

**THE STATES OF DELIBERATION**  
**of the**  
**ISLAND OF GUERNSEY**

**POLICY & RESOURCES COMMITTEE**

**MAJOR PROJECTS PORTFOLIO**

The States are asked to decide:

Whether, after consideration of the policy letter entitled 'Major Projects Portfolio' dated 24 March 2026, they are of the opinion:

1. To approve and implement the revised Major Projects Portfolio prioritisation approach, including the three Portfolio stages (Proposal Development, Pipeline and Delivery) and associated transition arrangements.
2. To agree the inclusion of the 26 projects listed in Table 2 within the Major Projects Portfolio - Pipeline stage.
3. To agree the Assessment Criteria (as detailed in Appendix 2 of the Major Projects Portfolio Report 2026) against which the Policy & Resources Committee will prioritise new schemes into the Pipeline stage of the Portfolio.
4. To approve the inclusion in the delivery stage of the Guernsey Dairy Essential Works project with a funding envelope of up to £6.0m; and to note that the States' Trading Supervisory Board will bring forward a separate policy letter, requesting approval for the inclusion in the delivery stage of the QEII Marina Gates Replacement project.

The above Propositions have been submitted to His Majesty's Procureur for advice on any legal or constitutional implications in accordance with Rule 4(1)(c) of the Rules of Procedure of the States of Deliberation and their Committees.

**THE STATES OF DELIBERATION**  
**of the**  
**ISLAND OF GUERNSEY**

**POLICY & RESOURCES COMMITTEE**

**MAJOR PROJECTS PORTFOLIO**

The Presiding Officer  
States of Guernsey  
Royal Court House  
St Peter Port

24<sup>th</sup> March 2026

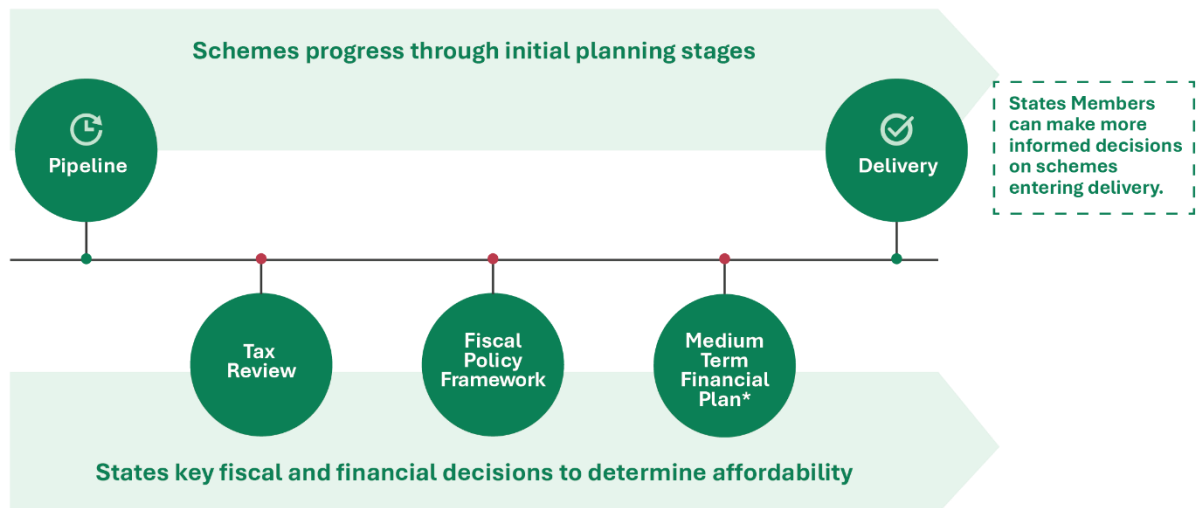
Dear Sir

**1. Executive Summary**

- 1.1. This policy letter explains a new way of planning, prioritising, and managing major projects. The new approach puts more emphasis on good planning at an early stage, avoids committing money too soon, and allows the States to respond more easily if priorities change. It also ensures that decisions on major projects are made alongside the Medium-Term Financial Plan (formerly referred to as the Funding & Investment Plan) and take account of wider financial pressures.
- 1.2. By making better decisions at the right time, this approach helps the States manage costs and financial risk more effectively. This policy letter also sets out an initial list of projects proposed for the Portfolio and should be read alongside the 2026 Major Projects Portfolio Report. The report explains the revised approach in more detail, why it is being introduced, and the benefits it is expected to bring. It also provides a fuller update on how the current Portfolio is performing and more information on the proposed projects.
- 1.3. Under the revised approach, projects can carry out early planning and development work without the States committing funding for full delivery. This allows work to continue while wider decisions are made on tax reform, the overall financial framework, and the Medium-Term Financial Plan, which together determine what the States can afford. Funding for delivery is only agreed once there is a clear and shared view that the project is financially sustainable. This strengthens financial discipline while avoiding unnecessary delays.

- 1.4. The approach also recognises that reviews of major projects, including MyGov, are ongoing. Relevant learning from these reviews will be incorporated into the Portfolio framework and decision-making process once the findings are available.
- 1.5. The proposed Portfolio has three stages:
- Proposal Development
  - Pipeline
  - Delivery
- 1.6. Moving projects through these stages helps ensure that investment decisions are affordable, match agreed priorities and can change if circumstances change.
- 1.7. This policy letter asks the States to confirm their agreement to the proposed 26 pipeline schemes, to agree the assessment criteria against which projects will be assessed and prioritised for progression into the pipeline stage of the Portfolio, and to agree the inclusion of the Dairy Essential Works project within the Delivery stage. The States are also asked to note that a further policy letter from the States' Trading Supervisory Board (STSB) will be brought forward, which will request approval for the inclusion of the QEII Marina Gates Replacement project within the Portfolio.

Diagram 1: Major Projects Portfolio relationship to the wider financial framework



\*Formerly Funding & Investment Plan

## 2 Purpose of the Portfolio

2.1 Major projects are essential to maintaining and improving the infrastructure and services that underpin daily life across the Bailiwick, including capital investments that support economic growth and long-term resilience. By bringing all major government projects together into one clear and coordinated Portfolio, the States of Guernsey can plan more effectively, reduce delays, and make better use of public money.

2.2 A well-managed Major Projects Portfolio enables the States to:

- Ensure that investment decisions support the island's agreed priorities and desired outcomes.
- Be clearer and more disciplined about how projects are planned and delivered.
- Identify risks, links between projects, and potential problems at an earlier stage.
- Use limited capital funding as effectively as possible, particularly when finances are under pressure.

## 3. Review of the Existing Portfolio

3.1 The current Major Projects Portfolio is divided into two categories:

- **Delivery** - projects that have been approved for funding and are moving through detailed planning and delivery.
- **Pipeline** - projects that may be needed in the future but have not yet been approved for significant planning work or delivery.

3.2 The States last received a full update on the portfolio in the Rule 17(9) policy letter debated in February 2025. This policy letter discharges the final resolutions from that debate. The February 2025 policy letter estimated the cost of delivering the Portfolio from 2023 through to completion at £460m. The review of the projects within delivery at that time confirmed that all projects remained worthwhile and should continue.

3.3 Overall, costs remain broadly in line with the figures set out in the February 2025 policy letter. The latest forecast in Table 1 shows a difference of £1.3m compared with the approved funding limit. As projects move further through planning and development, cost estimates are likely to change. More detail on the main risks is included in the 2026 Major Projects Portfolio Report.

### 3.4 Table 1

Major Projects Delivery Portfolio - £m	Feb 25 Estimate	Latest Forecast	Forecast vs Feb 25 Estimate
<b>Total estimated cost</b>	<b>563.9</b>	<b>565.2</b>	<b>(1.3)</b>
Pre 2023 Expenditure *	(91.6)	(91.6)	-
Funded from Guernsey Insurance Fund	(8.7)	(8.7)	-
Funded from Seized Asset Fund	(3.6)	(3.6)	-
<b>Total estimated cost 2023 onwards</b>	<b>460.0</b>	<b>461.3</b>	<b>(1.3)</b>
QEII Marina Gates Replacement**	5.4	5.4	-
<b>Revised Estimate</b>	<b>465.4</b>	<b>466.7</b>	<b>(1.3)</b>

\* The policy letter in February 2025 considered funding required for all the schemes in the delivery portfolio from 1<sup>st</sup> January 2023 through to completion.

\*\* Should the QEII Marina Gates Replacement project be approved within the existing portfolio, the funding envelope for the total portfolio will increase by £5.4m.

#### Portfolio Delivery Update

- 3.5 Work is underway to improve how major projects are managed and delivered across the States. This work sits alongside the investigation into the MyGov and Revenue Service programmes that was commissioned by the Chief Executive & Head of the Public Service.
- 3.6 Key actions to strengthen delivery of the Major Projects Portfolio include the following.

#### Improved Portfolio Oversight

- 3.7 A Portfolio Delivery Director took up post in summer 2025 and has been working to strengthen how the portfolio is managed including re-establishing the Portfolio Board. A single Portfolio Delivery Plan has also been put in place, providing a clear and consistent way to track progress across all major projects.

### **Stronger project leadership and resourcing**

- 3.8 A review is underway of leadership capacity across all major projects to ensure that Senior Responsible Owners have sufficient time, skills, and access to expert support. Where gaps are identified, the Portfolio Board will take action. In parallel, a Portfolio Workforce Plan is being developed to ensure the States have access to the right skills and sufficiency of internal resources to deliver these projects.

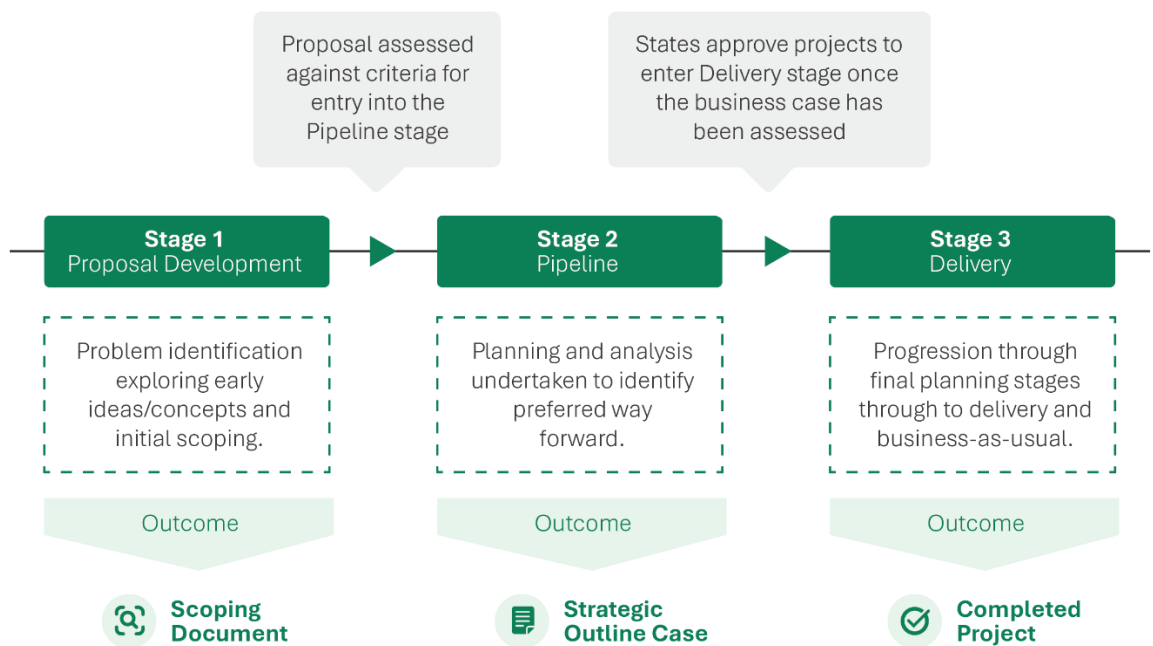
### **Clearer support for Sponsoring Committees**

- 3.9 Following discussions with all Principal Committees in late 2025, a standard set of support arrangements are being introduced. These are intended to help sponsoring committees more effectively oversee and scrutinise the delivery of major projects.

## **4. Revised Portfolio Approach**

- 4.1 Until now, projects could only be added to the Major Projects Portfolio at the start of each political term. This has made it harder to respond to new needs and changing circumstances. It has also led to a number of problems, including long delays before projects are ready, pressure on affordability when priorities change, too little planning at an early stage, a stop-start four-year investment cycle, and inefficient use of staff and funding. Taken together, these issues reduce flexibility and increase risk.
- 4.2 To deal with these problems, the Policy & Resources Committee is proposing a new way of developing and managing the Portfolio. The key change is a stronger and more structured pipeline stage. This allows projects to carry out appropriate early planning and assessment before decisions are made on whether they should move forward to full delivery.
- 4.3 This revised approach is designed to ensure that projects entering the Portfolio are better developed and more clearly defined. It helps risks and costs to be identified earlier and managed more effectively and allows decisions on priorities to be made using better information and at the right time. The new model introduces three clear stages and allows projects to move through the Portfolio on an ongoing basis, rather than only at set points in the political term. Further detail is provided in the 2026 Major Projects Portfolio Report.
- 4.4 Regular reviews of the new approach will be undertaken to assess whether it addresses the issues identified with the current arrangements for developing and managing the Portfolio, and to confirm that it is operating as intended.

**Diagram 2: Stages of the Major Projects Portfolio**



## 5. Benefits of the Revised Approach

- 5.1 The strengthened Pipeline creates a clear and structured way for projects to carry out early planning work, without committing money for delivery too early. In particular, projects will not be expected to provide firm cost estimates until they are well developed and ready to be considered for the Delivery stage of the Portfolio.
- 5.2 This addresses a long-standing problem where early cost estimates were produced before projects were properly planned, and those early figures then became difficult to change. By waiting until projects are better defined, the revised approach leads to cost information that is more reliable, realistic, and easier to compare when decisions are made.
- 5.3 More generally, the revised approach gives decision-makers better information, helps risks and links between projects to be identified earlier, allows new proposals to come forward more smoothly over time, and ensures that people and funding are only committed once projects are ready. Further detail is provided in the 2026 Major Projects Portfolio Report.

## 6. The Proposed Portfolio

### The Pipeline

6.1 A total of 50 project proposals were assessed. Of these, it is recommended that 26 projects are included as the initial intake into the new Pipeline. These projects scored highest against the agreed assessment criteria and are listed alphabetically in Table 2. Further project proposals will be added to the Pipeline on an ongoing basis as they are developed and ready, subject to meeting the agreed prioritisation criteria.

### 6.2 Table 2: Pipeline Projects

Scheme
<b>Affordable Housing Development Programme</b> - Committee <i>for</i> Housing
<b>Alderney Airport Control Tower Solution</b> - States' Trading Supervisory Board
<b>Alderney Airport - Airport Terminal, Fire Station and Ancillary Buildings</b> - States' Trading Supervisory Board
<b>Anti-Financial Crime Technology Development Programme</b> - Committee <i>for</i> Home Affairs
<b>Autoclaves at the Princess Elizabeth Hospital</b> - Committee <i>for</i> Health & Social Care
<b>Beau Sejour Leisure Centre Re-Development/Rebuild (Beau Sejour Review)</b> - Committee <i>for</i> the Environment & Infrastructure
<b>Complex Residential &amp; Education on Island</b> - Committee <i>for</i> Home Affairs
<b>Digital &amp; Technology Infrastructure Refresh</b> - Policy & Resources Committee
<b>Fontaine Vinery Infrastructure</b> - Policy & Resources Committee
<b>Future Inert Waste Solution</b> - States' Trading Supervisory Board
<b>Future Dairy Solution</b> - States' Trading Supervisory Board
<b>Future Harbours (Including Pool Marina and Fuel Supply) Strategy</b> - Policy & Resources Committee
<b>Guernsey Airport Aerodrome Radar</b> - States' Trading Supervisory Board
<b>Guernsey Airport – Air Traffic Control Centre and Contingency Suite</b> - States' Trading Supervisory Board
<b>Guernsey Airport Terminal Building Roof</b> - States' Trading Supervisory Board
<b>Home Affairs Estate Programme</b> - Committee <i>for</i> Home Affairs
<b>Laboratory Development - including Mortuary</b> - Committee <i>for</i> Health & Social Care
<b>New Bus Depot</b> - Committee <i>for</i> the Environment & Infrastructure
<b>Pharmacy Development</b> - Committee <i>for</i> Health & Social Care
<b>Power &amp; Environmental Resilience</b> - Policy & Resources Committee
<b>Regeneration of the Bridge/Infrastructure for the North</b> - Policy & Resources Committee
<b>SAP Roadmap Programme</b> - Policy & Resources Committee

<b>Smart Court Programme - Project 2 &amp; Project 3</b> - Royal Court
<b>States Employee Housing (to include Temporary Accommodation Phase 2)</b> - Policy & Resources Committee
<b>The Haven</b> - Committee <i>for</i> Health & Social Care
<b>The States of Guernsey Digital Strategy</b> - Policy & Resources Committee

- 6.3 Of the 26 schemes proposed for the Pipeline stage, three are being treated as transitional projects. These projects will sit within the Pipeline but will be allowed to move beyond early strategic planning and continue into more detailed planning.
- 6.4 This exception is being made because these projects are critical to the continued running of States services, and allowing planning work to continue avoids unnecessary delay while the revised portfolio arrangements are put in place. However, these projects will not move into delivery at this stage. They will only progress through the planning stages and will return to the States of Deliberation for a separate decision before any delivery funding or implementation can be approved.
- 6.5 The proposed transitional projects are:
- Future Inert Waste Solution
  - SAP Roadmap
  - Future Guernsey Dairy Solution

## **7. Delivery**

- 7.1 The Delivery stage of the Portfolio includes projects that have been approved by the States of Deliberation to proceed to delivery, including approval of the required funding. The Delivery stage will initially consist mainly of projects that were already included in the Delivery category of the 2021–25 Portfolio.
- 7.2 Decisions on the overall affordability of the Major Projects Portfolio will be made by the States of Deliberation through the Medium-Term Financial Plan (MTFP). Through the MTFP, the States will be asked to agree how much they want to spend in total on major projects and how this spending should be funded.
- 7.3 As projects are prioritised for inclusion in the Delivery stage of the Portfolio, the States will be asked to agree a funding envelope for each project. Individual projects will continue to require specific States approval before funding for delivery is committed.

7.4 Within this framework, two further projects are proposed to move into the Delivery stage of the Portfolio. These projects are sufficiently developed and address clear and urgent operational needs:

- **Guernsey Dairy Essential Works - (States' Trading Supervisory Board)** needed to keep the existing dairy operating safely and reliably in the short to medium term, and to meet regulatory and food safety requirements. A funding envelope of up to £6.0m is proposed.
- **QEII Marina Gates Replacement - (States' Trading Supervisory Board)** needed to ensure the continued operation of the marina gates, which hold back water at low tide. The States' Trading Supervisory Board will bring forward a separate policy letter. The total estimated cost is £10.7m. Under the proposed funding arrangement, with costs split equally between a States loan and General Revenue funding, approval will be sought for a funding envelope of up to £5.4m to be included in the Portfolio.

7.5 Table 3 sets out the full list of projects to be included in Delivery.

#### 7.6 Table 3 – Delivery Projects

Scheme
<b>Alderney Airports Pavements Rehabilitation</b> - States' Trading Supervisory Board
<b>Children's Services Hub</b> - Committee <i>for</i> Health & Social Care
<b>Clinical &amp; Animal Waste Incinerator</b> - Committee <i>for the</i> Environment & Infrastructure
<b>Coutanchez Low-Cost Housing Project</b> - Policy & Resources Committee
<b>Digital Infrastructure</b> - Policy & Resources Committee
<b>Electronic Patient Records Programme</b> - Committee <i>for</i> Health & Social Care
<b>Fermain – Realignment of the cliff path</b> - Committee <i>for the</i> Environment & Infrastructure
<b>Funding Affordable Housing Developments</b> - Committee <i>for</i> Housing
<b>Guernsey Airport Pavements Rehabilitation (PFAS)</b> - States' Trading Supervisory Board
<b>Guernsey Dairy Essential Works</b> - States' Trading Supervisory Board
<b>Guernsey Registry &amp; IT Systems Replacement</b> - Committee <i>for</i> Economic Development
<b>MyGov Digital</b> - Policy & Resources Committee
<b>Online Passport and Workflow System</b> - Committee <i>for</i> Home Affairs
<b>Our Hospital Modernisation Phase 1</b> - Committee <i>for</i> Health & Social Care
<b>Our Hospital Modernisation Phase 2A</b> - Committee <i>for</i> Health & Social Care
<b>QEII Marina Gates Replacement</b> - States' Trading Supervisory Board
<b>Replacement of Castle Emplacement Bridge</b> - States' Trading Supervisory Board

<b>SMART Court Phase 1</b> - Royal Court
<b>St Sampson's Enabling Flood Defences</b> - Committee <i>for the</i> Environment & Infrastructure
<b>Supply Chain Transformation</b> - Policy & Resources Committee
<b>Temporary Construction Village (<i>under review</i>)</b> - Policy & Resources Committee
<b>The Bridge &amp; Braye du Valle Redevelopment</b> - Policy & Resources Committee
<b>Transforming Education Programme - Phase 1</b> - Committee <i>for</i> Education, Sport & Culture

## 8. Implementation and Governance

- 8.1 The States are being asked to agree a clear set of criteria for deciding which projects can enter the Pipeline stage. These criteria will ensure that only projects which clearly support agreed priorities, address significant service or operational risks, and have the potential to deliver real benefits are included. Given limits on funding and delivery capacity, only the most important and highest-priority projects will be allowed to progress, so effort is focused where it adds the most value and reduces risk.
- 8.2 The Policy & Resources Committee will assess proposals against these criteria and assess whether they should enter the Pipeline. This allows new projects to come forward as needs arise, rather than only at fixed points, while improving clear oversight and control.
- 8.3 Being included in the Pipeline stage of the Portfolio does not mean a project is approved for delivery, nor does it commit the States to future funding. Decisions to move projects into the Delivery stage will continue to be made by the States of Deliberation.
- 8.4 Projects will only be brought forward once the required development work has been completed and a suitable business case is available. The business case will be reviewed by the Policy & Resources Committee, which will make recommendations on whether projects should progress. At that point, States Members will be provided with clear information on affordability, taking into account existing commitments through the Medium-Term Financial Plan and other projects expected to come forward in the future.
- 8.5 In line with Amendment 11 to the Government Work Plan, a publicly accessible report on the Major Projects Portfolio is planned for publication on 1 July 2026 and will be updated regularly thereafter. The report will provide clear and consistent information on each project. Work is underway to develop the report so that it establishes a robust baseline for measuring progress over time, with information that is clear and proportionate.

8.6 Internal reporting arrangements will continue alongside this public reporting. Sponsoring committees will retain responsibility for oversight of individual projects, while portfolio-level oversight will be provided by the Portfolio Board, strengthened by the independent, on-island external expertise currently being sought, and the Policy & Resources Committee.

## **9. Conclusion**

9.1 Overall, this approach balances strong strategic control with enough flexibility to respond to changing needs. It strengthens how the Portfolio is managed, improves the quality and timing of decisions, and ensures that development work, affordability, and prioritisation are considered before commitments are made.

9.2 Decisions to commit public money to the delivery of projects will be taken at the right time by the States of Guernsey and will be based on clear evidence, robust business cases, and an agreed understanding of affordability within the Medium-Term Financial Plan. Further detail on the revised approach, the current performance of the Portfolio, and the proposed projects is set out in the 2026 Major Projects Portfolio Report.

## **10. Compliance with Rule 4**

10.1 Rule 4 of the Rules of Procedure of the States of Deliberation and their Committees sets out the information which must be included in, or appended to, motions laid before the States.

10.2 In accordance with Rule 4(1)(a), the propositions contribute to the States' objectives and policy plans as set out by the Government Work Plan as resolved by the States in January 2026 and supports operational delivery through essential maintenance of assets.

10.4 In accordance with Rule 4(1)(b), in preparing the propositions, consultation has been undertaken with all Principal Committees.

10.5 In accordance with Rule 4(1)(c), the propositions have been submitted to His Majesty's Procureur for advice on any legal or constitutional implications.

10.6 Rule 4(1)(d) concerns the financial implications to the States of carrying into effect the proposals. The financial implications to the States of carrying the proposal into effect are £6m to approve the inclusion of the Guernsey Dairy Essential Works project in the Delivery stage of the Portfolio.

- 10.7 In accordance with Rule 4(2)(a), the propositions relate to the Committee's purpose and policy responsibilities for fiscal policy, economic affairs and the financial and other resources of the States, which includes setting the framework for the planning, approval and control of public expenditure.
- 10.8 In accordance with Rule 4(2)(b) of the Rules of Procedures of the States of Deliberation and their Committees, it is confirmed that the propositions have the unanimous support of the Members of the Committee.

Yours faithfully

H L de Sausmarez  
President

G A St Pier  
Vice President

C N K Parkinson  
S J Falla  
Y Burford

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# MAJOR PROJECTS PORTFOLIO REPORT 2026



States of  
Guernsey

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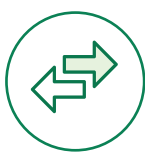
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# 1. Executive Summary

This report sets out a new approach to how the States of Guernsey plans, prioritises and manages its Major Projects Portfolio. The aim is to strengthen early planning, avoid committing funding too early, and give the organisation greater flexibility to respond to changing needs and priorities.

The proposed approach aligns with the Government Work Plan, advice from the Fiscal Policy Panel, and lessons learned from previous portfolios. It introduces a new strengthened Pipeline stage, which allows projects to be properly developed and assessed before decisions are taken on substantive funding. At the same time, it continues support for essential projects already progressing through the Delivery stage.

## Expected benefits of the revised approach include:



A more flexible and responsive flow of new proposals into the Portfolio



Earlier identification and management of risks and dependencies



More efficient use of resources by avoiding premature funding commitments



More realistic and robust cost estimates as projects become better defined



Stronger discipline before schemes move into delivery



A stronger evidence base to support prioritisation and funding decisions

Overall, the revised approach is intended to ensure that investment in major projects is affordable, focused on the right priorities, and able to adapt as circumstances change. It provides a clearer and more disciplined framework for developing projects, helping to reduce risk, improve value for money, and support Guernsey's long-term social and economic resilience.

## 2. Introduction

Major projects are essential to maintaining and improving the infrastructure and services that underpin the Bailiwick's quality of life. Bringing all major government projects together into a single, co-ordinated Portfolio allows the States of Guernsey to plan more effectively, reduce delays, and make better use of public funds. This approach helps projects to be prioritised at an early stage, supports stronger preparation, and provides ongoing oversight so that the community receives reliable, high-quality outcomes.

The Portfolio is guided by the Government Work Plan, which sets out five super priorities and three areas of focus reflecting the island's most important needs. Aligning projects to these priorities, alongside other agreed strategies, helps ensure that limited resources are directed towards initiatives that deliver the greatest public benefit. This alignment also supports transparent decision-making, enables projects to respond to new challenges as they arise, and strengthens Guernsey's long-term social and economic resilience.

### Purpose of the Portfolio

A well-managed Major Projects Portfolio should:

- Ensure investment decisions support the island's agreed priorities and outcomes.
- Improve transparency and consistency in how projects are planned and delivered.
- Identify risks, dependencies, and capacity pressures at an earlier stage.
- Make the best possible use of limited capital funding.
- Support the effective allocation and use of limited staff capacity and specialist expertise across projects.

Together, these elements support stronger and more accountable management of Guernsey's major public investments, ensuring that each project makes a meaningful contribution to the community and to the States' long-term objectives.

## Fiscal Context

Guernsey continues to face fiscal pressures, including those linked to an ageing population and the impact this has on living standards in a mature economy. Addressing these pressures will require decisions on tax reform and/or changes to public services in order to secure a more sustainable financial position. Until such decisions are taken, the overall fiscal environment will remain uncertain.

At the same time, there is a clear need to continue investing in essential infrastructure. As highlighted by the Fiscal Policy Panel, well-planned infrastructure investment supports economic activity and long-term sustainability, while delaying investment increases future costs and risks.

In this context, it is particularly important that major projects are planned carefully and that funding is not committed before projects are sufficiently developed. The revised Portfolio approach supports this by strengthening early-stage planning, improving cost discipline, and ensuring that investment decisions are informed by robust and timely evidence.



### 3. Review of the Existing Portfolio (2021-25)

The current Major Projects Portfolio was first approved in June 2021 as part of the Medium-Term Financial Plan (previously referred to as the Funding & Investment Plan). It was refreshed in October 2023 and is structured into two categories: Delivery and Pipeline.

#### Delivery

The Delivery stage includes major projects that have been approved for funding and are progressing through planning and delivery. Some schemes have now been completed, while others are still underway and are expected to complete by 2027. The main exception is Phase 2A of the Our Hospital Modernisation Programme, which is expected to continue into the next decade.

#### Pipeline

The current Pipeline includes schemes that have been identified as potential future investments but have not been approved for detailed planning or delivery. At this stage, projects are limited to very early feasibility and scoping work only, with minimal funding available.

This funding is intended solely to test the initial viability of proposals, such as confirming the nature of the problem, exploring high-level options, and identifying key risks. It does not support substantive business case development, detailed design, or preparation for delivery.

As a result, the existing Pipeline provides only limited assurance about the readiness, affordability, or deliverability of projects before they move into the Delivery stage of the Portfolio. This constraint is a key reason for reviewing the current approach and introducing a revised Portfolio structure, which is set out later in this report.

## Portfolio-wide Financial Position, Key Risks and Opportunities

### Financial Summary of the Current Portfolio

The States last received a full update on the Major Projects Portfolio through the Rule 17(9) policy letter debated in February 2025. At that time, the estimated cost of delivering the Portfolio from 2023 through to completion was £460m, including £20m of contingency. That review confirmed that all projects remained justified and should continue.

Overall, the Portfolio remains broadly in line with the figures set out in the policy letter. The most recent forecasts provided by project teams show a £1.3m variance against the approved funding envelope. However, many projects are still progressing through planning and development, and it is expected that cost estimates will continue to change as designs are refined, risks are better understood, and delivery approaches are confirmed.

Further updates to forecast costs will be reported as projects mature. A summary update for each project is provided in Appendix 1.

Table 1

Major Projects Delivery Portfolio	Feb 25 Estimate £m	Latest Forecast £m	Forecast vs Feb 25 Estimate £m
<b>Total estimated cost</b>	<b>563.9</b>	<b>565.2</b>	<b>(1.3)</b>
Pre 2023 Expenditure*	(91.6)	(91.6)	-
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QEII Marina Gates Replacement**	5.4	5.4	-
<b>Revised Estimate</b>	<b>465.4</b>	<b>466.7</b>	<b>(1.3)</b>

\*The policy letter in February 2025 considered funding required for all the schemes in the delivery stage of the portfolio from 1st January 2023 through to completion.

\*\*Should the QEII project be approved within the existing portfolio, the funding envelope for the total portfolio will increase by £5.4m.

## Risks and Points to Note

Several schemes within the Portfolio are reporting forecast costs above their previously agreed planned values. The main schemes are outlined below.

- **Children’s Services Hub - Committee *for* Health & Social Care**

In August 2025, the Policy & Resources Committee considered an update showing that estimated costs had increased significantly compared to earlier agreed figures. A Project Assurance Review was subsequently carried out, which identified further options for consideration. The Committee *for* Health & Social Care is planning to bring a policy letter to the States for consideration, at which point the project’s scope, costs, and value for money will be considered.

- **Guernsey Airport Pavement Rehabilitation (PFAS) - States’ Trading Supervisory Board**

A preferred supplier has been identified, and the Full Business Case has been approved by the States’ Trading Supervisory Board. The estimated cost has increased by £11m as the project has progressed and more detailed information has become available.

Early cost estimates were based on limited data and broad assumptions, reflecting the early stage of the project and the need for a bespoke solution using new technology. As planning has advanced, additional risks, technical requirements, and mitigation measures have been identified, resulting in a revised and more robust cost estimate.

- **Electronic Patient Record - Committee *for* Health & Social Care**

The full scope of the project cannot be delivered within the approved funding envelope. Phase 1 of the programme, which involves replacing the TRAK system, has now been launched. The next step is to assess the remaining elements of the project, including their costs, benefits, and value for money, in order to determine the most appropriate way forward.

- **Our Hospital Modernisation (Phase 1) - Committee *for* Health & Social Care**

The project was originally due to complete in April 2025. Construction issues requiring remedial work have led to delays, which in turn have increased costs, primarily due to project management and site resources being required for a longer period.

- **St Sampson's Flood Defence - Committee *for the Environment & Infrastructure***

Project options have been reviewed using updated data and revised wave forecasts. Work is now underway to assess flood defence design options that meet current planning and flood risk requirements. While the project remains within the approved Phase 1 budget, early indications suggest that the total project cost is likely to be higher than originally estimated.

- **Central Stores - Supply Chain Relocation - Policy & Resources Committee**

Following a wider review of warehousing and supply chain requirements, the scope of the project is being revised. The updated scope includes additional services beyond those originally envisaged, and the revised cost forecast reflects this broader set of requirements.

- **The Bridge & Braye du Valle Redevelopment (Leale's Yard) - Policy & Resources Committee**

The project was originally planned and developed with an estimated total cost of £33m. However, whilst the final outcome of the project is unchanged, it will now be delivered in phases.

Rather than purchasing completed units, the scope of this initial Phase 1 will now focus solely on land acquisition and site clearance. Enabling infrastructure and development will be considered in later phases, planned to commence within this political term. As a result, the forecast cost of this phase has reduced to approximately £10m.

The total estimated cost of the Portfolio set out in the February 2025 policy letter included £5m of anticipated savings from the Temporary Construction Village project. As this project is currently under review, these savings have not yet been realised and are therefore not included in the current forecast.

A number of projects within the Portfolio currently show forecast overspends. In many cases, this reflects a weakness in the existing process, where cost estimates are required at a very early stage, based on a limited understanding of the underlying problem, the likely scope of the solution, and key delivery risks. These early estimates are therefore necessarily high-level and subject to significant change.

As projects progress through planning, designs are developed in more detail, risks and dependencies are better understood, and delivery approaches are clarified. Cost estimates are then updated to reflect a more accurate, evidence-based view of the project's likely requirements. This leads to changes in forecast costs as projects mature, rather than indicating a loss of control.

## Recent Project Closures

Delivery of the existing portfolio continues, with a number of projects reaching closure in the period. The recent investment in the Guernsey Registry's IT systems was delivered to budget despite significant time constraints, enabling the successful MoneyVal assessment. This investment not only supported Guernsey's MoneyVal outcome but has also delivered lasting benefits by improving online user engagement and strengthening the Annual Validation process.

Another recently completed project is the implementation of the Secondary School Partnership. By providing career and role stability for the secondary education workforce, this initiative has led to improved employee sentiment and reduced staff turnover. This stability is a critical enabler of the high-quality education the States aspires to provide for children in Guernsey.



## 4. Current Approach to Major Projects Prioritisation

### Proposal Submissions

At the start of each political term, committees are invited to submit proposals for major projects. For the purposes of the Portfolio, major projects are defined as projects with estimated delivery costs of more than £3m. Proposals are submitted using an online form, which asks committees to self-assess the maturity of their project.

To support a consistent and informed assessment, officers from relevant departments take part in follow-up information-gathering sessions. These discussions provide additional clarification, test assumptions, and help ensure that proposals are assessed on a comparable and robust basis.

### Moderation and Assessment

A cross-organisational panel of senior officers reviews and moderates the self-assessment scores submitted by committees to ensure that the assessment criteria have been applied consistently. Each proposal is assessed against five core criteria:

- Alignment with agreed government strategies and objectives.
- Strength of the case for change.
- Expected benefits.
- Risk and risk mitigation.
- Deliverability.

Based on this assessment, a ranked list of schemes is produced. This list is reviewed by the Portfolio Board and then considered by the Policy & Resources Committee before recommendations are brought forward to the States Assembly.

## Issues with the Current Approach

While the current approach to defining and managing the Major Projects Portfolio has evolved over several political terms, it is no longer operating as effectively as intended. A number of recurring issues have become increasingly evident.

- **Long development timelines:** Major projects often take many years to develop and deliver, frequently spanning multiple political terms. This can result in funding being allocated or committed long before it is required, reducing flexibility and increasing financial risk.
- **Affordability pressures and changing priorities:** Budget constraints, shifts in political priorities, and limited organisational capacity can delay projects or affect their scope, making delivery more uncertain over time.
- **Insufficient early problem definition:** In some cases, projects are developed around a preferred solution from an early stage, rather than starting with a clear definition of the underlying problem or strategic need. This can limit option-testing, reduce value for money, and lead to delays or redesign later in the process.
- **Fixed four-year cycle:** The current model encourages submissions to be made at specific points in the political cycle. This can lead to reactive, last-minute proposals that are insufficiently developed, poorly evidenced, or not fully aligned with longer-term strategic priorities.
- **Inefficient use of resources:** Significant time, effort, and funding can be spent developing or assessing proposals that ultimately prove to be unviable, insufficiently mature, or misaligned with States' priorities.
- **Early-stage cost uncertainty:** Projects are required to provide cost estimates at a very early stage, often before the problem, scope, or delivery approach is well understood. As projects progress and more information becomes available, these estimates are refined. However, schemes are then often judged against their initial, high-level figures, creating the appearance of cost pressure even where this reflects normal project development.

Taken together, these issues reduce the effectiveness of the Portfolio, limit the organisation's ability to respond to change, and increase the risk of sub-optimal investment decisions.

## 5. Revised Portfolio Approach

### The Proposed New Approach

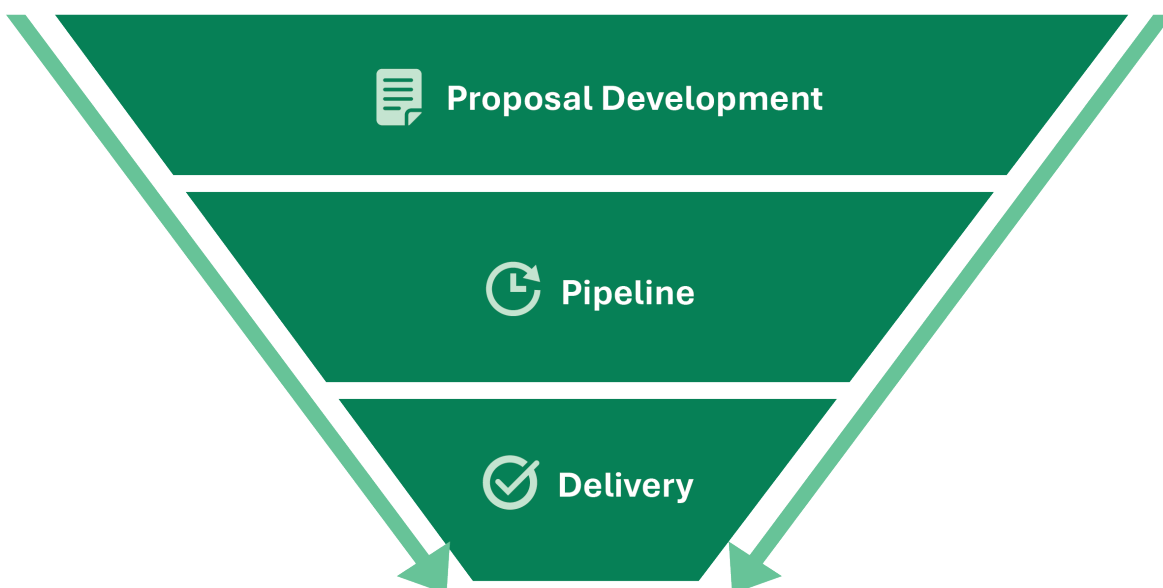
To address the issues identified with the current approach, the Policy & Resources Committee proposes a revised model for developing and managing the Major Projects Portfolio. The central change is a strengthened and more structured Pipeline stage, where schemes undertake more thorough scoping, planning, and assessment before decisions are taken on whether they should proceed to delivery.

The revised approach introduces three clearly defined portfolio stages and supports a more continuous flow of proposals, rather than relying on fixed political cycles. Extending and strengthening the Pipeline stage allows higher-quality information to be developed earlier, improving decision-making while avoiding the premature commitment of substantive funding.

The Delivery stage itself is largely unchanged. Schemes will only enter delivery following a decision of the States, and once an initial business case demonstrates that the project is ready, affordable, and aligned with States-agreed priorities. Further detail on the business case stages and project lifecycle is provided in Appendix 2.

The following diagram illustrates the proposed stage approach:

*Diagram 1*



## Stage 1: Proposal Development

This stage focuses on identifying and shaping potential projects.

- Early ideas and concepts are developed by business-as-usual teams who are closest to operational issues and best placed to identify problems and opportunities.
- Work at this stage is exploratory and proportionate. No surveys or detailed investigative work is required.
- No formal project governance or funding is required.

**Output:** A short scoping document setting out the problem or opportunity, strategic alignment, and initial rationale for further consideration.

## Stage 2: Pipeline

The Pipeline provides a structured space for proposals to be properly developed before any decision is made on delivery.

- Proposals are prioritised into the Pipeline stage by the Policy & Resources Committee against criteria approved by the States (see Appendix 3).
- The Policy & Resources Committee allocates limited and proportionate funding to support initial planning and development work, enabling projects to better define the problem, scope, options, risks, and likely costs.
- Governance arrangements are proportionate to the stage of development, with reporting focused on planning progress, use of allocated funds, and emerging risks.

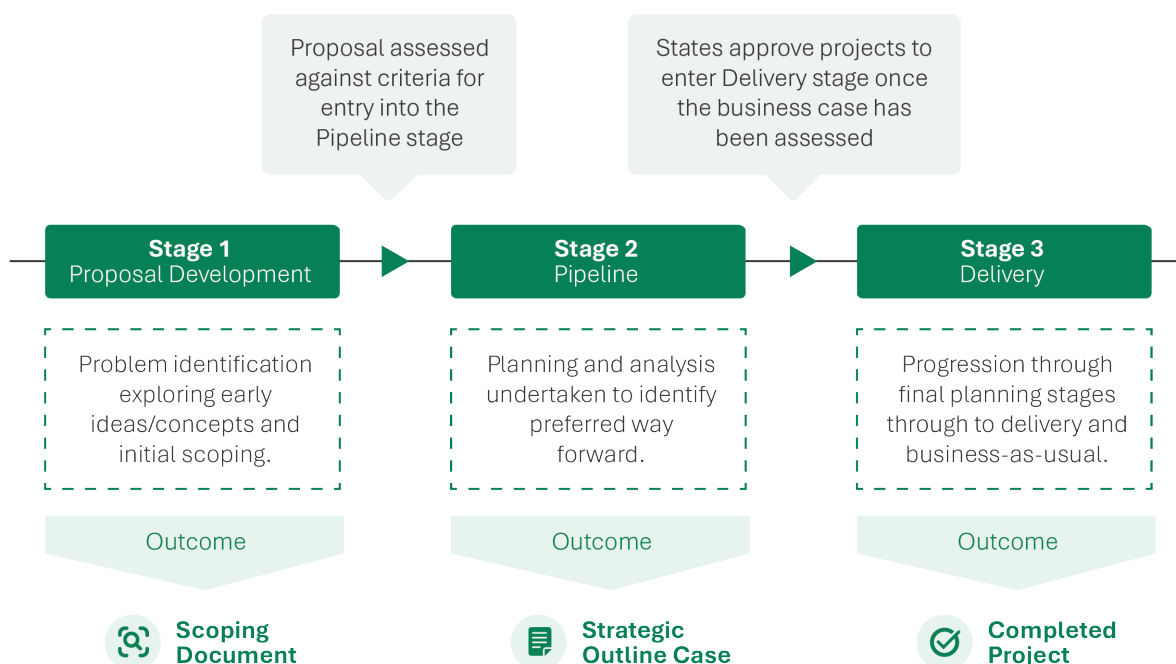
**Output:** An early-stage business case (strategic outline case) setting out the case for change, intended outcomes, options considered, the preferred approach, indicative costs, and key risks and constraints.

This stage addresses a key weakness in the current process by allowing projects to develop a clearer and more evidence-based understanding before delivery decisions are taken.

## Stage 3: Delivery

Only schemes that are sufficiently developed and supported by a strategic outline case will be considered for entry into the Delivery stage.

- Schemes enter Delivery following a decision of the States, which includes agreement for the project to proceed to delivery and approval of a funding envelope for the project.
- Projects then progress through the agreed development stages through to delivery and handover to business-as-usual, in line with the project lifecycle set out in Appendix 2.
- Overall funding of the Portfolio is approved by the States through the Medium-Term Financial Plan.
- Large or more complex schemes continue to require States approval at key decision points, such as prior to procurement.



The revised approach changes how projects are identified, planned, and prioritised by placing greater emphasis on early development of a robust business case. This creates a structured space for detailed planning and option-testing, without committing delivery funding too early.

By the time a scheme reaches the strategic outline case stage, the key outputs will include:

1. Clear project rationale, aligned with the States' strategic priorities.
2. Well defined scope, setting out the problem to be addressed, intended outcomes, and high level deliverables.
3. An assessment of benefits and risks, providing a balanced view of expected impacts and uncertainties.
4. An appraisal of options, leading to a well-evidenced preferred way forward.
5. A deliverability assessment, including indicative costs, timelines and resource needs.

Completing this early planning work ensures that higher-quality, more reliable information is available before investment decisions are taken. This supports more confident, transparent, and cost-effective prioritisation of schemes into the Delivery stage of the Portfolio.

## Expected Benefits of the Revised Approach

The revised Portfolio model is expected to deliver the following benefits:

- **A more consistent flow of new proposals:** New schemes can enter the Portfolio at any point, rather than being constrained by fixed political cycles, improving responsiveness to emerging needs.
- **Earlier identification of risks and dependencies:** Issues can be identified and addressed sooner, supporting better planning and timely intervention.
- **Better use of resources:** Funding is not set aside prematurely, and investment is only committed once projects are sufficiently developed.
- **More reliable cost estimates:** Cost estimates are developed later, when projects are better defined, resulting in more realistic and robust forecasts.
- **A stronger and more disciplined pipeline:** Schemes only move into delivery once there is a clear understanding of the problem, options, benefits, risks, and likely costs.
- **Improved decision making:** The States are provided with a stronger and more comprehensive evidence base to support decisions on priorities and the allocation of substantive funding.

## 6. Transition to the New Approach

### Submissions

The most recent prioritisation exercise received 61 project proposals, of which 50 were assessed in full. The remaining 11 proposals were not assessed, as they:

- were already included, or proposed for inclusion, in the Portfolio under the current arrangements;
- were intended to be self-funded; or
- were more appropriately progressed through alternative routes, such as Routine Capital.

Following the assessment of the 50 eligible proposals, 26 schemes are recommended for inclusion in the new Pipeline.

### Schemes Not Currently Proposed for the Portfolio - Pipeline Stage

Under the revised approach, committees are able to propose schemes for inclusion in the Pipeline phase at any point, rather than being restricted to a single prioritisation round.

Schemes that are not currently recommended for entry may therefore be brought forward at a later date, once they:

- are supported by a robust scoping document;
- demonstrate clear alignment with the States' strategic priorities; and
- have sufficient capacity and capability in place to progress planning work.

This flexibility helps ensure that promising or emerging proposals are not delayed unnecessarily and supports a more agile and continuously refreshed pipeline of major projects.

## Projects Currently in Delivery

At the point of transition, Delivery will consist primarily of schemes already included within the Delivery category of the 2021–25 Major Projects Portfolio. Overall funding for the Portfolio will continue to be considered through the Medium-Term Financial Plan, to ensure that delivery remains affordable and sustainable.

## New Projects Entering the Portfolio - Delivery Stage

Two additional schemes are recommended to enter the Delivery stage of the Portfolio initially. Both have reached a sufficient level of readiness, and there is a clear and pressing operational need to deliver the proposed works. Delaying their progression would increase risk and limit the States' ability to meet essential service requirements.

### 1. Guernsey Dairy - Essential Works - (States' Trading Supervisory Board)

The Guernsey Dairy Essential Works project is recommended to enter the Delivery stage directly, rather than progressing through the Pipeline. The proposed works are required to maintain the safe and reliable operation of the existing dairy facility in the short to medium term and to meet regulatory and food safety requirements.

Given the nature of the works and the risk of unplanned disruption if delivery is delayed, it is appropriate for the project to move directly into delivery. Following a review of the facilities, the works have been deemed essential. The proposal therefore includes a funding provision of up to £6.0m.

### 2. QEII Marina Gates Replacement - (States' Trading Supervisory Board)

The QEII Marina Gates Replacement project is also expected to be added to the Delivery stage. The works are required to ensure the continued safe and effective operation of the marina gates. Failure of the gates would pose health and safety risks and could also impact income, the wider economy, and the States' reputation.

The States' Trading Supervisory Board is expected to bring forward a policy letter seeking approval to include the project in the Portfolio. The total estimated cost of delivery is £10.7m. In line with the proposed funding arrangement, comprising a 50:50 split between States loan financing and General Revenue funding, the policy letter, planned for debate by the States in July, will seek approval for a funding provision of up to £5.4m. It will also request delegated authority for the Policy & Resources Committee to approve project funding, subject to business case approval and compliance with the agreed assurance process.

# 7. The Proposed Portfolio

## Strategic Context

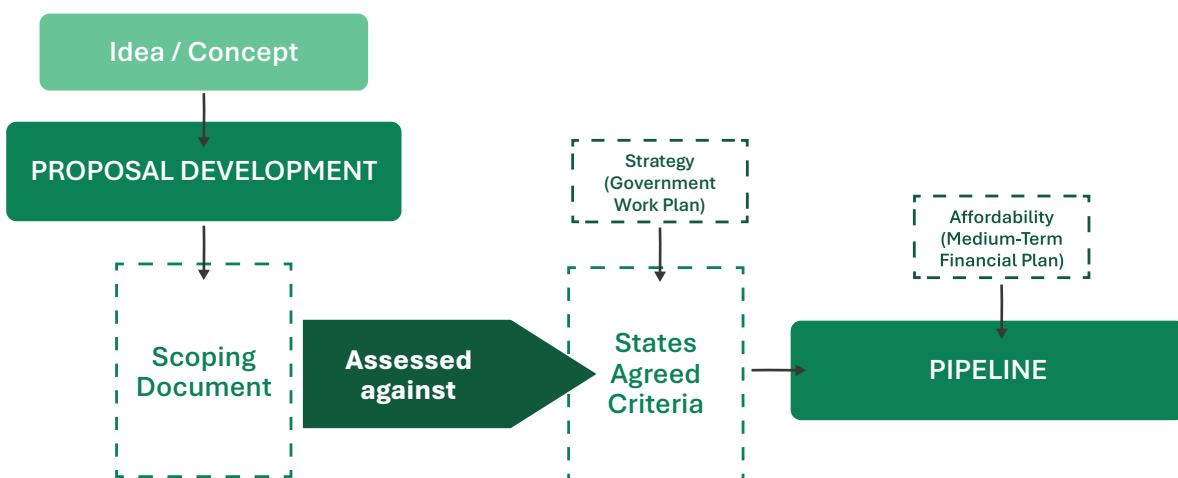
Major projects play a critical role in maintaining and improving the services provided by the States of Guernsey. To ensure these projects deliver meaningful public benefit, all projects included in both the Pipeline and Delivery stages of the Portfolio must align with the priorities set out in the Government Work Plan and other States-agreed strategies.

This alignment helps ensure that limited resources are focused on the projects that matter most and that contribute directly to the outcomes identified within each Government Work Plan area of focus. It also supports clearer prioritisation and more transparent decision-making across the Portfolio.

Funding for the Portfolio will continue to be considered through the Medium-Term Financial Plan. This ensures that investment decisions remain affordable, appropriately prioritised, and consistent with the States’ overall financial capacity.

A detailed summary showing how each scheme in the proposed Portfolio supports the Government Work Plan priorities and outcomes is provided in Appendix 5.

Diagram 3



## Portfolio - Pipeline Stage

The proposed Pipeline comprises the 26 highest-scoring projects identified through the prioritisation process. Each project included in Table 2 has completed an initial scoping document, which has been approved by its sponsoring committee.

These scoping documents confirm the strategic fit of each proposal, set out the problem or opportunity to be addressed, and provide sufficient clarity to allow the scheme to enter structured planning. Each project has also provided an indicative estimate of the funding required to support initial planning and development work within the Pipeline stage.

Inclusion in the Pipeline does not represent approval to proceed to delivery. It enables schemes to be developed further so that more robust evidence on scope, options, risks, and likely costs can be produced before any future investment decisions are considered.

Table 2

Scheme (in alphabetical order)
Affordable Housing Development Programme - Committee <i>for</i> Housing
Alderney Airport Control Tower Solution - States' Trading Supervisory Board
Alderney Airport - Airport Terminal, Fire Station and Ancillary Buildings - States' Trading Supervisory Board
Anti-Financial Crime Technology Development Programme - Committee <i>for</i> Home Affairs
Autoclaves at the Princess Elizabeth Hospital - Committee <i>for</i> Health & Social Care
Beau Sejour Leisure Centre Re-Development/Rebuild (Beau Sejour Review) - Committee <i>for</i> Education, Sport & Culture
Complex Residential & Education On Island - Committee <i>for</i> Health & Social Care
Digital & Technology Infrastructure Refresh - Policy & Resources Committee
Fontaine Vinery Infrastructure - Policy & Resources Committee - States' Trading Supervisory Board
Future Inert Waste Solution - States' Trading Supervisory Board
Future Dairy Solution - States' Trading Supervisory Board
Future Harbours (Including Pool Marina and Fuel Supply) Strategy - Policy & Resources Committee

Guernsey Airport Aerodrome Radar - States' Trading Supervisory Board

Guernsey Airport - Air Traffic Control Centre and Contingency Suite - States' Trading Supervisory Board

Guernsey Airport Terminal Building Roof - States' Trading Supervisory Board

Home Affairs Estate Programme - Committee *for* Home Affairs

Laboratory Development - including Mortuary - Committee *for* Health & Social Care

New Bus Depot - Committee *for the* Environment & Infrastructure

Pharmacy Development - Committee *for* Health & Social Care

Power & Environmental Resilience - Policy & Resources Committee

Regeneration of the Bridge/Infrastructure for the North (to include Fontaine Vinery infrastructure) - Policy & Resources Committee

SAP Roadmap Programme - Policy & Resources Committee

Smart Court Programme - Project 2 & Project 3 - Royal Court

States Employee Housing (to include Temporary Accommodation Phase 2) - Policy & Resources Committee

The Haven - Committee *for* Health & Social Care

The States of Guernsey Digital Strategy - Policy & Resources Committee



## Transitional Projects

Three projects within the proposed Pipeline are progressing more quickly than the others. These projects were included in the Pipeline under the previous Portfolio arrangements and have already received funding to support early planning and development work.

Given their importance to the continued operation of States services, it is critical that progress is not delayed as a result of transitioning to the new Portfolio model. It is therefore proposed that these projects are treated as transitional, allowing them to progress beyond the initial planning stage while the new arrangements are embedded.

Under this transitional approach, the projects may continue to develop their preferred option and implementation plans up to pre-tender stage. However, no substantive delivery funding will be committed until they are prioritised into the Delivery stage and approved by the States. This maintains appropriate oversight and control, while avoiding unnecessary delay.

The transitional projects proposed within the Pipeline stage are:

- Future Inert Waste Solution
- SAP Roadmap
- Future Dairy Solution

This approach provides flexibility and supports the timely progression of these schemes into the Delivery stage, subject to States approval. It is anticipated that this transition will take place once there is greater clarity on funding, most likely alongside consideration of the Medium-Term Financial Plan.

## Pipeline Assessment Criteria

All projects proposed for inclusion in the Pipeline will be assessed against a clear set of criteria to ensure that early planning and development effort is focused on the right projects. The criteria will be designed to test alignment with States-agreed priorities, the strength of the case for further development, and the potential benefits of progressing the project.

The Policy & Resources Committee will determine whether projects are admitted into the pipeline stage of the portfolio based on their performance against the States-approved assessment criteria, and whether they can be accommodated within available capacity and planning resources.

The assessment criteria will be submitted to the States for approval at the start of each political term. This ensures that they remain aligned with agreed policies and strategic objectives, currently set out in the Government Work Plan.

The States-approved criteria will cover:

- Strategic alignment with States-agreed policies and priorities.
- Financial and non-financial benefits, including economic and social benefits.
- Key risks and how they may be managed or mitigated.
- Deliverability, including dependencies, interdependencies with other projects, and the availability of required skills and resources.

Taken together, these criteria will provide a consistent and transparent basis for comparing proposals and prioritising limited planning and development capacity. They will help ensure that projects entering the Pipeline stage are credible, well-aligned, and capable of progressing to delivery over time.

Further detail on the assessment criteria to be applied for the current term is set out in Appendix 3.

## Pipeline Funding

Funding to support the Pipeline stage of the Portfolio will be limited and proportionate, and allocated by the Policy & Resources Committee to support early-stage development.

Initial allocations will meet the planning needs of the 26 projects identified for inclusion in the Pipeline, while retaining flexibility to accommodate new projects entering the Pipeline during the political term.

Funding will only be allocated to projects that have been assessed against the agreed Pipeline criteria and continue to demonstrate strategic alignment, value for money and deliverability. Allocation of planning funding does not constitute approval to proceed to delivery or the commitment of substantive delivery funding.

This approach supports disciplined early planning, avoids premature commitment of delivery funding, and allows resources to be allocated flexibly as priorities evolve.

## Transitional Projects Funding

Limited additional funding will be allocated to support the continued development of transitional projects within the Pipeline stage, ahead of a States decision on whether they should proceed to delivery.

As with all Pipeline activity, this funding supports planning only and does not constitute approval to proceed to delivery or the commitment of substantive delivery funding.

## The Portfolio - Delivery Stage

Table 3 sets out the full list of projects included in Delivery. The Portfolio comprises all projects and programmes currently in delivery, together with two additional projects: QEII Marina Gates Replacement and Guernsey Dairy Essential Works.

In addition to the projects proposed for inclusion in the Delivery stage of the Portfolio, strategic property acquisitions may also arise for consideration and funding through the Portfolio, including the purchase of Les Vardes Quarry to support water storage.

Projects within Delivery are at different stages of development and delivery. Some are approaching completion, while others remain at earlier stages of planning and implementation. Summary updates for each project are provided in Appendix 1.

Table 3

Scheme (in alphabetical order)
Alderney Airports Pavements Rehabilitation - States' Trading Supervisory Board
Children's Services Hub - Committee <i>for</i> Health & Social Care
Clinical & Animal Waste Incinerator - Committee <i>for the</i> Environment & Infrastructure
Coutanchez Low-Cost Housing Project - Policy & Resources Committee
Digital Infrastructure - Policy & Resources Committee
Electronic Patient Records Programme - Committee <i>for</i> Health & Social Care
Fermain - Realignment of the cliff path - Committee <i>for the</i> Environment & Infrastructure
Funding Affordable Housing Developments - Committee <i>for</i> Housing
Guernsey Airport Pavement Rehabilitation (PFAS) - States' Trading Supervisory Board

Guernsey Dairy Essential Works - States' Trading Supervisory Board

Guernsey Registry & IT Systems Replacement - Committee *for* Economic Development

MyGov Digital - Policy & Resources Committee

Online Passport and Workflow System - Committee *for* Home Affairs

Our Hospital Modernisation Phase 1 - Committee *for* Health & Social Care

Our Hospital Modernisation Phase 2A - Committee *for* Health & Social Care

QEII Marina Gates Replacement - States' Trading Supervisory Board

Replacement of Castle Emplacement Bridge - States' Trading Supervisory Board

SMART Court Phase 1 - Royal Court

St Sampson's Enabling Flood Defences - Committee *for the* Environment & Infrastructure

Supply Chain Transformation - Policy & Resources Committee

Temporary Construction Village (under review) - Policy & Resources Committee

The Bridge & Braye du Valle Redevelopment - Policy & Resources Committee

Transforming Education Programme - Phase 1- Committee *for* Education, Sport & Culture



## 8. Implementation and Governance

This section sets out how the revised Portfolio framework will operate in practice once the States have approved the new approach to portfolio management and the initial Pipeline projects. It explains how projects will progress through the Pipeline and Delivery stages of the Portfolio and identifies the points at which further decisions will be required from the States.

### Entry into the Portfolio - Pipeline Stage

Under the revised approach, projects seeking entry into the Pipeline must complete a short scoping document. This document must clearly set out:

- the issue or opportunity the project is trying to address.
- the risks or pressures the project is intended to reduce or manage.
- how the project aligns with the Government Work Plan and other States-agreed strategies.
- the main benefits the projects could deliver.
- any factors that could affect delivery, including dependencies on other projects or constraints on resources.

Projects must also complete a self-assessment against the agreed Pipeline criteria and provide an indicative estimate of the planning and development funding required to progress early work.

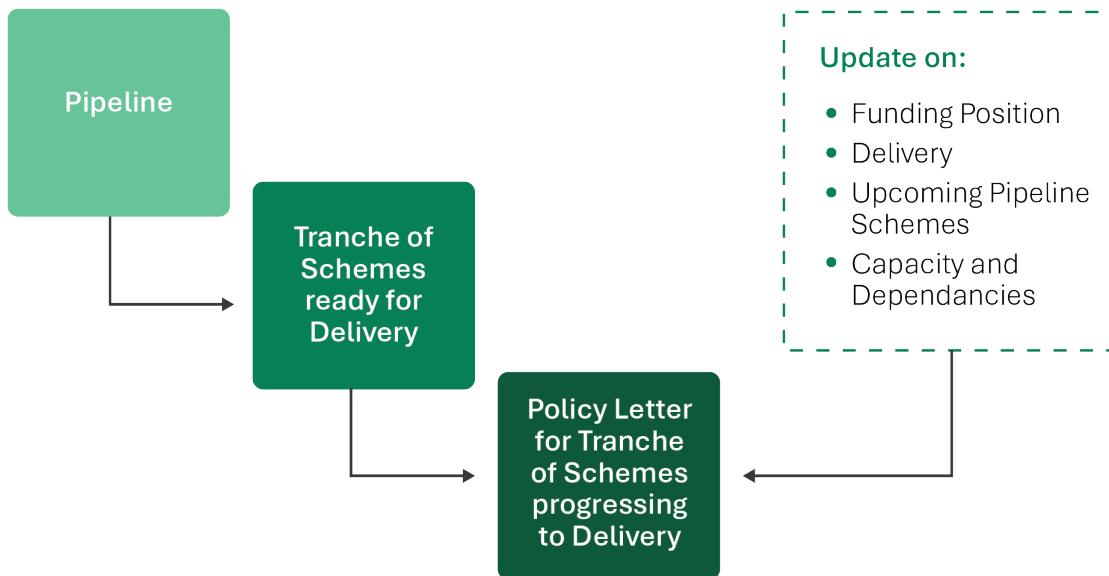
Projects may enter the Pipeline stage at any point during the political term, subject to priorities and capacity.

### Entry into the Portfolio - Delivery Stage

Projects will be brought forward to the States for entry into the Delivery stage in groups or tranches, rather than individually as they become ready. This enables decisions to be taken in the context of the overall Portfolio, available funding, and organisational capacity.

The size and timing of tranches will remain flexible, taking account of project readiness, urgency, and the availability of resources. This approach supports informed, balanced decision-making and helps avoid unnecessary delay, while maintaining appropriate oversight and control.

Diagram 4



Tranches will only be considered once the States have agreed, through the Medium-Term Financial Plan debate, how much can be invested in major projects in the short and long term. This ensures that decisions about which projects move into delivery are affordable and aligned with the States' overall financial position.

When projects are proposed for entry into the Delivery stage, the States will also be informed about other projects in the Pipeline that are not yet ready for delivery. This gives early visibility of future pressures and opportunities and supports better-informed decisions about what comes next.

The Delivery phase of the Portfolio will be shaped by project readiness and strategic priority, as well as dependencies between projects, organisational capacity and affordability. Taking this portfolio-level view supports effective sequencing, efficient use of resources and sustainable delivery.

Substantive funding will only be approved by the States when a project is prioritised for inclusion in the Delivery stage of the Portfolio. By this point, early planning will have been completed, the preferred approach agreed, and the financial position clarified through the Medium-Term Financial Plan, enabling the States to take balanced and well-informed decisions.

## Portfolio Reporting

In line with Amendment 11 to the Government Work Plan, a publicly accessible report on the Major Projects Portfolio will be published by 1 July 2026 and updated regularly thereafter. The report will provide clear and consistent information on each project. Work is underway to develop the report so that it establishes a robust baseline for measuring progress over time, with information that is clear, comprehensive and proportionate.

Internal reporting arrangements will continue alongside this public reporting. Sponsoring committees will retain responsibility for oversight of individual projects whilst portfolio-level oversight will be provided by the Portfolio Board, strengthened by the independent, on-island external expertise currently being sought, and the Policy & Resources Committee.

The Portfolio Board has agreed the 2026 Portfolio Delivery Plan, which sets out how delivery of the Portfolio will be monitored and managed in practice. This has been reported to the Policy & Resources Committee as part of the Q1 2026 Portfolio Delivery update. This plan provides a practical and up-to-date view of the Portfolio, supporting effective monitoring of progress, risks and dependencies, and will be refreshed annually to reflect changes to the Portfolio and updated delivery information.

# Appendix 1. 2021-25 Major Projects Portfolio Update

Scheme	Update
<b>Our Hospital Modernisation (Phase 1)</b>	The Programme aims to deliver a safe, modern environment that is ready for future demand and support changes in how healthcare is delivered. There are ongoing delays owing to remedial works. Estimated to complete Q2/Q3 2026.
<b>Our Hospital Modernisation (Phase 2A)</b>	Phase 2A forms the next stage of the hospital redevelopment programme and focuses on progressing the design and development needed to enable future clinical expansion and modernisation. The project is currently developing a robust outline business case, supported by RIBA Stage 3 designs, to provide improved cost certainty and a clear delivery approach.
<b>Transforming Education Programme - Phase 1</b>	The programme aims to deliver the Transforming Education objectives by consolidating provision, improving operating models and supporting the development of The Guernsey Institute. The programme is considered to be in good health, with three projects now closed. The remaining projects are progressing well, with the Guernsey Institute project team aiming to deliver key training and process development in the first half of 2026.
<b>Affordable Housing Development Programme</b>	The main aim of the programme is to support the delivery of States-subsidised housing. The Committee <i>for</i> Housing is looking at different ways to deliver both affordable and private housing, including potential joint venture partnerships. Work is continuing on several sites across the island, with the La Vieille Plage development expected to be completed in the first half of 2026.
<b>The Bridge &amp; Braye du Valle Redevelopment</b>	The programme is a long-term project to regenerate the north of the island, focused on Leale's Yard and the nearby Parc Le Lacheur and Saltpans sites. The scope has been refined since earlier proposals, with the programme now structured in phases. The project is moving from initial setup into a more structured delivery phase, with demolition, site preparation and master planning to begin in 2026. Infrastructure works are planned in a subsequent phase of the programme, included in the Pipeline stage of the portfolio. The programme remains on track at this early stage.

<b>Alderney Airport Pavements Rehabilitation</b>	The project aims to restore the runway at Alderney Airport to protect the vital air link between Alderney and Guernsey. A policy letter responding to the States resolution from April 2025 was debated in February 2026, the outcome of which delegated authority to the Policy & Resources Committee to approve funding of up to £24m, subject to the approval of an appropriately detailed business case based on the outlined design. The business case is currently under development.
<b>Transforming Revenue Service</b>	The Revenue Service Programme was set up to bring tax and social insurance collection into a single organisation. The programme is now in its final stages and is moving into day-to-day business operations.
<b>Electronic Patient Record</b>	The programme aims to introduce a new electronic patient record system to replace the extant system, which was no longer supported by its supplier. The first phase, replacing TRAK, was launched in Q1 2026. The next step is to assess the second phase, including costs, benefits and value for money, to agree the preferred approach.
<b>Digital Infrastructure</b>	The Digital Infrastructure project aims to deliver a universal fibre broadband network across the island by installing fibre-to-the-premises infrastructure, improving connectivity for residents and businesses. Work continues on the installation of fibre across the island, and the project remains on schedule.
<b>Children's Services Hub</b>	The project aims to bring children's and families services together in a single, fit-for-purpose location. A range of options has been reviewed following a Project Assurance Review, and the project team plans to bring a policy letter to the States for consideration in 2026.
<b>Clinical &amp; Animal Waste Solution</b>	The project aims to replace both the clinical waste and animal carcass incinerators with a single, combined facility. Most of the installation work has been completed and the new incinerator has been built, with some final software issues still being resolved. The project remains on track to move to the new waste system in Q3 2026.
<b>St Sampson's Flood Defences</b>	The project aims to reduce the risk of coastal flooding in the Bridge area, protecting existing homes, businesses and infrastructure and enabling future development. Options have been reviewed using updated data and wave forecasts, and work is now underway to assess flood defence designs that meet planning and flood risk requirements.

<b>Central Stores - Supply Chain Relocation/ Transformation</b>	The programme aims to improve how goods are bought, stored and managed by redesigning facilities and working processes to make the supply chain more efficient. Following a review of wider warehousing and supply chain needs, the scope of the programme is being updated and now includes additional services beyond the original plan. Work is currently underway to develop the updated scoping document and programme business case.
<b>Guernsey Airport Pavement Rehabilitation (PFAS)</b>	The project aims to safely remove and treat contaminated material in line with requirements set by the independent regulator. A preferred supplier has now been identified, and the full business case has been approved by the States' Trading Supervisory Board. This will be considered by the Policy & Resources Committee in the first half of 2026.
<b>MyGov Digital Project</b>	The current phase of the programme will see core technologies implemented. The next phase has been paused while requirements are reviewed to ensure alignment with organisational priorities and public needs.
<b>Replacement of Castle Emplacement Bridge</b>	The project will replace the existing deteriorated concrete bridge with a like-for-like structure to remove the current weight restrictions. The full business case was approved in Q4 2025, and structural design work for the replacement bridge is now underway. The design is expected to be agreed in the first half of 2026, and the project remains on track.
<b>Temporary Construction Village</b>	The Temporary Construction Village project aims to provide short-term accommodation for construction workers supporting major capital projects on the island. Industry engagement indicates that there is currently limited demand for this type of temporary accommodation, and the project is therefore under review.
<b>Coutanchez Low-Cost Housing</b>	The project aims to deliver new modular housing to increase the supply of affordable homes. It is progressing at pace, and a business case will shortly be submitted to the Policy & Resources Committee seeking approval for substantive funding to enable construction on land adjacent to the College of Further Education site.
<b>Digital Court/ SMART Court Project 1</b>	The project was established to modernise and digitise Royal Court processes through the introduction of new digital systems. The project is now well advanced, and training is underway to support teams as the new systems move into day-to-day business operations.

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**Guernsey  
Registry IT  
Systems  
Replacement**

The programme aims to replace the existing bespoke registry systems and provide a flexible platform that can support new modules in the future. Most of the replacement system has now been delivered, and work is underway to transition the service into business-as-usual.

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**Online Passport  
and Workflow  
System**

The project aims to integrate the Guernsey Passport Office with the UK Passport System, working in partnership with the other Crown Dependencies and Gibraltar. Work is ongoing, with the system expected to go fully live in Q1 2027.

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**Fermain –  
Realignment of  
the Cliff Path**

The project aims to realign the cliff path at Fermain to maintain a safe and continuous coastal route following the failure of the Napoleonic wall in 2014. A preferred solution has now been identified, and negotiations with landowners are ongoing.

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# Appendix 2. Project lifecycle and Associated Business Case Stages

## Introduction

A project business case is important because a project is more likely to deliver the intended benefits if it is clearly defined, well planned, and based on good evidence from the start.

The business case does not create extra work. Instead, it brings together the thinking, analysis, and decision making that a well-run project should already be doing. It provides a clear written record of why a project is needed, what options have been considered, and why a particular approach is being recommended.

The five case model is used because it provides a clear and widely understood structure. It helps decision makers and stakeholders understand how a project has been developed and gives confidence that decisions are based on evidence rather than assumptions.

The business case follows the natural life of a project, from an initial idea through to delivery. It is not a separate process, but a straightforward way of recording key steps, checks, and decisions as a project develops.

A well prepared project business case:

- Helps shape the scope and direction of a project at an early stage.
- Supports informed decisions by clearly setting out the issues, evidence, and reasons for progressing (or not progressing).
- Shows that a project remains viable as it develops.
- Provides a clear basis for managing, monitoring, and reviewing the project during delivery and after completion.

## Stages of the Business Case

The project business case is developed in three main stages. These stages reflect how a project typically moves from an idea to a fully defined scheme ready for delivery:

- I. **Stage 1 – strategic outline case (SOC):** defining the problem and setting the direction
- II. **Stage 2 – outline business case (OBC):** developing and testing the preferred option
- III. **Stage 3 – full business case (FBC):** confirming the final solution before funding is committed

Following these stages helps ensure that decisions are made at the right time and that enough information is available before moving forward. This reduces the risk of progressing too quickly without proper understanding or approval.

The project business case is intended to support good project management and clear decision-making, not to add unnecessary paperwork or bureaucracy.

## Strategic Outline Case (SOC)

The strategic outline case focuses on understanding the problem and deciding whether the project should be developed further. Work at this stage is high-level and exploratory.

Typical activity at this stage includes:

- Clearly explaining the problem or opportunity and why change is needed.
- Setting out the outcomes and benefits the project is expected to achieve.
- Considering a range of realistic options, including maintaining business-as-usual, and identifying a preferred way forward.
- Producing early, indicative cost estimates.
- Identifying the main risks, constraints, and factors that could affect delivery.

The SOC provides enough information for decision-makers to decide whether further work should be carried out.

## Outline Business Case (OBC)

The outline business case builds on the SOC and focuses on developing and testing the preferred option in more detail.

Typical activity at this stage includes:

- Detailed assessment of the shortlist of options, including costs, benefits, and risks.
- Confirming and justifying the preferred option.
- Developing more robust cost estimates and funding assumptions.
- Considering how the project would be delivered, including timescales and procurement options.
- Confirming how the project will be managed and overseen.

The OBC demonstrates that the project is well thought-through and is ready to move towards procurement.

## Full Business Case (FBC)

The full business case confirms the final decision to proceed and provides assurance that the project is affordable, deliverable, and represents good value for money.

Typical activity at this stage includes:

- Confirming final costs and funding following procurement.
- Setting out agreed commercial and contractual arrangements.
- Updating risks and plans to manage them.
- Confirming detailed plans for delivery, monitoring, and review.
- Checking that the assumptions made earlier in the Business Case remain valid.

Once approved, the FBC provides authority to commit funding and proceed with delivery.

## Applying the Business Case Proportionately

The business case approach should be applied in a way that matches the size, cost, risk, and complexity of the project. Not all projects need the same level of analysis.

For smaller, lower-value or lower-risk projects, the business case can be developed in a single stage, rather than following a three-stage process. In these cases, the business case should be short and focused, clearly setting out:

- The problem to be addressed.
- The preferred solution.
- Expected costs and benefits.
- Key risks.

This allows proportionate decision-making without creating unnecessary work.

For larger, higher-value or higher-risk projects, a more detailed stage approach is required. These projects should follow the three-stage business case process set out earlier in this appendix, reflecting the scale of investment and potential impact, and ensuring decisions are supported by appropriate evidence.

Across all projects, the key principle is that the level of effort should match the scale of the decision being taken. The focus should be on providing the information needed to support good decisions, not on producing documents for their own sake.

Using the business case in this way helps ensure that:

- Effort is focused on the areas of greatest risk or uncertainty.
- Decision-makers receive clear and relevant information.
- The process supports good project management without creating unnecessary burden.

## Appendix 3. Pipeline Stage Entry Criteria

Type	Criteria	Description	Weighting	Scoring Guidance	Score (0,1,2)	Total (Weighted Score)
Scope	<b>Defining the Issue/ Opportunity</b>	Are the scheme's strategic outcomes, existing arrangements and proposed scope clearly identified and explained?	0%	<p>Pass vs Fail</p> <p><b>Pass:</b> The information provided clearly defines the potential scope of the scheme.</p> <p><b>Fail:</b> The potential scope of the scheme is unclear or insufficiently defined.</p>		
Attractiveness	<b>Strategic Alignment</b>	Does the scheme align with States' agreed policies & strategies?	30%	<p><b>0 - Not aligned</b></p> <p>The scheme demonstrates no clear alignment to any States-agreed policy or strategy.</p> <p><b>1 - Aligned</b></p> <p>The scheme aligns to one area of focus as outlined in the GWP or another States-agreed policy or strategy.</p> <p><b>2 - Highly aligned</b></p> <p>The scheme aligns to at least one of the super priorities as outlined in the GWP or multiple areas of focus.</p>	0	

<b>Attractiveness (contd.)</b>	<b>Benefits</b>	What scale of potential high-level benefits associated with delivering the scheme have been identified?	20%	<p><b>0 – Minimal Benefit</b></p> <p>The scheme provides little or no benefit beyond reducing risk.</p> <p><b>1 – Moderate Benefit</b></p> <p>The scheme improves internal services or operations but has limited wider impact.</p> <p><b>2 – Significant Benefit</b></p> <p>The scheme delivers broad benefits for the wider community and economy.</p>	0
	<b>Risk Mitigation</b>	What scale of risks is the scheme aiming to mitigate?	20%	<p><b>0 – Low Risk</b></p> <p>Risks are rare or unlikely to happen and would have little or no impact if they did.</p> <p><b>1 – Medium Risk</b></p> <p>Risks are possible or likely to happen and would have a minor to moderate impact.</p> <p><b>2 – High Risk</b></p> <p>Risks are almost certain to happen and would have a major impact.</p>	0

## Achievability

<b>Constraints</b>	What scale of potential constraints could impact the delivery of the scheme?	15%	<b>0 – Major Constraints</b>	0
			Significant constraints have been identified that will seriously affect the delivery of the scheme.	
			<b>1 – Moderate Constraints</b>	
			Some constraints have been identified that will have a moderate impact on delivery.	
			<b>2 – Minimal or No Constraints</b>	
			No constraints have been identified, or those identified will have little or no impact on delivery.	
<b>Dependencies</b>	Are there potential dependencies that will impact the delivery of the scheme?	15%	<b>0 – High Delivery Risk/No Portfolio Link</b>	0
			The scheme has significant dependencies that could seriously affect its delivery, or no other schemes in the portfolio depend on this scheme.	
			<b>1 – Moderate Dependencies/Partial Portfolio Link</b>	
			The scheme has some dependencies that may affect delivery, or other schemes in the portfolio are partly dependent on this scheme.	
			<b>2 – No Delivery Dependencies/Strong Portfolio Link</b>	
			The scheme has no dependencies affecting delivery, or other schemes in the portfolio are fully dependent on this scheme.	

## Appendix 4. Portfolio at a glance - Pipeline and Delivery

### Pipeline Portfolio (in alphabetical order)

Affordable Housing Development Programme - Committee *for* Housing

Alderney Airport Control Tower Solution - States' Trading Supervisory Board

Alderney Airport - Airport Terminal, Fire Station and Ancillary Buildings - States' Trading Supervisory Board

Anti-Financial Crime Technology Development Programme - Committee *for* Home Affairs

Autoclaves at the Princess Elizabeth Hospital - Committee *for* Health & Social Care

Beau Sejour Leisure Centre Re-development/Rebuild (Beau Sejour Review) - Committee *for* Education, Sport & Culture

Complex Residential & Education on Island - Committee *for* Health & Social Care

Digital & Technology Infrastructure Refresh - Policy & Resources Committee

Fontaine Vinery Infrastructure - Policy & Resources Committee

Future Inert Waste Solution - States' Trading Supervisory Board

Future Dairy Solution - States' Trading Supervisory Board

Future Harbours (Including Pool Marina and Fuel Supply) Strategy - Policy & Resources Committee

Guernsey Airport Aerodrome Radar - States' Trading Supervisory Board

Guernsey Airport - Air Traffic Control Centre and Contingency Suite - States' Trading Supervisory Board

Guernsey Airport Terminal Building Roof - States' Trading Supervisory Board

Home Affairs Estate Programme - Committee *for* Home Affairs

Laboratory Development - including Mortuary - Committee *for* Health & Social Care

New Bus Depot - Committee *for* the Environment & Infrastructure

Pharmacy Development - Committee *for* Health & Social Care

Power & Environmental Resilience - Policy & Resources Committee

Regeneration of the Bridge/Infrastructure for the North - Policy & Resources Committee

SAP Roadmap Programme - Policy & Resources Committee

Smart Court Programme - Project 2 Case Management & Project 3 Registrations & Digital Strongroom - Royal Court

States Employee Housing (to include Temporary Accommodation Phase 2) - Policy & Resources Committee

The Haven - Committee *for* Health & Social Care

The States of Guernsey Digital Strategy - Policy & Resources Committee

Alderney Airports Pavements Rehabilitation - States' Trading Supervisory Board

Children's Services Hub - Committee *for* Health & Social Care

Clinical & Animal Waste Incinerator - Committee *for the* Environment & Infrastructure

Coutanchez Low-Cost Housing Project - Policy & Resources Committee

Digital Infrastructure - Policy & Resources Committee

Electronic Patient Records Programme - Committee *for* Health & Social Care

Fermain - Realignment of the cliff path - Committee *for the* Environment & Infrastructure

Funding Affordable Housing Developments - Committee *for* Housing

Guernsey Airport Pavement Rehabilitation (PFAS) - States' Trading Supervisory Board

Guernsey Dairy Essential Works - States' Trading Supervisory Board

Guernsey Registry & IT Systems Replacement - Committee *for* Economic Development

MyGov Digital - Policy & Resources Committee

Online Passport and Workflow System - Committee *for* Home Affairs

Our Hospital Modernisation Phase 1 - Committee *for* Health & Social Care

Our Hospital Modernisation Phase 2A

QEII Marina Gates Replacement - States' Trading Supervisory Board

Replacement of Castle Emplacement Bridge - States' Trading Supervisory Board

SMART Court Phase 1 - Royal Court

St Sampson's Enabling Flood Defences - Committee *for the* Environment & Infrastructure

Supply Chain Transformation - Policy & Resources Committee

Temporary Construction Village (under review) - Policy & Resources Committee

The Bridge & Braye du Valle Redevelopment - Policy & Resources Committee

Transforming Education Programme - Phase 1 - Committee *for* Education, Sport & Culture

# Appendix 5. Portfolio Outcomes

## Delivery Portfolio

Area of Focus	Outcome	Scheme Name
Foundations for our future	<b>Fit for Purpose Infrastructure</b>	Alderney Airport Pavements Rehabilitation (P&RC)
		Clinical & Animal Waste Incinerator (CfE&I)
		Guernsey Dairy Essential Works (STSB)
		Fermain - realignment of Cliff Path (CfE&I)
		St Sampson's Enabling Flood Defences (CfE&I)
	<b>Sufficient Housing</b>	Replacement of Castle Emplacement Bridge (STSB)
		Supply Chain Transformation (P&RC)
		The Bridge and Valle Du Braye Redevelopment (P&RC)
		Coutanchez Low-Cost Housing (P&RC)
		Affordable Housing Development Programme (AHDP) (CfH)
<b>A Place to Grow and Succeed</b>	Temporary Construction Village (P&RC)	
	TEP Les Ozouets Campus Redevelopment (CfESC)	
	TEP Les Varendes Refurbishment (CfESC)	
		TEP The Guernsey Institute (CfESC)

Sustainable Wellbeing	Increased Prevention and Early Intervention	Children’s Services Hub (CfHSC)
	Supported Living and Ageing Well	La Vielle Plage (part of the Affordable Housing Programme) (CfHSC)
	Sustainable Health Care Delivery Model and Funding	Electronic Patient Records (CfHSC)
Our Hospital Modernisation (Phase 1 and 2A) (CfHSC)		
Island Resilience	Sustainable Public Resources	Tax Reform Programme (P&RC)
	Safe and Secure Population	Guernsey Airport Pavement Rehabilitation (PFAS) STSB
		Future Refuge (CfHA)
	Digital Government	Electronic Patient Records (CfHSC)
		MyGov Programme (MyGov and Gov.gg Projects) (P&RC)
		Online Passport (CfHA)
		Smart Court Project 1 (RC)
		TEP The Guernsey Institute Digital (CfESC)
		TEP Transforming Education Digital (CfESC)
	Foundations for our Future	Empowered Economy
Guernsey Airport - Air Traffic Control Centre and Contingency Suite (STSB)		
Guernsey Airport Aerodrome Radar (STSB)		
Guernsey Airport Terminal Building Roof (STSB)		

<b>Foundations for our Future (contd.)</b>		Regeneration of the Bridge/Infrastructure for the North (P&RC)
		Future Harbours (Including Pool Marina and Fuel Supply Strategy) (P&RC)
		Future Inert Waste Solution (STSB)
		Future Dairy Solution (STSB)
		Home Affairs Estate Programme (CfHA)
	<b>Fit for Purpose Infrastructure</b>	Alderney Airport - Airport Terminal, Fire Station and Ancillary Buildings (STSB)
		Alderney Airport Control Tower Solution (STSB)
		Guernsey Airport - Air Traffic Control Centre and Contingency Suite (STSB)
		Guernsey Airport Aerodrome Radar (STSB)
		Guernsey Airport Terminal Building Roof (STSB)
	Guernsey Dairy Essential Works (STSB)	
	Affordable Housing Development Programme (CfH)	
<b>Sufficient Housing</b>		Regeneration of the Bridge/Infrastructure for the North (P&RC)
		States Employee Housing (P&RC)
		Affordable Housing Development Programme (CfH)
<b>A Place to Grow and Succeed</b>		Complex Residential & Education on Island (CfHSC)
		The Haven (Secure) (CfHSC)

<b>Sustainable Wellbeing</b>	<b>Sustainable Health Care Delivery Model and Funding</b>	Pharmacy Development (CfHSC)
		Autoclaves (CfHSC)
		Laboratory Development - including Mortuary (CfHSC)
		Guernsey Airport - Air Traffic Control Centre and Contingency Suite (STSB)
		Guernsey Airport Aerodrome Radar (STSB)
		Guernsey Airport Terminal Building Roof (STSB)
		Complex Residential & Education on Island (CfHSC)
<b>Island Resilience</b>	<b>Safe and Secure Population</b>	The Haven (Secure) (CfHSC)
		Complex Residential & Education on Island (CfHSC)
		Power & Environmental Resilience (P&RC)
		Home Affairs Estate Programme (CfHA)
	<b>Digital Government</b>	Digital and Technology Infrastructure Refresh (P&RC)
		The States of Guernsey Digital Strategy (P&RC)
		SAP Roadmap Programme (P&RC)
	<b>Strong International Position</b>	Smart Court Programme Project 2 & Project 3 (RC)
		Anti-Financial Crime Technology Development Programme (CfHA)

# Appendix 6. Proposed Pipeline Schemes

## The Schemes

The following 26 schemes are proposed to enter the Major Projects Pipeline Portfolio:

### 1. Affordable Housing Development Programme (AHDP) - Committee for Housing

The scheme supports the delivery of affordable housing, including social rentals, shared ownership, specialist housing and emergency housing. It does this by providing financial support, in full or in part, to help bring sites forward for development to meet identified housing needs.

This scheme represents the next phase of the wider Affordable Housing Programme. The first phase is already included in the delivery stage of the portfolio and contributes directly to the Government Work Plan outcomes of “Sufficient Housing” and “Safe and Secure”.

### 2. Alderney Airport Control Tower Solution - States’ Trading Supervisory Board

The structure has reached the end of its operational life, and continued use was only considered as sustainable for a further 18 to 24 months from October 2024. Funding has recently been approved through Routine Capital to carry out temporary reinforcement works, extending its use by a further two to three years.

This solution is temporary in nature and does not provide a long-term fix. For this reason, the States’ Trading Supervisory Board wishes to continue with the major projects submission to secure a permanent solution. The scheme is critical to the long-term sustainability of Alderney Airport and is essential to maintaining reliable air links and access to medical care in Guernsey.

### 3. Alderney Airport - Airport Terminal, Fire Station and Ancillary Buildings - States’ Trading Supervisory Board

Condition surveys have been completed for the airport terminal, fire station, store block and office building. All four buildings have been assessed as being beyond the end of their operational life. If any of these buildings were to fail, Alderney Airport would be

unable to continue operating.

This scheme seeks to address the required repairs or, where necessary, the replacement of the aerodrome buildings to ensure the airport can continue to operate safely and effectively. The scheme has been ranked highly due to the risks it addresses and its strong alignment with Government Work Plan outcomes.

#### **4. Anti-Financial Crime (AFC) Technology Development Programme - Committee *for* Home Affairs**

This initiative aims to strengthen the Bailiwick's approach to managing financial crime risk by improving digital systems and supporting closer working between agencies. It builds on earlier work by improving how information is collected, stored, analysed, reported and governed, creating a more effective and joined-up framework for preventing financial crime.

The scheme supports the "Foundations for our Future" priority by helping Guernsey remain competitive as an international financial centre and meet increasingly demanding international standards.

#### **5. Autoclaves - Committee *for* Health & Social Care**

While other parts of the department were refurbished as part of OHM Phase 1, the autoclaves were not replaced. The existing autoclaves do not meet current UK Department of Health and Social Care guidance or European manufacturing standards.

This scheme will replace these essential autoclave machines, which are used to sterilise surgical instruments. The replacement is critical to maintaining safe surgical services and ensuring the island can continue to provide surgical procedures.

#### **6. Beau Sejour Leisure Centre Re-Development/Rebuild (Beau Sejour Review) - Committee *for* Education, Sport & Culture**

A review is currently underway to assess whether Beau Sejour should continue to operate as a multi-functional civic asset. The review is considering options to repurpose underused spaces, co-locate additional services, or rebuild the facility to better meet community needs.

Any of these options would require investment to ensure that the facility's current social value is maintained and, where possible, enhanced for the future.

## **7. Complex Residential & Education on Island - Committee for Health & Social Care**

The scheme seeks to address the growing risk of more young people disengaging from education due to increasingly complex needs that require specialist and intensive support. It contributes directly to the GWP Priority "Agree and Advance a Sustainable Health and Care System" and supports the "Place to Grow and Succeed" outcome within the "Foundations of our Future" area of focus.

## **8. Fontaine Vinery Infrastructure - Policy & Resources Committee**

To support wider estate rationalisation and enable the Guernsey Development Agency's plans to relocate tenants from Griffiths Yard, investment in the Fontaine Vinery site is required. Relocating industrial users to this site would help free up other areas for redevelopment or alternative uses.

## **9. Digital & Technology Infrastructure Refresh - Policy & Resources Committee**

This scheme will update IT hardware across the organisation, including servers, networks and other specialist systems. Many of these assets have reached, or exceeded, their recommended lifespan and now need to be replaced.

As the existing Master Services Agreement has ended, the States will put new agreements in place to support this work. The scheme is essential to maintaining day-to-day operations and is a key enabler of the Government Work Plan outcome for "Digital Government".

## **10. Future Harbours Strategy (Including Pool Marina and Fuel Supply) - Policy & Resources Committee**

Ports need additional land and facilities to continue operating effectively in the future, meet international standards and manage areas of existing risk. Work is underway to assess the wider strategic and economic benefits of developing the harbours and marinas.

This includes reviewing options for harbour infrastructure and future arrangements for hydrocarbon importation. This work will inform the Guernsey Development Agency's plans, including the proposed removal of 'not always afloat but safely aground'

(NAABSA) vessels from St Sampson's Harbour, which is a key step in enabling wider regeneration of the area.

The scheme also presents an opportunity to expand Guernsey's marina offer by providing a 24-hour access marina, increasing berth numbers and upgrading facilities to match the standards of nearby jurisdictions. The scheme is identified in the Government Work Plan as a super priority under the "Fit for Purpose Infrastructure" outcome and offers wider economic benefits.

## **11. Guernsey Airport Aerodrome Radar - States' Trading Supervisory Board**

Guernsey Airport's aerodrome provides radar services for Guernsey and Alderney and a back-up service for Jersey. This equipment is essential to air traffic control but is nearing the end of its operational life and will no longer be supported after 2029.

If the radar were to fail, air traffic control at Guernsey Airport would be unable to operate and services would need to be safely shut down. Work is underway to develop a Surveillance Strategy to identify the available replacement options.

This project forms part of the Bailiwick Air Navigation Systems (BANS) programme and is critical to maintaining air links for Guernsey, Alderney and the wider Channel Islands.

## **12. Guernsey Airport - Air Traffic Control (ATC) Centre and Contingency Suite - States' Trading Supervisory Board**

Guernsey Airport's air navigation facilities, equipment and services have exceeded their intended lifespan. Without these systems, the airport would be unable to operate, directly affecting the island's economy, access to healthcare and overall connectivity.

The Bailiwick Air Navigation Systems (BANS) programme will assess the condition and suitability of the existing infrastructure, confirm minimum operational requirements and future needs, and repair or replace systems as required. The current lack of resilience in these systems exposes the airport to significant operational, regulatory and reputational risks, which this scheme is intended to address.

## **13. Guernsey Airport Terminal Building Roof - States' Trading Supervisory Board**

The airport terminal roof has suffered several structural failures during high winds in recent years. A detailed survey is planned to confirm the extent of the required repairs, and scaffolding has been installed to allow close inspection. The scaffolding also provides temporary support to damaged sections of the roof.

Completing this work is essential to ensure the continued operation of the airport terminal. It is also important for the island's reputation, as the airport is the first point of arrival for many visitors.

## **14. Home Affairs Estate Programme - Committee *for* Home Affairs**

The Home Affairs Estate Rationalisation Project was identified as a pipeline project in the 2021 Government Work Plan and remained a priority following the 2023 reset of the Major Projects Portfolio. Many of the existing Home Affairs buildings are no longer fit for purpose and do not meet required standards, creating increasing operational and safety risks.

The custody suite at Police Headquarters does not meet Home Office design standards and presents safety risks to both detainees and staff. In addition, the prison currently houses children and adults within the same facility, which does not meet inspection standards and represents a significant compliance and safeguarding concern.

These issues create urgent risks that cannot be addressed through minor upgrades. The project is therefore considered critical, as it is required to ensure the continued safe, lawful and effective operation of Home Affairs services. The scheme aims to deliver compliant, well-located facilities that are fit for purpose for at least the next 25 years.

## **15. Laboratory Development - including Mortuary - Committee *for* Health & Social Care**

The current facilities are not suitable for existing levels of demand and are already failing to meet required standards. They are also not capable of supporting the expected increase in demand in the coming years. Both the laboratory and mortuary are non-compliant, creating increasing operational and regulatory risks.

Without timely intervention, these issues could affect the safe and effective delivery of essential laboratory services. This scheme is therefore urgent and seeks to address these risks by providing a centralised, multi-purpose laboratory on the Princess Elizabeth Hospital campus, alongside a new mortuary. This will ensure services can continue safely, meet required standards and cope with future demand.

## **16. New Bus Depot - Committee *for the* Environment & Infrastructure**

To support the move to net zero by 2050 and improve bus services, a new bus depot is required to enable the electrification of the fleet. While only a small number of electric buses can currently be supported due to electricity capacity, the size and layout of the existing depot are also major constraints.

To move to a fully electric fleet, the depot will need to provide suitable garage and charging facilities, along with storage, office space, driver facilities, and wash and refuelling areas. A new or upgraded depot is therefore essential to support this transition and the long-term operation of the bus service.

## 17. Pharmacy Development - Committee for Health & Social Care

This scheme involves refurbishing and re-configuring the existing Pharmacy at the Princess Elizabeth Hospital and installing a dispensing robot. This will significantly improve patient safety by reducing reliance on manual dispensing and lowering the risk of prescribing and medication errors.

The scheme will also allow a wider range of medicines, including high-cost drugs, to be dispensed safely within the hospital, helping to control costs. In addition, it will address constraints caused by outdated infrastructure, enabling safer, more efficient ways of working and strengthening the Pharmacy Service's ability to meet current and future demand.

## 18. Power & Environmental Resilience - Policy & Resources Committee

Reliable power and environmental resilience are essential to business continuity across the States' estate. This programme was launched in response to a decline in compliance with business continuity requirements and incorporates recommendations from the PwC review following the SCFH server room incident and subsequent IT outages.

The aim of the scheme is to reduce risk by providing reliable emergency power to multiple sites. The current lack of capacity presents a significant risk to the continued operation of critical services, which this programme seeks to address.

## 19. Regeneration of the Bridge/Infrastructure for the North - Policy & Resources Committee

The Bridge and Braye du Valle Redevelopment is an existing scheme in the 2021–2025 Delivery Portfolio. Its focus has shifted from purchasing completed units to acquiring and clearing land to enable the delivery of essential infrastructure.

This proposal seeks to continue development in the northern area by putting the necessary infrastructure in place to unlock future development opportunities. By removing current constraints, the scheme creates the conditions for wider regeneration and more effective use of the site over time. It aligns with two of the "Foundations for our Future" areas of focus and contributes to the super priority workstream of "Maximising

Potential in States Assets”, including Leale’s Yard.

## 20. Smart Court Programme - Project 2 (Case Management) & Project 3 (Registrations & Digital Strongroom) - Royal Court

The current system is not suitable for a modern digital environment. The SMART Court Programme aims to modernise the Royal Court by using digital technology to improve the experience for service users. This will make court processes easier to understand, quicker to access and less complex, reducing delays and improving access for all users.

The programme will also support staff to work more efficiently, helping services run more smoothly and consistently. This work supports the “Digital Government” outcome within the “Island Resilience” area of focus and will improve the States’ overall digital services. Project 1, Court Presentation, is now well advanced, and training is underway to support the transition into day-to-day operations.

## 21. States Employee Housing - Policy & Resources Committee

Much of the rented accommodation currently used for States employee housing does not offer good value for money. In addition, some of the States-owned properties are no longer suitable and need to be upgraded, refurbished or considered for exit and disposal.

This scheme seeks to secure funding for government employee housing, enabling the Strategic Property Unit to manage the States employee housing stock more effectively. This includes bringing forward suitable, operationally aligned properties, including schemes that the Guernsey Housing Association does not currently have the capacity to deliver.

Providing appropriate States employee housing is essential to attracting and retaining staff who are critical to the delivery of the States’ most vital services.

## 22. The Haven - Committee for Health & Social Care

Secure accommodation at The Haven serves two purposes: supporting children on remand and providing specialist accommodation for young people who pose a risk to themselves or others. Demand for both has increased over the past two years, alongside a significant rise in harmful sexual behaviour and offending by young people in the Bailiwick.

The current facility is not fit for purpose and is increasingly unable to meet this growing and complex demand. This scheme seeks to identify how the Bailiwick can provide improved secure accommodation, while making the best use of available resources. Addressing this need is essential to protecting vulnerable young people, managing risk

effectively, and supporting a safe and secure population.

### **23. The States of Guernsey Digital Strategy - Policy & Resources Committee**

The Digital Strategy depicts the objectives of transforming our government services through digital innovation, outlining the principles that will guide the development of new digital services.

The strategy sets the direction and principles that will guide future digital investment. Once agreed, it will inform the development of individual digital projects that deliver tangible improvements for service users, staff and the wider organisation. In this way, the strategy acts as the foundation for delivering consistent, high-quality digital services and achieving the States' wider digital and service improvement outcomes.

### **24. Future Inert Waste Solution (transitional scheme) - States' Trading Supervisory Board**

The current inert waste facility has reached the end of its operational life. Without timely action, the States face increasing operational and compliance risks, including continued reliance on temporary measures.

This project proposes the development of a new inert waste facility to ensure the Waste Disposal Authority can continue to meet its statutory duty to provide appropriate waste infrastructure for the island. A policy letter was debated in May 2025, after which the States agreed to reclaim land at Black Rock for the new facility and to designate Les Vardes Quarry solely for water storage.

Developing the new facility is therefore urgent to maintain compliant waste operations and avoid further disruption to construction activity and the wider economy.

### **25. SAP Roadmap Programme (transitional scheme) - Policy & Resources Committee**

Licensing and support for the current SAP system will begin to reduce from 2027, with no further improvements available and only limited support provided at additional cost. By 2030, the system will be fully out of support.

If the system is not replaced, the States would face increasing operational, financial and security risks, including a greater likelihood of system failures and disruption to critical services. This scheme therefore seeks to replace SAP with a fit-for-purpose system that

provides a reliable, supported platform to meet the needs of users and the organisation into the future.

## 26. Future Guernsey Dairy Solution (transitional scheme) - States' Trading Supervisory Board

The project aims to design, build and bring into operation a modern and resilient dairy on a new site. This is essential to securing the long-term continuity of on-island milk and dairy production, reducing reliance on ageing infrastructure and ensuring the island can continue to meet quality and regulatory standards.

By providing a fit-for-purpose facility, the scheme strengthens the resilience of the local dairy supply, safeguards food security, and supports a sustainable, reliable operation for the long term.





States of  
Guernsey