

**Scottish Hospitals Inquiry**  
**Witness Statement of**  
**Alan Morrison**

**Preliminaries**

1. I am Alan Morrison. This witness statement follows and, as appropriate, expands upon the evidence that I provided to the Inquiry within my witness statement (dated 11 April 2022) as well as the oral evidence that I gave to the Inquiry on 16 May 2022.
2. The Inquiry has evidence within the witness statements provided previously by myself and Mike Baxter (dated 20 April 2022) and in Mike Baxter's oral evidence to the Inquiry on 16 May 2022 as to the Scottish Government's (and specifically the Scottish Government's Health and Social Care Directorates' ("SGHD")) role and responsibilities in relation to the design and delivery of large healthcare projects, including the Royal Hospital for Children Young People/Department for Clinical Neuroscience ("RHCYP/DCN").
3. Noting that context, I have been unable to answer the majority of questions contained in the Inquiry's section 21 Notice, dated 14 December 2022, partly because some of these questions relate to matters that are not the responsibility of the Scottish Government, but mainly because the majority of the questions relate to a period pre-dating my time in post.
4. I have read the witness statement of Mike Baxter in response to s21 Notice dated 14 December 2022 and, to the extent that I have any knowledge of the matters set out therein, I do not demur from what he sets out within his statement.

**ACTIVITY DATABASE AND CEL 19 (2010)**

5. I cannot add further detail to that contained in Mike Baxter's statement in response to this section of the Inquiry's Section 21 Notice dated 14 December 2022.

## **TIMESCALES**

6. I am told that the Inquiry has heard from other witnesses that Scottish Futures Trust (“SFT”) were instrumental in deciding on timescales for the procurement exercise; in particular when FC should take place. I am asked whether this accords with my understanding.
7. I was not in post for the tender exercise (preferred bidder appointed in March 2014), so cannot comment on the majority of the tender exercise (as explained in the following paragraph). A target date for FC of October 2014 was set during this period but missed. FC was achieved in February 2015.
8. I cannot speak for how my predecessors operated, however, since I have been in post, while I have relied on the advice and assistance of SFT on a large number of health capital projects, the decision on timescales for procurement exercises and, in particular when FC should take place, has sat with Scottish Government (per the business case review process described at paragraphs 22 to 42 of my first statement)<sup>1</sup>. The Scottish Government does not, however, typically get involved in the timetable for the procurement exercise that is actually undertaken by the health board.

## **ITPD AND ISFT**

9. I cannot add further detail to that contained in Mike Baxter’s statement in response to this section of the Inquiry’s Section 21 Notice dated 14 December 2022.

## **AEDET AND HAI-SCRIBE**

---

<sup>1</sup> See particularly para 29 - “A developer can only move on to procurement (by whatever means it considers appropriate) once it has received approval of its outline business case from the Scottish Government.”

10.I cannot comment on the AEDET and HAI-Scribe Assessments. Health Facilities Scotland and Health Protection Scotland would have led on these issues.

## **PROGRESS TO FINANCIAL CLOSE**

11.I cannot add further detail to that contained in Mike Baxter’s statement in response to this section of the Inquiry’s Section 21 Notice dated 14 December 2022.

## **KEY STAGE REVIEWS**

12.I have been asked to provide the Inquiry with my knowledge and understanding of KSRs. In so far as it is within my knowledge, I agree with what Mike Baxter has said in his statement in response to the Inquiry’s Section 21 Notice dated 14 December 2022.

13.The only additional evidence that I would draw to the Inquiry’s attention, in case it is useful, is the description of KSR contained in SFT’s “Project Assurance” guidance:-

*Key Stage Reviews (KSRs) were developed in response to the introduction of large, long term, output specification based revenue funded projects. Unlike traditional capital projects, the promoter is procuring a service normally for a 25-30 year period using the EU Negotiated Procurement procedure, and more recently the Competitive Dialogue procedure. That method of project assurance places much greater importance onto ensuring that projects have: a) developed comprehensive specifications, b) a robust procurement and evaluation strategy, and c) appropriate resources and project information in place before the tender process is commenced.<sup>2</sup>*

---

<sup>2</sup> [https://www.scottishfuturestrust.org.uk/storage/uploads/project\\_assurance.pdf](https://www.scottishfuturestrust.org.uk/storage/uploads/project_assurance.pdf)

## **FULL BUSINESS CASE**

14. In relation to section G of the Inquiry's Section 21 Notice dated 14 December 2022 I can add the following in addition to the evidence contained in Mike Baxter's statement produced in response thereto.
15. The Inquiry asks whether it is usual for the Pre-FC KSR to be finalised before CIG's recommendation for approval of the Full Business Case and indicates that in the RHCYP-DCN project it appears that the KSR took place after full business case approval and months after the meeting of the CIG in August 2014.
16. The CIG approval of the Full Business Case provides the authority for the NHS Board to move to FC. The pre-financial close KSR is designed to provide assurance on the detail of the contract that is due to be agreed between the health board and project co. This contract needs to be agreed, effectively, in real time. This has to be the sequencing of events and is entirely appropriate.
17. I would note that the February dates referenced within the table contained in this section of the Inquiry's section 21 Notice dated 14 December 2022 should both be 2015.

## **STATEMENT OF TRUTH**

18. I believe that the facts stated in this witness statement are true. I understand that this statement may form part of the evidence before the Inquiry and be published on the Inquiry's website.