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Key learning from the previous aborted projects should be taken into account in the New Healthcare Facilities Programme

Comptroller and Auditor General issues latest report

Comptroller and Auditor General (C&AG), Lynn Pamment, has today, 15 May 2023 published a report on ***Learning from Previous Hospital Projects - A Follow Up Review***.

Over the last ten years more than £130 million has been spent by the States of Jersey on various hospital projects. The report from the C&AG focusses on whether the recommendations made in the 2017 C&AG Report *Decision Making: Selecting a Site for the Future Hospital (March 2012 - February 2016)* have been adopted in the Our Hospital Project, the 100-day Review of the Our Hospital Project and the proposed arrangements for the New Healthcare Facilities Programme.

Lynn Pamment found that the States have spent £130.6 million on the Future Hospital and Our Hospital projects and of this, written off £38.6 million as abortive. The States are carrying assets in their balance sheet of £85.3 million relating to hospital projects that are currently expected to have value to the New Healthcare Facilities Programme. If this expectation changes, there may need to be further write offs in future annual accounts.

The C&AG notes that there is currently no requirement to monitor or report breaches of and exemptions from requirements of the Public Finances Manual at project level.

Since 2017, there have continued to be significant gaps in the information and costed plans available about separate but related healthcare programmes and strategies, to ensure that the hospital can be 'right sized' from the start and sufficiently 'future proof'. As well as a lack of clarity on the ambitions for delivery of Jersey's health services, the C&AG found that the New Healthcare Facilities Programme has other gaps in its current understanding of capacity needs, opportunities and risks to delivery.

Lynn Pamment found that the governance approach established for the Our Hospital Project was strong. Through clear reporting of decisions made, it is straightforward to see how progress against the established process was managed through the governance structure for the Our Hospital Project. In addition, the Our Hospital Project established and published a set of critical success factors.

There was consistency and continuity in the approach adopted. However, the Public Accounts Committee noted several findings in respect of the transparency of the Our Hospital Citizens' Panel.

The C&AG states that there has been a lack of rigour in ensuring the Terms of Reference for the 100-day Review were fully agreed and complied with. In the C&AG's opinion the 100-day Review was overly-ambitious in what it stated it would deliver. It is hard to see how the 100-day Review could have been expected to uncover new and meaningful information about the state of current healthcare facilities or future models of healthcare delivery, to help with the decision making process. The governance process for challenging the Terms of Reference for major projects, including the realism of proposed timescales, does not appear to have worked effectively in respect of the 100-day Review.

The critical success factors which were reported against in the 100-day Review cover some of the same ground as the Our Hospital Project critical success factors although the 100-day Review introduced criteria not previously identified as priorities for site option appraisal and decision making. It is not clear how the critical success factors for the 100-day Review were decided on and the appraisal process demonstrates some limitations.

Some of the stakeholder meetings held during the 100-day Review did not enable comprehensive consultation about all options set out in the Terms of Reference. Rather the meetings acted more like communication meetings than open consultation.

The C&AG found that the governance approach being proposed for the New Healthcare Facilities Programme appears to represent best practice. While the New Healthcare Facilities Programme is adopting a staged approach there are however risks in the published timetable. If time is not taken in the New Healthcare Facilities Programme to properly evaluate the criteria to be used for decision making and to ensure they are properly applied, then inconsistencies like those identified in the work to date to provide Jersey with a new hospital, increase the risk of further issues and delays.

Lynn Pamment said:

"Over the last ten years more than £130 million has been spent by the States of Jersey on various hospital projects. It is important that the key learning from the previous aborted projects is taken into the New Healthcare Facilities Programme. In particular, there should be a focus on:

- ensuring there is clarity on the strategies and ambitions for delivery of Jersey's health services
- effective programme management including the identification and active management and monitoring of clear and consistent critical success factors
- a best practice approach to evaluating, monitoring and reporting on project level financial information and value for money; and
- effective and meaningful consultation with clinicians and other stakeholders at appropriate times."

The report *Learning from Previous Hospital Projects - A Follow Up Review* can be found at: <https://www.jerseyauditoffice.je>

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Notes to Editors:

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- The 2023 Audit Plan can be found at: www.jerseyauditoffice.je
- Lynn Pamment took up the Office of C&AG on 1 January 2020 for a fixed term of seven years. Following the introduction of the Comptroller and Auditor General (Jersey) Law 2014 the term of office is fixed at seven years and is non-renewable.
- The Office of Comptroller and Auditor General is known as the 'Jersey Audit Office'.
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