

# 2018-2022 Legacy Report:

Future Hospital  
Review Panel

6 May 2022

S.R.14/2022



States of Jersey  
States Assembly



États de Jersey  
Assemblée des États

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## Chair's Foreword

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In assessing the progress of the projects to develop a new hospital for Jersey over the last four years, it is hard not to conclude that the Government is leaving this term of office in the same state of uncertainty that it started.

The progress of the current project – Our Hospital – now hangs on a planning application decision which might be made during the election period by the outgoing Minister for the Environment. His decision will follow his receipt of a report by the Independent Planning Inspector resulting from the recent Public Inquiry.

The Future Hospital Review Panel's work began with an examination of the proposition to rescind the States decision to build at Gloucester Street, through a review of the selection of Overdale as the preferred site, onto the access route to that site and finally the financing of the project.

The Panel has always supported the view that Jersey needs a new hospital. However, its remit throughout has been to ensure that in achieving this goal, careful consideration was given to the impact that the project, as outlined, would have on the community, the economy and public finances and the environment.

Throughout the process, the Panel members have been acutely aware of just how emotive and highly charged the topic had become for States Members and for almost everyone in our community. It was crucial, therefore, for the integrity of its reports that the Panel was assisted by experts who would advise them both professionally and impartially.

The Panel remains grateful to those advisers who undertook significant and comprehensive reviews in pressurised and heavily constrained timeframes. In each case they provided excellent reports which informed the recommendations and findings made by the Panel.

The conclusions that the Panel has reached in each case are laid out in this report but this Panel has sought to focus on examining the processes undertaken for their appropriateness and compliance with known standard guidelines. As a consequence the recommendations that were made aimed to improve the governance and the transparency of this project. We are particularly grateful to the officers who have assisted us in our work, which has been complex and demanding.



**Senator Kristina Moore**  
**Chair**  
**Future Hospital Review Panel**

# Introduction

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Scrutiny panels and the Public Accounts Committee (PAC) work on behalf of the States Assembly (Jersey's parliament). They examine and investigate the work of the Government.

Parliamentary Scrutiny acts as an important inspection system of the Government. It is the way that the States Assembly holds Ministers to account for their decisions and actions.

This helps improve government policies, legislation and public services. If changes are suggested, Scrutiny helps to make sure that the changes are fit for purpose and justified.

Scrutiny panels are appointed by the States. Alongside the five standing Scrutiny Panels (which investigate the work of specific Government departments) and the Public Accounts Committee, there are a number of review panels. Review Panels are set up with the agreement of the Scrutiny Liaison Committee to review particular proposals, issues or projects which may cross a number of departments or are large enough and/or contentious enough to benefit from the attention of a dedicated panel.

The Future Hospital Review Panel was established in September 2018. Its remit has been to review the development of plans for a new hospital for Jersey, particularly in the latest iteration, known as the Our Hospital Project.

The work undertaken by the Panel since September 2018 has encompassed:

- findings and recommendations on the proposal to rescind Gloucester Street as the preferred site for the hospital development<sup>1</sup>
- analysis of the site selection for a hospital following the rescindment debate
- analysis of the preferred access route for the Overdale site
- a full review of the Outline Business Case and funding proposals for the Our Hospital Project as lodged by the Council of Ministers in August 2021.<sup>2</sup>

This report contains a brief overview of each review conducted by the Panel and the methods that have been used to collect evidence and to engage with the community. While the terms of reference for each review dictated its purpose, the Panel's over-arching aim throughout has been to examine the Government's rationale at each phase of the project and to closely monitor its progress.

The membership of the Panel has changed over the course of this term and its current and former members are detailed in the final section of this report. The Panel was chaired by Deputy Kevin Pamplin from September 2018 to February 2019 and by Senator Kristina Moore from May 2019 to date. The Panel's membership has sought to have a representative member of all the standing Scrutiny Panels.

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<sup>1</sup> [P.5/2019 Future Hospital: rescindment of Gloucester Street as preferred site](#)

<sup>2</sup> [P.80/2021 Our Hospital – Budget, Financing and Land Assembly](#)

# Reviews undertaken

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## Reports

The reports which resulted from the Panel's reviews are outlined here in date order with the most recent first.

### [S.R.13/2021](#) - Our Hospital Outline Business Care and Funding Review

#### Overview

On 3<sup>rd</sup> August 2021 the Council of Ministers lodged Our Hospital – Budget, Financing and Land Assembly.<sup>3</sup>

The Panel sought to examine whether the proposed budget of £804.5 million for a new hospital was appropriate for Jersey and – alongside this question of affordability – whether the scale of the project as planned was justified.

The Panel engaged the services of two expert advisers. Currie & Brown undertook an independent, technical appraisal, of the Outline Business Case (OBC) prepared by the Government to underpin the budget proposal for the project. The core of their task was to determine whether the OBC was robust and supported the Government's conclusions.

One of the primary findings made by Currie & Brown was that the Outline Business Case did not provide the evidence needed to justify the scale of the project as it was outlined. Their report also voiced a number of concerns about the departures made from the accepted compliance model for such reports.

The second adviser was the Chartered Institute of Public Finance and Accountancy (CIPFA) who were engaged to examine the affordability of the budget level and the economic impact of borrowing using two public bonds of approximately £400 million each.

The advice received from CIPFA was that the approach taken by Government committed the States of Jersey to a strategy that could impair future policy option capability and threatened the stability of the current medium and long-term financial strategy. CIPFA found that in terms of proportionality, the scale of the project was extremely big, and its nature and complexity meant that it had the potential for costs to exceed £1 billion.

The Panel also received over 130 public submissions to its call for evidence in relation to this review.

The overwhelming view of the respondents to the Panel was that £804.5 million was too much. The consistent message received during the course of the review was that Jersey needed a new hospital which was affordable and which catered for the needs of the community. Many respondents remained of the opinion that the voice of the community had not been properly heard.

The Panel made nine specific recommendations to the Government as a result of its review and also sought to bring an amendment ([detailed later in this report](#)) to the amount budgeted

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<sup>3</sup> [P.80/2021 Our Hospital – Budget, Financing and Land Assembly](#)

for Our Hospital, particularly in the context of the substantial concerns raised by both of the Panel's expert advisers.

## **Conclusion**

As a result of the evidence provided to it and the substantial reports provided by its expert advisers,<sup>4 5</sup> the Panel concluded that:

- The Outline Business Case was not robust.
- The scale of the project before the States Assembly had not been justified.
- The budget of £804 million has not been justified.
- The scale of the project introduced an inappropriate level of risk to the Island's financial and economic future.
- The level of borrowing should have been set at a lower level and tempered with alternative means of funding.

The Panel also strongly believed that what Islanders wanted was for their political leaders to focus more clearly on the level of borrowing and expenditure involved, and it accordingly lodged its amendment for a more restrained budget window for the project.

## **S.R.2/2021 - Access Route to Overdale**

### **Overview**

On 14th December 2020, the Council of Ministers lodged P.167/2020 – Our Hospital, Preferred Access Route<sup>6</sup>, which asked Members to approve a final option regarding access to the Overdale site.

The proposition was a response to an amendment to the site selection proposal<sup>7</sup> which asked for approval of a report on alternative access strategies designed to maximise sustainable modes of travel to and from the new hospital and to minimise the impact on homes, leisure facilities and the surrounding environment of the access interventions proposed. The final option was based on assessments made by the design and delivery partners for the Our Hospital Project 70+ options on access to Overdale.

The Panel appointed two advisers. K2 Consultancy provided a report which explored an appraisal of the issues raised by the options and ClarkeBond provided a technical report based around the selection process and highways and infrastructure.

Throughout the course of its review, the Panel's advisers criticised the lack of information, analysis and detail provided which led to a lack of evidence to support the decision made on site access.

The Panel was concerned that the States were being asked to approve an access route to the hospital without a detailed design or the relevant information to understand what the impact on the surrounding area would be.

The Panel felt strongly that more consideration should have been given to the 'do nothing' option which (in the Government's technical report) scored only marginally lower than the

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<sup>4</sup> [Currie & Brown – Our Hospital Project – OBC Scrutiny Panel Report](#)

<sup>5</sup> [CIPFA – Financing Our Hospital Project report](#)

<sup>6</sup> [P.167/2020 – Our Hospital: Preferred Access Route](#)

<sup>7</sup> [P.123/2020 – Our Hospital Site Selection: Overdale](#)

option provided in the proposition. 'Do nothing' would, in the view of the Panel, reduce construction time, loss of green space, trees, children's play areas, existing parking spaces and disruption to existing modes of access.

Concerns were also raised by the Panel about the potential for the costs of the project to increase.

On 28th January 2021 the Council of Ministers requested that an additional meeting of the States be convened on 1st February 2021 for the sole purpose of considering the access route proposition. This Panel had been due to present its report and findings on Friday 5th February 2021. The revised timeline significantly compromised the production of the report and the work of the Panel's expert advisors. The Panel was unable to analyse the evidence received from a range of stakeholders.

It was the view of the Panel – and subsequently of the Scrutiny Liaison Committee – that this compromised situation caused by the Council of Ministers was a concerning precedent causing reputational damage to the States Assembly.

## **Conclusion**

The Panel's advisers made the following conclusion with regards to the selection process.

The process of selection was criticised for not meeting best practice for the following reasons:

- The level of information and analysis produced to undertake the route selection was inadequate.
- Marking criteria were largely subjective and not measurable.
- Some errors were found within the marking.
- The number of options considered was large (71) but the detail used to decide was low.
- Outcomes were recorded only – no minutes of discussions have been made available.
- Westmount Road may be suitable for vehicular access but may be less suitable for walking and cycling.
- Travel survey and traffic data used were not current.
- The chosen option was only marginally better than the 'do nothing' option which suggested weakness in the criteria chosen.
- There was limited engagement with the Jersey Highway Authority.
- Ability to meet the desired programme was the overwhelming criteria for selection.

## **S.R.9/2020 - Review of the Future Hospital Site Selection Process**

### **Overview**

The purpose of the Panel's report was to examine the process used for selecting the new hospital site. This included a review of the elimination of certain sites and the criteria used for doing so.

The Panel looked at both the first round of selection and also at the process followed by a Citizens' Panel in further reducing the list of sites.

During the review, the Future Hospital Review Panel expressed concerns about the methodology used at all stages of the site selection and the lack of SMART objectives or

Critical Success Factors employed by the Citizen’s Panel. The lack of such targets risked the outcome being considered subjective.

The Panel also voiced concerns about the validity of the stated 40-50 year life cycle of the hospital plan and the lack, at the time, of any finalised schedule which provided a baseline and audit tool for all the costs involved.

The Panel engaged K2 Consultancy and Archus as advisors to provide expert technical analysis of the Future Hospital Preferred Site Option and of any supporting documentation provided to the Panel by the Health and Community Services and by key stakeholders.

### **Conclusion**

The Panel made 30 recommendations which, for the main part, called for more detail to be provided ahead of any debate on an Outline Business Case for the hospital project and for increased and effective engagement with the public and stakeholders.

The view of the expert advisers was that the Panel should seek assurances on the project costs and to request full access to the project risk register. The adviser concluded that ‘scope creep’ posed a significant risk to managing the project’s costs and to maintaining the affordability cap.

## **S.R.2/2019 - Future Hospital Report (under the Chair of Deputy Kevin Pamplin)**

### **Overview**

In the lead up to the debate on P.5/2019 – Future Hospital: Rescindment of Gloucester Street as preferred site<sup>8</sup> the Future Hospital Review Panel assessed developments which had led up to the debate, including the Chief Minister’s Policy Development Board report and the Environment Minister’s planning decision in relation to the Gloucester Street site.

If approved, the proposition would overturn the decision made by the States in 2017 to develop a new hospital on Gloucester Street.

The Panel’s aim was to highlight areas of concern and to provide findings to help Members to take a balanced view on the issues and decide whether it was appropriate to reopen the question of site selection.

The Panel assessed the potential for delaying the new hospital and found that if the States decided to look for an alternative site the future hospital could be delayed by two and a half years. In reality, their finding was that this delay was more likely to be 10 years because Islanders would have to wait until the new hospital opened rather than the phased approach envisioned in the Gloucester Street project.

### **Conclusion**

The Panel concluded that States Members were presented with two options. The first being to accept a delay to the development of a new hospital by reopening the site selection debate on the grounds that the Gloucester Street site choice was too flawed for the project to continue there. The second option was to decide that the risks associated with delaying the hospital

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<sup>8</sup> [P.5/2019 – Future Hospital: Rescindment of Gloucester Street as preferred site](#)

project any further were too great and that the development should go ahead at Gloucester Street.

In addition, the Panel had concerns about the arrangements for major infrastructure in the planning system. It raised the concern that the Minister for the Environment was the only Minister able to make a decision on the future hospital despite the Planning Inspector's acknowledgement that the decision was ultimately a political decision rather than a planning decision.

The Panel recommended that the planning system be reviewed so that ultimate responsibility for approving or rejecting a major infrastructure project would lie with the States Assembly rather than with the Minister for the Environment.

The Panel also noted the Planning Inspector's comments that in planning terms, there was not one 'stand out' alternative site option that would be clearly superior. While there were a number of realistic alternative site options that could physically accommodate the new hospital, each would come with its own set of significant adverse environmental effects and consequent tensions with the Island Plan. The Panel felt that a mechanism would be needed to get the future hospital past the Island Plan but bearing in mind the serious implications this could have for other areas of planning.

Following its review of the work of the Chief Minister's Policy Development Board tasked with looking at the hospital site, the Panel found that poor governance arrangements associated with the Policy Development Board served to undermine the Board's final report and significantly weakened its findings and recommendations.

## Amendments

The amendments lodged with the States Assembly which resulted from the Panel's reviews are outlined here in date order with the most recent first.

### **P.80/2021 Amd. (2) – Our Hospital: Budget, Financing and Land Assembly – Defeated**

The Panel's amendment urged the Government to provide leadership and budgetary restraint and provided the States Assembly with an alternative to the choice before it of accepting a new hospital budget of £804 million or rejection of the project.

The Panel concluded that, in the current financial circumstances and to reduce exposure to unknown future financial risk, an affordable and appropriate figure for Jersey's new hospital was £550 million.

The intention behind the amendment was:

- To scale back the project cost and borrowing exposure so that the risks were reduced
- To ensure that affordability was considered at every level of the project
- To allow more time for a measured and transparent approach to running costs to be achieved by reducing the specification.

The amendment was defeated by 26 votes contre and 22 pour.

### **P.167/2020 Amd. (2) – Our Hospital: Preferred Access Route – Defeated**

A key finding of the Panel's review of P.167/2020 was that there appeared to be no detailed design showing how the roadworks and the preferred access route would impact on the surrounding areas and what impact it would have on residents.

Further, the Panel had concerns that as the design had not been finalised costs on the project could spiral as they were not fixed to a specific plan.

The Panel's amendment sought to ensure that a report be presented to the States Assembly on specific areas of design and impact and that a subsequent proposition be lodged seeking the Assembly's approval of the preliminary outline design of the preferred option prior to any engineering works being undertaken.

The aim of the amendment was to allow Members the opportunity to approve the design and have a clearer understanding of the impact the roadworks would have on the surrounding area.

The amendment was defeated by 26 votes contre and 21 votes pour.

### **P.123/2020 Amd. – Our Hospital Site Selection: Overdale – Adopted**

The intention of the Panel's amendment was to include an obligation for the Council of Ministers to bring a report back to the States Assembly which clearly addressed lack of detail on areas including demand and capacity assumptions, a schedule of accommodation, full project costs and recurring savings.

The Panel's proposal was that this specific information be provided ahead of the final delivery of the Outline Business Case. It was the Panel's opinion that without a joined-up approach to the Our Hospital Project, which included strategic, design and clear inclusive capital assumptions, the States Assembly risked being in a position where it had no confidence in or appropriate assurance about the total cost.

The amendment was adopted by 37 votes pour and seven votes contre.

## Other methods of working

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A comprehensive record of the methods of gathering information for each of its reviews and scrutiny oversight of the project to develop a new hospital for Jersey can be found on the Scrutiny section of the States Assembly website.<sup>9</sup>

### Hearings

The Panel held ten Public Hearings<sup>10</sup> between October 2018 and September 2021. Witnesses have included the Chief Minister, Senator John Le Fondré, the Ministers for Health and Community Services, Infrastructure and the Environment (Deputy Richard Renouf, Deputy Kevin Lewis and Deputy John Young) and the Deputy Chief Minister, Senator Lyndon Farnham, who was the Ministerial lead for the Our Hospital Project and the Chair of the Political Oversight Group. The transcripts of all reviews are available on the States Assembly website.

### Letters

The Panel has sent and received 25 letters which have been published on the Scrutiny section of the States Assembly website. The letters provide updates on the various stages of the Our Hospital Project and have sought clarification on a number of issues, from the status of the project's functional brief, to the relocation of services to the former Les Quennevais School, to calls for the minutes of the Our Hospital Political Oversight Group to be shared with Scrutiny.

### Briefings

Over the course of the Panel's work, it has received briefings, both private and public, from lobby groups, senior Government officers, its own advisers and Ministers. The purpose of the briefings have been to ensure that the Panel has up-to-date and relevant information about the project.

### Independent Advisers

The Panel appointed key advisers for specific aspects of their reviews to ensure that expert views were provided by professionals in each instance.

#### **S.R.13/2021 – Our Hospital Outline Business Case and Funding Review**

- Currie & Brown – technical review of the Outline Business Case
- Chartered Institute of Public Finance and Accountancy (CIPFA) – review of the funding proposals

#### **S.R.2/2021 – Access Route to Overdale**

- K2 Consultancy and Clarkebond – technical report on the selection process and highways and infrastructure

#### **S.R.9/2020 – Review of the Future Hospital Site Selection Process**

- K2 Consultancy and Archus – technical analysis of the Future Hospital Preferred Site Option.

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<sup>9</sup> [Future Hospital Review Panel webpage](#)

<sup>10</sup> [Scrutiny Panel review transcripts – Future Hospital Review Panel](#)

## Suggestions for future work

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It will be a matter for the Scrutiny Liaison Committee, as constituted following the General Election being held on 22 June 2022, to decide how any future scrutiny of the project to build a new hospital for Jersey is conducted and whether this work should fall to the Standing Panels or to a newly formed Review Panel.

In addition, the work of any successor to the Future Hospital Review Panel will be determined by the decision on the Our Hospital planning application which will be made by the Minister for the Environment, Deputy John Young, following his receipt of the report prepared by the independent Planning Inspector Philip Staddon. Mr. Staddon's report will detail his findings from the Our Hospital Planning Application Public Inquiry<sup>11</sup> which was held at the beginning of April 2022.

The terms of reference<sup>12</sup> for the Public Inquiry state that Mr. Staddon's report would be presented by Friday 13<sup>th</sup> May 2022.

Given this timeframe, it was not known at the time of writing this report whether the planning application would be approved – or whether the Minister for the Environment would provide a decision, given that doing so would fall within the period of sensitivity ahead of the June 2022 General Election. On 4<sup>th</sup> April 2022, the Chief Minister presented R.37/2022 – Guidance on Government Activity During the Election Period.<sup>13</sup>

### Review topics

The Future Hospital Review Panel would suggest that – whether specifically in relation to the Our Hospital planning application or as a broader piece of work looking at decisions or major projects at the end of a Government's term of office - the process and principles which guided the timing of the decision on the planning application be examined by Scrutiny.

For the sake of this report, should the planning application be approved and notwithstanding any debate over the timing of that decision, the Future Hospital Review Panel would strongly suggest that its successor should undertake a comprehensive review of the Our Hospital Full Business Case – as and when this is presented to the States Assembly.

This review should refer back to the recommendations and findings made by the Panel and its advisers in relation to the Outline Business Case to ensure that all outstanding concerns are met and that compliance standards for a document of this nature are met.

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<sup>11</sup> [Our Hospital 2022 \(Public Inquiry\)](#)

<sup>12</sup> [Our Hospital Public Inquiry: Appointment of Inspector and Terms of Reference](#)

<sup>13</sup> [R.37/2022 – Guidance on Government Activity During the Election Period](#)

## Panel Membership

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### Current Members



Senator Kristina  
Moore (Chair)  
From May 2019



Constable Mike  
Jackson (Vice Chair)  
From May 2019



Deputy Mary  
Le Hegarat  
From May 2019



Deputy Inna Gardiner  
From November 2020



Senator Sarah Ferguson  
From May 2019 to October  
2020, and from May 2021



Deputy David  
Johnson  
From May 2021



Constable Andy Jehan  
From May 2021

## Previous members



**Deputy Kevin  
Pamplin**  
September 2018 to  
February 2019



**Connétable John  
Le Maistre**  
September 2018 to  
August 2019



**Deputy Robert Ward**  
May 2019 to May 2021



**Deputy Kirsten Morel**  
May 2019 to November  
2020



**Connétable Simon  
Crowcroft**  
December 2020 to May  
2021

