilitation and social care – is also considered a minimum requirement for an Outline Business Case.</p>	<p>Additionally, the plans address key areas of concern in healthcare provision, including improved patient flow, accessibility, and integration of services. Furthermore, the design of the new hospital includes built-in flexibility, allowing for future adaptations as healthcare needs evolve. This ensures that the facility can respond to advances in medical treatment, changes in patient care models, population health trends and emerging healthcare challenges, providing a long-term, sustainable solution for Jersey's healthcare system.</p> <p>While a formal health and care strategy is not explicitly included within the OBC, the programme continues to align with healthcare priorities and service planning considerations. Future phases of the programme will remain responsive to the evolving health and care landscape, ensuring continued alignment with wider strategic objectives for health and social care services.</p> <p>It is also important to note that there will be a number of Health Strategies over the lifetime of any built infrastructure.</p>
14	<p>Key Finding 14: It is not clear how the Government has evaluated the affordability of the overall Programme and demonstrated how/whether it represents value for money.</p>	<p>The evaluation of the overall affordability of NHF Programme is not within the scope of this OBC. Responsibility for assessing the programme's affordability in the context of wider Government of Jersey (GoJ) finances forms part of the Budget process, which sets out funding allocations and affordability across all government priorities.</p> <p>Budget 2025 included the funding strategy for Phase 1. The phased approach to NHF was adopted to allow management of financial and economic risk in the context of both services and economic impact by advancing the commitment to spend over a longer period and across multiple projects. Funding for further phases will be subject to approval in future Budgets, which will include consideration of affordability.</p> <p>This structured approach ensures that affordability considerations are evaluated within the appropriate financial planning framework while allowing the NHF Programme to progress effectively.</p>
15	<p>Key Finding 15: The 'Spending Objectives' within the Strategic Case of the Outline Business Case for Phase One of the New Healthcare Facilities Programme, do not contain any metrics and are not Specific Measurable Achievable Realistic and Time-bound. This</p>	<p>The OBC is not required to comply with the 'Better Business Case' guidance and has been prepared in line with the Jersey context. In this case the spending objectives are aligned to the requirements of the Budget which is the place that all financial information is collated and approved by the States Assembly. The capital allocations are time bound and a cashflow has been presented in the</p>

	means that the 'Spending Objectives' are not measurable and do not comply with 'Better Business Case' guidance.	<p>Budget 2025-2028. Revenue expenditure estimates have been modelled and a timescale provided.</p> <p>It is not accepted that these spending objectives are not SMART on that basis.</p>
16	Key Finding 16: There are no outputs for the demand and capacity modelling process referenced in the Outline Business Case for Phase One of the New Healthcare Facilities Programme.	<p>The service requirements and outputs of the demand and capacity modelling process are available and are referenced in the OBC. Significant detailed work has been undertaken by both clinical and design teams to ensure the new facilities align with projected healthcare demand and service delivery needs.</p> <p>While these outputs were not explicitly included in the OBC, they remain available as supporting documentation and could have been requested by advisers as part of their review process. The NHF Programme team remains committed to transparency and is happy to provide further clarification on the modelling work undertaken to inform the programme's design and planning.</p>
17	Key Finding 17: The Strategic Case of the Outline Business Case for Phase One of the New Healthcare Facilities Programme does not include details about the activity volumes, capacity requirements and functional content that explains the basis of the Schedule of Accommodation and informs the capital cost of the New Healthcare Facilities Programme. This means that the Outline Business Case does not provide adequate details of the service requirements that should drive the proposed size and capital costs for Phase One of the New Healthcare Facilities Programme.	<p>The OBC describes the detailed work on activity volumes, capacity requirements, and functional content has been undertaken and that the OBC has been developed based on this information.</p> <p>Whilst the outputs were not included within the Strategic Case of the OBC, it is available and could have been provided upon request. The NHF Programme team remains committed to transparency and is happy to share this supporting information as needed.</p> <p>The Finding is not supported since it infers that because the outputs were not included, they do not exist, even though they are referenced in the OBC. Moreover, as noted in the OBC, modelling outputs were used to drive the Schedule of Accommodation that has resulted in the designs, as drawn that have been summarised in the RIBA2 report, shared with HRP Advisors. Moreover, all proposals within the RIBA2 report have also been costed and are described in the OBC.</p>
18	Key Finding 18: The 'Benefits Appraisal' within the Economic Case of the Outline Business Case for Phase One of the New Healthcare Facilities Programme is incomplete.	<p>Across the SOC, the SOC SIU and OBC development processes, substantial work was undertaken to identify benefits and where possible, monetise and / or quantify the benefits.</p> <p>The output of this work is clearly set out in the OBC.</p>

		It is therefore not accepted that the “Benefits Appraisal” is incomplete.
19	Key Finding 19: A costed ‘Risk Register’ has not been included within the Economic Case of the Outline Business Case for Phase One of the New Healthcare Facilities Programme. The inclusion of a costed risk register would improve transparency about the identified risks and would reflect best practice.	<p>A Risk Register is appended to the OBC, ensuring that identified risks are documented and managed as part of the programme’s governance process.</p> <p>A costed risk register exists; however, it was not requested by the HRP Advisors as part of their review. The NHF Programme team remains committed to transparency and would have been happy to provide this information upon request.</p>
20	Key Finding 20: A procurement strategy for the Kensington Place Ambulatory Care Facility and the St Saviours Health Village is not included within the Outline Business Case for Phase One of the New Healthcare Facilities Programme. All elements included within an Outline Business Case should have a procurement strategy in place.	<p>This OBC primarily focuses on the Acute Hospital, and as such, the procurement strategy within the OBC reflects this priority.</p> <p>Kensington Place and St Saviours Health Village will have separate procurement strategies developed as each project progresses. These sites are distinct elements of the overall programme, and their procurement approaches will be tailored to their specific requirements and timelines.</p> <p>As work advances, procurement strategies for each site will be defined accordingly, ensuring alignment with best practice, delivering value for money for the Government of Jersey and its governance frameworks.</p>
21	Key Finding 21: The Commercial Case within the Outline Business Case for Phase One of the New Healthcare Facilities Programme does not contain design information on which the capital costs for the New Healthcare Facilities Programme have been estimated. This means that all of the information and evidence required to provide assurances about the capital costs have not been provided. However, the Panel note that the design information for the Overdale acute hospital is contained within the Planning Application for Phase One of the NHFP.	<p>There is substantial information related to the design for the New Healthcare Facilities which has been used to underpin the capital cost information. The cost plan has been prepared by an experienced cost consultant and is the basis for the estimates in the OBC. This could have been provided to the panel upon request.</p> <p>The Overdale Acute RIBA Stage 02 Report was also provided to HRP Advisors that shows significant design information.</p> <p>NHFP therefore does not accept the inference that there is not detailed design information supporting the OBC in relation to Overdale Acute Hospital. NHFP has also noted that the design information for the other NHFP sites is not as progressed but is sufficient for the purposes of the Phase 1 OBC.</p>

22	<p>Key Finding 22: The workforce costs and revenue projections contained within the Financial Case of the Outline Business Case for Phase One of the New Healthcare Facilities Programme, do not reflect the proposed increase in bed capacity of the New Healthcare Facilities Programme. The implications of expanding bed capacity on staffing levels and the associated costs are not addressed within the Outline Business Case and it is not clear how this will be addressed.</p>	<p>The workforce costs and revenue projections within the Financial Case of the OBC are based on demand for healthcare services, with staffing costs and expenses growing in line with this demand. As demand increases, the utilisation of hospital assets will also increase, allowing capacity to expand up to the hospital's designed limits. Moreover, the "Additional Clinical Costs" included in the OBC specifically relate to additional pay costs required for running the multi-site model for the NHF.</p> <p>Further details on workforce costs could have been provided if requested. The NHF Programme team remains committed to transparency and would be happy to provide additional clarification as needed.</p>
23	<p>Key Finding 23: The Financial Model contained with the Outline Business Case for Phase One of the New Healthcare Facilities Programme:</p> <ul style="list-style-type: none"> • Lacks tables of assumptions that support the Financial Model. • Excludes inflation within the revenue clinical costs. • Excludes depreciation within the overall modelling and future costs. • Does not include a Statement of Comprehensive Income and Expenditure, a Statement of Financial Position and a Cash Flow Statement. 	<p>The table of assumptions could have been provided to the advisor if they had been requested.</p> <p>With respect to the specific issues raised related to inflation and depreciation, it is Government of Jersey practice to remove general inflation for revenue as inflation is dealt with centrally. Moreover, it is not agreed that depreciation is a 'real revenue cost' in the same sense as, for example, salaries. It is a notional non-cash accounting adjustment that reflects the usage of assets over time. Without diminishing its important role, its separation from the OBC does not materially detract from an understanding of the on-going revenue costs of the project. The depreciation implications of projects in the Government of Jersey are modelled in the surplus calculations in the Budget.</p>
24	<p>Key Finding 24: Revenue affordability within the Financial Case of the Outline Business Case for Phase One of the New Healthcare Facilities Programme has not been demonstrated.</p>	<p>The evaluation of the overall affordability of NHF Programme is not within the scope of this OBC. Responsibility for assessing the programme's affordability in the context of wider Government of Jersey (GoJ) finances sits with the Budget process, which sets out funding allocations and affordability across all government priorities.</p>
25	<p>Key Finding 25: The exclusion of inflation and depreciation from the revenue forecasts within the Financial Case of the Outline Business Case for Phase One of the New Healthcare Facilities Programme is a critical oversight which means that future operational expenditure could be significantly understated.</p>	<p>The impact of inflation on revenue costs has been modelled within the Financial Case of the OBC ensuring that future operational expenditure projections reflect realistic cost assumptions.</p> <p>Depreciation has not been considered within this OBC, as it is not a direct component of the revenue cost modelling at this stage. However, the financial estimates are based on over a decade of cost estimations for new healthcare</p>

		<p>facilities in Jersey, with some projects already delivered, thereby validating the cost assumptions used.</p> <p>The NHF Programme team remains confident that the financial modelling provides a realistic and comprehensive forecast of operational expenditure, ensuring the long-term sustainability and affordability of the new healthcare facilities.</p> <p>It is standard Treasury policy not to include general inflation in on-going revenue cost assessments. This is provided for centrally where necessary and will be built into budget approvals in due course. However, this form of presentation enables a clearer understanding of real, rather than nominal cost implications. This does not impact on affordability or sustainability as future Government income grows with inflation.</p>
26	<p>Key Finding 26: The 'Project Plan' within the Management Case of the Outline Business Case for Phase One of the Programme does not contain details about the key activities, risks and assumptions. Assurances have not been provided as to whether the projected milestones of the New Healthcare Facilities Programme are realistic or achievable.</p>	<p>Key activities, risks, and assumptions are included throughout the OBC, ensuring a comprehensive approach to planning and risk management. This finding appears to be more a matter of document structure rather than a lack of information, as these critical elements are integrated across multiple sections of the OBC.</p> <p>The NHF Programme team has carefully considered milestones, dependencies, and risk mitigation strategies to ensure that the projected timelines remain realistic and achievable. Should further clarification on the organisation of this information be required, the team is happy to provide guidance on where these details can be found within the OBC.</p>
27	<p>Key Finding 27: The 'Change Management' section of the Outline Business Case for Phase One of the New Healthcare Facilities Programme covers the change control process but does not address the multi-site service model and what this means for individual staff and the Government of Jersey as a whole.</p>	<p>There has been discussion about the multi-site service model and its impact on workforce. These assumptions have been built into the clinical modelling and there is detail around the potential impact on roles and responsibilities. Further work will be ongoing on workforce strategy and operational change and additional detail will be included in the Full Business Case where it is sufficiently developed.</p>
28	<p>Key Finding 28: The Management Case of the Outline Business Case for Phase One of the New Healthcare Facilities Programme does not provide detail of formal assurance arrangements as required by relevant business case guidance.</p>	<p>This finding is not accepted. There is substantial information available on formal assurance arrangement that was summarised in the OBC but also described in a number of separate documents that could have been provided upon request.</p>

29	<p>Key Finding 29: None of the five ‘cases’ within the Outline Business Case for Phase One of the New Healthcare Facilities Programme are fully compliant with the requirements of the HMT Green Book and none of the five ‘cases’ align with recognised best practice for business case development in relation to a healthcare capital scheme.</p>	<p>This finding has chosen to define best practice as UK NHS guidance and unreasonably tests for ‘compliance’ with UK HM Treasury Green Book. The finding is grounded in fine points of practical detail rather than the underlying principles of the Green Book methodology.</p> <p>Government of Jersey policy is to apply the principles of the HM Treasury Green Book, but this does not involve implementing every detail as it is a UK document, and the UK context is very different. Equally, local governance must be proportionate for Jersey. The role of the Green Book is to ensure Government’s financial decisions are, appropriately costed, underpinned by an appropriate level of evidence, and informed by an analysis of the various options available to pursue Government’s policy objectives that includes consideration of costs, benefits and risks associated with the most compelling delivery options. The OBC provides this content and thereby meets the Green Book principles.</p>
30	<p>Key Finding 30: The assurances provided by the Minister for Treasury and Resources that the New Healthcare Facilities Programme is compliant with the principles of the HMT Green Book guidance, do not align with the findings and conclusions of the Panel’s expert advisors. The Panel are concerned that this indicates a lack of oversight and independent challenge within government in relation to the New Healthcare Facilities Programme.</p>	<p>The Minister for Treasury and Resources has been clear that this OBC would follow the principles of the Green Book, so this finding is rejected. There is oversight from Treasury of the NHFP team and it is hard to understand how the Panel have become concerned in this area given the evidence that exists of the working relationship.</p>
31	<p>Key Finding 31: In summary, the Outline Business Case for Phase One of the New Healthcare Facilities Programme is not compliant with the HMT Green Book and associated NHS guidance on business cases relating to hospital development, and:</p> <ul style="list-style-type: none"> • Does not contain the level of detailed information that would be expected within an Outline Business Case for a healthcare scheme of this scale. • Has not sufficiently progressed beyond the Strategic Outline Case Stage. • Does not adequately make the case for the scale, and associated capital costs, of the proposed new healthcare facilities at the Overdale site and Phase One of the 	<p>The assertion that OBC is not compliant with NHS guidance does not take into account that NHS England guidance does not apply to Jersey, which operates as a separate jurisdiction with its own health service. This is a business case developed for Jersey, aligned with its specific governance, financial planning, and healthcare requirements, rather than the NHS in the UK.</p> <p>It is clearly stated that the Budget must be read in conjunction with the OBC, alongside various other supporting documents that feed into the business case process. The OBC does not claim to fully adhere to NHS guidance, as many aspects of that framework are not relevant to Jersey’s unique healthcare and funding model.</p> <p>While the OBC follows best practice principles, it was always understood that full compliance with the HMT Green Book was not always possible or appropriate for this programme due to Jersey status as a separate jurisdiction. Instead, the</p>

	Kensington Place Ambulatory Facility and the St Saviours Health Village.	approach has been tailored to Jersey's specific needs to ensure the deliverability and affordability of the New Healthcare Facilities Programme.
32	Key Finding 32: The Neighbourhood Forums for the New Healthcare Facilities Programme have been used to facilitate engagement between members of the public and the New Healthcare Facilities Programme Team in relation to the progression of demolition of former healthcare buildings at the Overdale site.	Noted.
33	Key Finding 33: The engagement between the Commercial Services Team and the New Healthcare Facilities Programme Team has been formalised through the creation of a Terms of Reference for the Commercial Management Group.	Noted.
34	Key Finding 34: Most stakeholders from the local construction sector that responded to the Hospital Review Panel's call for evidence, highlighted challenges engaging with the New Healthcare Facilities Programme Team. However, 67% of respondents from the local construction sector that responded to a questionnaire sent by the New Healthcare Facilities Programme Team, provided positive feedback about engagement with the New Healthcare Facilities Programme.	<p>The NHF Programme team is actively working with local suppliers to ensure that opportunities for tender are made available wherever possible. Construction and supplier engagement sessions have been held with the local market to provide information, gather feedback, and facilitate involvement from the local sectors.</p> <p>It is also important to note that the Hospital Review Panel received only five letters regarding engagement challenges. While there have been ongoing engagement forums with the sector, the August 2024 events for local suppliers and contractors saw representatives from 27 local companies at the events, and feedback was received by 16 businesses who attended.</p> <p>Moreover, as the Panel note, the feedback from the local supplier and construction sector following two NHFP engagement sessions in August 2024 showed the majority of respondents (67%) agreed that they felt well informed about the NHFP after the session. The remainder of respondents (33%) neither agreed nor disagreed and only one respondent strongly disagreed.</p> <p>In addition, 80% of respondents felt that the NHFP offers suitable opportunities for local businesses, and more than 90% of respondents would consider tendering for up-and-coming projects.</p> <p>The Minister and the NHFP team remain committed to open and constructive dialogue with the local construction industry to maximise opportunities for their participation in delivering Jersey's new healthcare facilities.</p>

Recommendations:

	Recommendations	To	Accept/ Reject	Comments	Target date of action/ completion
1	Recommendation 1: The Minister for Health and Social Services should quantify and publish details about the additional risks resulting from the withdrawal of £5 million per year for refurbishment works on the General Hospital in 2026 and 2027, prior to the lodging of the next Government Plan in 2025.	MHSS	Reject	The case for funding in 2026 and 2027 will be considered as part of Budget 2026.	
2	Recommendation 2: The New Healthcare Facilities Programme Team should provide Specific Measurable Achievable Relevant and Time-bound (SMART) information about the status of the dependencies associated with the New Healthcare Facilities Programme, by no later than 30th June 2025.	MHSS/ NHFP	Accept	The dependencies work is already highly developed and can be provided with SMART objectives.	End of Q2 2025
3	Recommendation 3: Given the substantial funding allocated to the proposed non-acute healthcare facilities, the Minister for Health and Social Services should confirm and publish information about the intended uses for the proposed Kensington Place Ambulatory Care Facility, by no later than 30th June 2025.	MHSS	Reject	<p>Whilst the NHFP team are going through the procurement process for Overdale Acute, it is important to keep the exact makeup of the funding envelope at a high level. This maintains the Government of Jersey's commercial position.</p> <p>This is the same request that was made by the Chair of HRP in Proposition P.43/2024 in a different form that was rejected by the States Assembly in order to maintain GOJ's commercial position.</p>	
4	Recommendation 4: The Minister for Health and Social Services should develop a detailed workforce model, aligned to the capacity and functional content in the proposed new healthcare facilities, and publish a comprehensive workforce strategy for Health and Community Services, by no later than 30th June 2025.	MHSS	Partially Accept	There is work underway to develop the detailed workforce model which will consider the existing healthcare provision and the requirements for the new Acute facility. This work will need considerable interface between the NHFP team, senior members of HCJ and clinical engagement. It will not be possible to complete this work in the timescale suggested by HRP.	End of Q2 2026

				MHSS and COM are confident that the work presented in the OBC will not be contradicted by any subsequent workforce strategy since considerable consultation has taken place in relation to the proposals.	
5	Recommendation 5: The Minister for Health and Social Services should publish a timeframe for the development of a health and care strategy, with clarification about its alignment with the New Healthcare Facilities Programme, including future phases and service provision to all sites, and how this will meet the Island's health and care outcomes, by no later than 30th June 2025.	MHSS	Partially Accept	<p>There is work underway to develop the health and care strategy which will consider the existing healthcare provision and the requirements for the new Acute facility. This work will need considerable interface between the NHFP team, senior members of HCJ and clinical engagement. A timeframe will be presented for this work by the deadline.</p> <p>MHSS and COM are confident that the work presented in the OBC will not be contradicted by any subsequent health and care strategy since considerable consultation has taken place in relation to the proposals.</p>	End of Q2 2026
6	Recommendation 6: The New Healthcare Facilities Programme Team should produce an updated demand and capacity model to evidence the need for the proposed bed capacity at each of the proposed sites for the New Healthcare Facilities Programme and associated cost, by no later than 30th June 2025.	MHSS/ NHFP	Reject	<p>There is no evidence to suggest that the Demand and Capacity modelling used as the basis of the sizing and costing of the NHFP is incorrect and this has not been suggested by HRP's advisors. It is therefore difficult to understand the reasons that HRP is recommending further theoretical analysis at considerable cost to Islanders.</p> <p>The time for an update or reworking of the demand and capacity modelling for the Acute Hospital has passed. The new Acute facility has planning permission, funding in place and has been the culmination of hundreds of hours of consultation with clinicians about existing and future service provision: the most important point now is to move forward with delivery.</p>	

7	Recommendation 7: The New Healthcare Facilities Programme Team should produce a full functional content schedule, explaining the basis of the Schedule of Accommodation that informs the capital cost envelope, and make this available in relation to all major projects in scope of Phase One of the New Healthcare Facilities Programme, by no later than 30th June 2025.	MHSS/ NHFP	Partially Accept	<p>Whilst the NHFP team are going through the procurement process for Overdale Acute, it is important to keep the exact makeup of the funding envelope at a high level. This maintains the Government of Jersey's commercial position.</p> <p>Providing the Schedule of Accommodation for all sites at the end of Phase 1 essentially gives the financial breakdown across all sites. This is the same request in a different form that was made by the Chair of HRP in Proposition P.43/2024 that was rejected by the States Assembly in order to maintain GOJ's commercial position and protect Value for Money.</p> <p>Notwithstanding, NHFP can commit to providing more clarity on the services that will be provided from each of the sites at the end of Phase 1.</p>	End of Q3 2025
8	Recommendation 8: The New Healthcare Facilities Programme Team should re-run the current benefits appraisal contained within the Outline Business Case for Phase One of the New Healthcare Facilities Programme, with a robust benefits quantification and supported by a detailed benefits realisation strategy and log, by no later than 30th June 2025.	MHSS/ NHFP	Partially Accept	As is the normal progression of business cases, there will be further work on benefits and benefits realisation within the Full Business Case, but this will not be available in the timescale set out by HRP.	Early Q4 2025
9	Recommendation 9: The New Healthcare Facilities Programme Team should produce a costed risk register for both capital and revenue risks, to inform risk transfer and risk provision, by no later than 30th June 2025.	MHSS/ NHFP	Accept	There is already a costed risk register for all programme risks and revenue risks and this can be provided to HRP.	End of Q2 2025
10	Recommendation 10: The New Healthcare Facilities Programme Team should develop a full procurement strategy for the Kensington Place Ambulatory Care Facilities and the St Saviour Health Village, by no later than 30th June 2025.	MHSS/ NHFP	Partially Accept	The plans for Kensington Place Ambulatory Care Facilities and St Saviour Health Village are at an earlier stage and it is not logical to provide a full procurement strategy ahead of this work being completed nor in accordance with GoJ Delivery Frameworks.	End of Q4 2025
11	Recommendation 11: The New Healthcare Facilities Programme Team should publish a full Royal Institute of	MHSS/ NHFP	Reject	The RIBA stage reports are internal project documents that have substantial detail both in terms	

	British Architects Stage Two Design Report for each project within the New Healthcare Facilities Programme, that provides a reconciliation of the design solution against the functional brief and schedule of accommodation, by no later than 30th September 2025 in line with the Programme timeline published.			<p>of design but also in terms of costs. At this stage it would not be appropriate to publish these documents whilst the team is going through the procurement process for the Main Works Delivery Partner. They are subject to change are essentially policies under development. Moreover, they provide information about critical Government of Jersey assets that could be used for terrorism and other acts.</p> <p>The team have provided presentations on the Overdale Acute RIBA 02 Reports and will do similarly for Kensington Place and St Saviour at the appropriate time.</p>	
12	Recommendation 12: The New Healthcare Facilities Programme Team should undertake an independent review of the design information on which the capital costs for the non-Overdale projects have been estimated, by no later than 30th September 2025.	MHSS/ NHFP	Reject	The design information on which the capital costs have been estimated for the non-Overdale projects have been prepared by specialist technical advisers and the NHFP have relied on the appropriate level of expertise. Moreover, there is expertise within the team to cross-check costing works. It is not cost effective for the work of experts to be further checked by other experts. All costings are estimates and these will be proven by the procurement process that fundamentally will determine the price for which a contractor will agree to build the healthcare facilities. This will be affected by the designs but also other factors, such as the risk to delivery within different jurisdictions.	
13	Recommendation 13: The New Healthcare Facilities Programme Team should revise the projected revenue costs within the Outline Business Case for Phase One of the New Healthcare Facilities Programme, to reflect a fully developed workforce model, by no later than 30th September 2025.	MHSS/ NHFP	Partially Accept	There is work underway to develop the detailed workforce strategy which will consider the existing healthcare provision and the requirements for the new Acute facility. This work will need considerable interface between the NHFP team, senior members of HCJ and clinical engagement. It will not be possible to complete this work in the timescale suggested by HRP.	End of Q4 2025

14	Recommendation 14: The New Healthcare Facilities Programme Team should re-run the Financial Model contained with the Outline Business Case for Phase One of the New Healthcare Facilities Programme and ensure that it includes tables of supporting assumptions, inflation within the revenue clinical costs and depreciation within the overall modelling and future costs as well as a Statement of Comprehensive Income and Expenditure, a Financial Position Statement and a Cash Flow Statement, by no later than 30th June 2025.	MHSS/ NHFP	Reject	There will be further information contained in the Full Business Case related to aspects of the financial case but there is no plan to include the elements outlined by HRP as they are not a requirement in Jersey. The detail is contained in the Budget which is the main document for financial matters in Jersey.	
15	Recommendation 15: The New Healthcare Facilities Programme Team should demonstrate the revenue affordability of the New Healthcare Facilities Programme, by confirming the source of funding for the revenue and operational cost increases associated with the New Healthcare Facilities Programme, by no later than 30th June 2025.	MHSS/ NHFP	Reject	<p>This is not a matter solely for the NHFP team, revenue funding requirements will be considered in within the next Budget for both capital and revenue implications of the programme.</p> <p>Revenue implications relate to 2029 and will therefore be considered in Budget 2026. There are a number of pressures on the costs of healthcare, including from the Ageing Population, and ensuring the costs of healthcare are sustainable into the future remains a strategic challenge for the Island.</p>	
16	Recommendation 16: The New Healthcare Facilities Programme Team should develop the 'Project Plan' within the Management Case of the Outline Business Case for Phase One of the New Healthcare Facilities Programme, to include details about key activities, dependencies, risks and assumptions, by no later than 30th June 2025.	MHSS/ NHFP	Partially Accept	This information is set out in a number of different documents that are available to the HRP. It will be provided in more detail in the Full Business Case.	Early Q4 2025
17	Recommendation 17: The New Healthcare Facilities Programme Team should establish an independent assurance process for the New Healthcare Facilities Programme, by no later than 30th June 2025.	MHSS/ NHFP	Reject	There is already an independent assurance process for the NHFP team set out in the Programme manual. The NHFP team are subject to the same level of assurance as other Government Departments and this includes working with Commercial Services, CPMO, Internal Audit and Risk.	

18	Recommendation 18: The New Healthcare Facilities Programme Team should ensure that the issues and deficiencies raised by this Report to provide assurances that the New Healthcare Facilities Programme is affordable, deliverable, and appropriate to the healthcare needs of the Island, prior to publication of the Full Business Case.	MHSS/ NHFP	Reject	<p>Not all information available to the HRP and HRP advisers was represented in the OBC since it was anticipated that it was sufficient for it to be referenced rather than included. This is a presentational difference and so it is not accepted that assurances are required to demonstrate that the NHFP is affordable, deliverable and appropriate to the healthcare needs of the islands. It is the case that the OBC already demonstrates these attributes.</p> <p>Notwithstanding, NHFP has already committed to the production of a proportionate and relevant Full Business Case to demonstrate that it continues to deliver affordable, deliverable and appropriate healthcare facilities for the island.</p>	
19	Recommendation 19: The Minister for Treasury and Resources should strengthen the assurance and oversight processes used in relation to the New Healthcare Facilities Programme to ensure sufficient, independent challenge at Full Business Case of the New Healthcare Facilities Programme, by no later than 30th June 2025.	MTR	Reject	<p>Treasury oversight and assurance processes are already robust and attuned to the nature of the project.</p> <p>The need for specialist advice and assurance for the FBC, will be reconsidered.</p>	
20	Recommendation 20: The New Healthcare Facilities Programme Team should further review, and where appropriate strengthen, the processes used for engaging with the local construction sector, by no later than 30th June 2025	MHSS/ NHFP	Reject	<p>It is not accepted that the NHFP is deficient in its engagement with the local market. There has been significant engagement with the local construction and supplier sector as detailed below:</p> <ul style="list-style-type: none"> • Dedicated Chamber of Commerce breakfast briefing – June 2023 • Event for local advisors and contractors at the Royal Yacht – November 2023 • Dedicated Chamber of Commerce breakfast briefing - May 2024 • Two dedicated sessions for local advisors and contractors to discuss upcoming opportunities – August 2024 	

				<ul style="list-style-type: none"> • Presentation at the ICE Construction event – September 2024 • Session with the Jersey Federation of Consulting Engineers – January 2025 • Three workshop events to provide New Engineering Contract (NEC) guidance and best practice for completing an NHFP tender – March 2025. <p>Notwithstanding the engagement listed above, targeted meetings have also taken place with local sector businesses where necessary. The Programme will continue to engage with the sector as the scheme develops.</p>	
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Minister's Conclusion:

In conclusion, while I welcome constructive scrutiny and remain completely committed to the process, I remain saddened by some of the inaccuracy of this particular piece of work and am disappointed by some of the views expressed in the report.

As I have made clear on numerous occasions, I have the highest regard for the New Hospital Facilities Team. The island is fortunate to have such capable and dedicated people working to provide what will be excellent facilities and they deserve fair and objective scrutiny. Going forward, it is essential that the debate surrounding the New Healthcare Facilities Programme is based on accurate information and a clear understanding of the Programme's structure, objectives, and governance - derived from those of the States of Jersey and its Government. I hope that the HRP will continue to contribute to that process.

Our focus remains on delivering modern, high-quality healthcare facilities that will serve Islanders for generations to come. I remain confident that the Programme team will continue to ensure that we advance this scheme with rigorous planning, careful financial oversight, and a steadfast commitment to affordability and sustainability.