

Thursday 23 November 2017

IMPROVEMENTS IN DECISION MAKING NEEDED

Comptroller and Auditor General issues latest report

Comptroller and Auditor General (C&AG), Karen McConnell, has today (23 November 2017) published a report into Decision Making - focussing on the selection of the site for the Future Hospital. The review covers the period from March 2012 to February 2016 when the decision was taken not to proceed with the People's Park site.

High quality decision making is essential for securing value for money. Although the States will not have to make a directly comparable decision, other major decisions are taken regularly including those that are both high value and contentious. The recommendations made in this report are applicable to any major decision the States may take.

Karen McConnell concluded that there were weaknesses in the decision making process for the site selection. Those weaknesses meant that:

- it was difficult for the States to justify that the 'preferred' sites identified in the period covered by the review were an optimal solution for Jersey based on objective and agreed criteria; and
- there have been additional costs and delays that were more difficult to justify.

To deliver cost effective decision making she identified the need within the States for:

- clear structures, roles and responsibilities;
- the right resources, tools and approaches;
- improvements in basic operational areas:
 - identification of relevant professional support requirements at the outset, to minimise the need for subsequent variations with consequent cost and time implications;
 - maintaining high quality records so that there is no ambiguity about what has been agreed; and
 - ensuring that necessary, validated information is available before the engagement of external advisors.

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Karen McConnell expressed surprise that consultants were engaged to advise on site selection without an Acute Service Strategy in place. Such a strategy was an essential underpinning for the specification of the Future Hospital and therefore an important consideration when choosing a site.

She concluded that it is important that the key lessons from this work are taken forward over the rest of the project. She recommended a continued focus on:

- the lead role of Health and Social Services as 'client';
- effective programme management;
- effective and meaningful consultation with clinicians and other stakeholders at appropriate times; and
- securing and taking into account advice on potential changes in medicine, technology and workforce models.

Finally she concluded that doing so will facilitate securing value for money and the delivery of the objectives of the wider programme of transformation of healthcare agreed by the States in P.82/2012.

Karen McConnell said:

“The States have to make decisions on major and often controversial projects on a regular basis. I am concerned that arrangements for making decisions on the siting of the Future Hospital were poor and that the decision took too long. Through this work I have identified a number of areas where urgent change is needed if better value for money is to be achieved.”

“Elements of structures, roles and responsibilities may not have been developed adequately to reflect the requirements of Ministerial government. The roles of Ministerial and Officer groups have not been sufficiently clear. Progress was hampered by what was at times a confused and poorly documented process. Although the interaction and accountabilities between Ministers and Officers at departmental level was clear, there was confusion where projects cut across departmental boundaries.

“I am concerned that the current Accounting Officer structure can act as a barrier to effective leadership and ownership of capital projects. The statutory framework means that the legal responsibility for capital expenditure and therefore site selection for the Future Hospital project rests solely with the Chief Officer responsible for Jersey Property Holdings – initially the Treasurer of the States and subsequently the Chief Officer of the Department for Infrastructure.”

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“At no time did any legal responsibility rest with the Chief Officer of the Health and Social Services Department as ‘client’ despite their responsibility for specification of the requirement for a new asset and for the costs of delivering services from that asset once it is built. This, combined with a culture of silo working and absence of programme management, can lead to delays and a lack of ownership by the client department.”

“Much of what I am reporting is not new. Although recommendations from my previous reports have been accepted, implementation has often been slow. Actively learning from one experience and applying the lessons more widely is an important shift in culture to secure value, especially when things have not gone well.”

“Having said all this I have been impressed by two things:

- Firstly, the response of Officers to my draft report. This has, of course, been challenging but at the same time helpful and constructive.
- Secondly, the improvement in processes that have taken place since February 2016, particularly the establishment of a smaller and more focused Ministerial group.”

The report will be available on the Jersey Audit Office’s website from 0930 on 23 November at (www.jerseyauditoffice.je).

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Notes to Editors:

- The Office of Comptroller and Auditor General (‘C&AG’) was established in 2005 and operates under the Comptroller and Auditor General (Jersey) Law 2014
- The remit of the C&AG includes the audit of financial statements and wider consideration of public funds, often expressed as ‘value for money’
- Karen McConnell was appointed in 2013 and the term of office was extended in 2014 to December 2019
- Formerly of the UK Audit Commission (‘the Commission’), Karen held a variety of senior positions, including leading the Audit Practice
- The Office of Comptroller & Auditor General is known as the ‘Jersey Audit Office’
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- Press releases will be published by the Jersey Audit Office to accompany the publication of each report
- Embargo times, where set, will be at 0001 hours on the day of publication - for press releases, reports and all other information pertaining to the publication date
- Other press releases/ statements may be made on an occasional basis and not necessarily dependent upon the publication of a report. They will be subject to the same embargoes where set
- With any report issued, the opportunity is available for members of the press to request factual clarification, by email, of points contained therein
- Any comments made additional to any reports, will be included within any press release(s) as issued by the Jersey Audit Office, in the form of a quotation by the C&AG. These comments will be available for publication; but there will not be any supplementary live or pre-recorded interviews offered or undertaken by either Karen McConnell or the employees of the Jersey Audit Office
- The C&AG is prepared, on an occasional basis, to provide articles for publication in the local media, following a specific request and consideration of the relevant topic
- All public information, including press releases and reports, are accessible on the Jersey Audit Office website at www.jerseyauditoffice.je

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