

# FRIENDS OF OUR NEW HOSPITAL

Conference 7<sup>th</sup> July 2021



COMPILATION OF PROCEEDINGS  
OF THE PUBLIC MEETING  
AT THE RJA&HS  
7<sup>th</sup> JULY 2021

Lady Valerie Broomfield

## WELCOME

### **A word about us,**

We are a small group of people who have been carefully following the information concerning the building of a hospital for the last five years.

And that is the reason why we have organised this open meeting, to inform you the public of our findings and to understand why we are worried about the future of our island's health.

I know many of you are fed up and are saying "just get on with it." We agree. We are not trying to hold things up.

We are trying to get the correct hospital, in the correct place, with the correct things in it.

### **Expense**

We hope to be able to show you with our speakers tonight why we are so worried that this is the most expensive thing that Jersey has ever embarked on and could end with the future generations paying for the rest of their lives.

There will be time for questions at the end.

Now I will hand you over to our Interim Chair Peter Funk....

**Friends of our Hospital conference**

**Sir Philip Bailhache**

**Wednesday 7 July 2021**

Good evening – may I begin by thanking the Friends of our Hospital Group for their invitation to say a few words at the beginning of this public meeting? I have long admired the approach of the Friends to the hospital project – even as to the naming of their organisation which makes clear that the intention is to offer constructive criticism and advice which any reasonable body of persons should always welcome. The bulletins which are published from time to time are absolute models of succinct and informative prose which identify issues upon which there are concerns and inviting responses. If only the impenetrable Reports accompanying the Jersey Care Model proposition had had a Friends-type bulletin explaining what it was all about. It is disappointing that the reaction to this constructive criticism is not always as positive and engaging as it should be.

Indeed, I would go further and say that unless and until we get greater transparency and cooperation from the Health Department and the Hospital Project team, I fear that we are heading for the equivalent of a collision between irresistible force and immovable object which will be damaging for Jersey. Like many others, I am sure, I read with incredulity the reactions of the health officials attending the Public Accounts Committee last week who stated that a performance report will not be published because the document might be presented in a way that was sensationalized by the media. Nothing, it seems to me, is more likely to lead to a sensation than a refusal to publish a report on the performance of those who have decided not to publish it. The whole purpose of a performance report is to enable comments and criticisms to be made which will, hopefully, improve performance. Another reason given was that publication of the report might put people off from using health services. But if the report reveals poor performance in a particular section, surely the public is entitled to know about it? It is up to that section to put matters right and persuade the public that they have done so. What is the view of Ministers on this matter? The Minister of Health has been strangely silent – perhaps he was not consulted by his officials before they took this extraordinary decision? And the Chief Minister has yet to give any assurance that the report will be published. The plan apparently is to publish it early next year – maybe within the period the of purdah before the elections, which is always a good time to bury bad news. Sadly, this fear of criticism, or even worse indifference to it, seems to be endemic in the Health Department and may be one of the causes of the lack of transparency which has now become serious enough to threaten democratic processes.

It is for all these reasons that I welcome this public meeting and the determination of the Friends' Group to draw attention to issues which deserve discussion. Having been in government myself, I do appreciate the difficulty of distinguishing white noise – the clamour made by a small minority of disaffected individuals, from genuine discontent and serious concerns on the part of most of the public. I accept that it is not always easy to make that distinction. I can only say that hardly anyone to whom I have spoken thinks that Overdale is the right place to build a hospital. The site selection

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arrangements were a cynical and indefensible travesty of democratic process. It is disappointing that States members succumbed to the Government's dubious insistence about increasing cost and agreed to approve the site at Overdale. Cost is increasing remorselessly because the Government has made the wrong choice and appears to be spending as fast as they can to prevent any change of direction.

The question is what, if anything, can now be done. I do not know the answer to that question, but I do know that an informed public debate about the Jersey Care Model, what kind of hospital we are going to get, and the environmental and financial consequences of building a hospital at Overdale is long overdue. The Government should recognise that fact and share its thinking on this, the largest and most important investment of public money ever undertaken in Jersey. Something has gone badly wrong when a meeting to inform the electors of St Helier about the new road collapses because the electors are dissatisfied with the information they have been given. Something has gone badly wrong when the President of the Jersey Bowling Club must write to the JEP complaining that his club, about to lose its 100-year-old home to a new highway, may disintegrate because of the uncertainty surrounding its future premises. There is a carelessness and an ignorance of Jersey values about the whole hospital project which is deeply disturbing. This is not how we should be feeling about a project which ought to be uniting Islanders in enthusiasm. I look forward very much to the discussion to come.

Andy Howell

## OUR NEW HOSPITAL - ACUTE OR GENERAL?

Thank you for coming this evening.

As you have heard from Valerie and Philip, the proposed new Hospital will not be the General Hospital that we currently enjoy. It will be an **ACUTE HOSPITAL** (although I concede that there will be a renal unit and an oncology department.) All treatment currently available at Gloucester Street will be available at the new Hospital, but the Physiotherapy Department and Hydrotherapy pool will not be replaced.

At the moment Islanders enjoy receiving their care both at Gloucester Street and at Overdale. Unfortunately, in order to develop Overdale as the new Hospital, the Project Team have decided to demolish everything that is currently there. The proposals mean that, with one or two exceptions, all the facilities and services which Islanders enjoy at Overdale at the moment, are to be moved to Les Quennevais old school. They are to move to a building which was no longer fit to be a school, but which is now deemed to be the place for us to receive Medical care. There has been **no consultation with the Public** as to whether they wish this to happen.

### 1. What is MISSING?

We are told that the move is to be 'temporary' and 'for the 5 year duration of the build,' but is the really the case?

The specification or Functional Brief for the new Hospital, released in November 2020, states that the design of the new Hospital will focus on ACUTE Treatment and that outpatient appointments will be reduced/transferred to other settings/ or there will be remote provision. It states that 'long term conditions will be increasingly managed in Primary Care'.

#### **No mention is made of:**

Care of the Elderly  
Child Development  
Diabetic Clinic  
Dietetics  
Meals on Wheels  
Memory Clinic  
Neurology and Neuroscience  
Occupational Therapy  
Pain Clinic  
Physiotherapy Department  
Podiatry  
Rehabilitation Ward

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Rheumatology  
Speech and Language

We have learnt that the Dental Department is to remain in Newgate Street, The Laundry at Five Oaks, Long term Adult mental health is to remain at Clinique Pinel, Rosewood House: Oak and Maple wards, St Saviours.

**It would seem this is not to be the promised, 'All on one site' new Hospital.**

Meanwhile, there will be no Physiotherapy or Occupational Therapy Departments – so where will the equipment be stored? Where will the base for our wonderful Physiotherapists and Occupational Therapists be? Where will receive our Physiotherapy? Does this mean there will be a 'User Pays' policy at Private Clinics? and no REHABILITATION WARD (Graham will speak further about this after me.)

Questions:

'Where will our Care Take Place in the Future'?

' Will care continue at Les Quennevais long term'?

' What are the plans for the 'missing' departments'?

- Will any of these services be provided in the new Hospital when it opens?

Unfortunately, lack of information is a great concern to all of us. We all appreciate being able to attend the General Hospital and Overdale for our Outpatient Appointments at the moment, but what will happen in the future? Islanders need to be able to be referred for Consultant opinions and treatment.

We need to know the DETAILS of where our care is to take place, who we shall be able to see and how much it will cost.

**Why are we building a new Hospital without the facilities we need?**

## **2. Jersey Care Model**

The difficulty with the Hospital design, presented to date, is that it is being developed based on the 'Jersey Care Model' yet this model does not exist.

It is cited that more care will take place in the Community and in people's homes. Whilst appreciating that the, 'best place to heal is at home' this can only apply if you have a suitable home with people around who can help with your care, the financial security to support you and only then if there are community resources in place i.e. doctors, nurses, carers to support you and additional money to invest in it. Those, for example, who live alone, in small flats up two or three flights of

stairs, with no lift and no family or friends and limited financial means will not heal well at home. There needs to be provision for them. There has to be 'back up.' We have now also learned that, although there were to be 'HUBS' dotted around the Island, (and they remain in the Draft Island Plan) there will now be no 'HUBS' so where is the care in the Community to take place?

Sometimes, with the limited resources available, we have learned it is more cost effective and productive to have a central clinic rather than have our valuable Staff driving round the Island.

### **3. Health Insurance Fund (HIF)**

Worryingly, to plan for the Jersey Care Model £58 million is being taken/ 'siphoned off' from our Health Insurance Fund over the next 4 years. The money is being taken to PLAN the Care Model, but what is it to be spent on? We know that they have employed 17 Project Managers at a cost of £900,000 per annum. If we count this as £4m, what are they doing with the remaining £54M?

The HIF is our contributory fund, paid into by you and me, to pay for our prescriptions and it was meant to be half of our GP consultation costs. The aim of the scheme was always as a co-payment system, the Insurance fund and the patient sharing the GP cost 50% /50% Unfortunately, the rebate given to the GPs has not been increased for the last decade. During this time GP expenses have risen considerably (Insurance, Staff Costs, Utility bills IT etc) This means that the patient has to pay more, leading to hardship for some and perhaps meaning that some patients fail to seek medical help. Surely the rebate should be raised now? - If the Fund is to be drained by HCS, does this mean that Islanders will have to pay for their prescriptions and their GP bills in total in the future? Rather, the HIF should be augmented and the interest used annually to pay the GP rebate and our prescription charges . . . it would then be a sustainable fund going forward.

The Jersey Care Model seems to be based on the UK NHS. It seems to be a 'top down' initiative without input from the Doctors, Pharmacists, Opticians and Dentists, Nurses, Physiotherapists and OTs who are to deliver the care, and most definitely without Public Consultation.

It seems that many associated tiers of Management are being introduced, and it begs the question: What are we doing? What problem are we trying to solve?

We already have a well- functioning Health Service of which we are rightly proud e.g. GPs provide care 24 hour 365 days/ year service; Family Nursing give great care in our homes, Hospice, community Physios and remote monitoring of our cardiac problems. We already have preventative programmes. We do not need to spend £58million planning any new Care Model. There are always ways to make improvements, but creating systems and complicated pathways is not the way forward. We need to keep thing simple. In Jersey we just talk to one another.

I strongly believe that we should be investing in the Primary Care Services and Facilities we already have, and not imposing a completely new Care Model. Our frontline Staff are our most valuable asset. We should be treasuring and cherishing them.

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I would also like to say, 'thank you to our amazing GPs and all other Primary Care Providers and indeed, all our frontline Staff in the Hospital and in the Community. They need our support and they need investment from Government. It is only if they are sufficiently remunerated and well -treated that we will be able to attract and retain them.

We need to STOP and consider carefully what we are doing.

Any new Hospital should have all the services and facilities that we currently enjoy. It should be a GENERAL HOSPITAL. The current plans need to be challenged. We should not be short-changed.

Graham Bisson

## REHABILITATION POST SAMARES

The example I am going to share with you is not only up to date but it is also a personal one.

In October/November 2019, the promoters of the Jersey Care Model went on a Parish Hall Roadshow where they publicly stated that **“Health Care that was free then would be free in the future.” We were also assured that “the quality of services would be every bit as good, if not better”**

On the 12<sup>th</sup> May this year, the Health Minister, Deputy Richard Renouf in an email stated **“Services that are free at the point of access, will continue to be free, regardless of where those services are delivered.”**

On the 18<sup>th</sup> June this year, Caroline Landon, the Director General for Health, during a Health Scrutiny meeting said: **“What was previously free in the past would be free in the future and if anybody had a problem, they should send her their details.”**

With these prominent people all reiterating the same message, one would have thought this was the truth, but in fact, this is **not the truth**. If it is not the truth, **then it must be a lie**. Some of our States members and civil servants seem to have great difficulty in being honest.

In June/ last year, the Health Service closed Samares Ward at Overdale. I think it fair to say that Samares Ward was a world class head injury and stroke rehabilitation unit, but it was closed under the guise of the Health Service requiring it for Covid recovery purposes. In its place we now have 2 small units, with 6 beds for men and six for women, on the Plemont ward at the General Hospital. The equipment in this facility and the service provided is a shadow of its former self. I know this from first-hand experience.

**Before the closure of Samares, there was no time limit on people staying there, and no cost to the patient involved.**

Having received an inferior level of rehabilitation, a patient must leave Hospital after a maximum of 13 weeks and can only return home if the family can provide **a satisfactory care package that is acceptable to the authorities**. If circumstances, or personal finances don't allow for this, the States will put them into a Nursing home chosen by the States.

Returning to our personal experience, on 12<sup>th</sup> December last year, my wife of 55 years, had a serious stroke and spent the following 13 weeks in this **'replacement facility'** on Plemont Ward where her care was nothing like that which she would have received, had Samares Ward remained open.

She has now been back home for 16 weeks and is unable to stand up or walk, **but she is here with us tonight**. With some difficulty, we were able to put a care package together, which was acceptable to the authorities. Making alterations to our home, and purchasing a second hand disability vehicle **cost us £46,000**.

However, by far our greatest difficulty was finding carers. Our allocated Social worker from Social Security contacted all of the **22 Care Agencies** with no success. The following week I contacted the same agencies, and fortunately found 3 who were able to help.

The agency we chose provide 2 carers who come in at 8 am and 8 pm for an hour. That leaves me being the principal carer for 22 hours a day. **That is a huge commitment.**

Anybody who knows my wife will know that she is a lady who never complains about anything, but after 3 weeks at home and with no physiotherapy provided, she said to me **“ I really feel as if I have been neglected, and I am worse now than the day I left Hospital”** Without considerable physiotherapy and occupational therapy, progress has not been possible.

After several weeks I contacted the Hospital and they offered my wife **one hour per week** of physiotherapy up at Overdale. When asked how long that would last, the answer was **“we have no idea.”** After 6 weeks of one hour's treatment per week, the following 3 weeks were cancelled at short notice because there was no physiotherapist available.

As there appeared to be no prospect of this minimal service recommencing, we have had to employ a private physiotherapist for 2 one hour sessions per week. In addition, we have made private arrangements for my wife to have 2 half hour sessions in the Aquapool at the Jersey Cheshire Home. Our 'home-made' care package is now costing us **£65,000 per year – that's £5,400 per month or £1,250 per week**

**On the 1<sup>st</sup> June this year the General Hospital employed 76 Physiotherapists and 30 Occupational Therapists.**

My wife is a category 4 patient, and at the moment the current Long Term Care payment for category 4 patients is **£1,094 per week.** This means that, **after we have paid the first £58,230 to reach the Long Term Care threshold,** the shortfall between what category 4 patients receive and what our care package is costing us at the moment **will be £8,000 pa.**

To add insult to injury, the cost of private physiotherapy, the Aqua-pool at Jersey Cheshire Home, and the cost of home improvements **are not considered to be care costs** and therefore do not go towards the Long Term Care threshold that needs to be met before any Long Term Payments are made. **As far as we are concerned, every part of the Care Package that we have put in place is very much a care cost, as each one is absolutely essential to her wellbeing and recovery.**

**In summary, by following the lead of a team of senior civil servants who care little, and understand even less about our island, our States Members have wilfully voted to deny us access to previously provided world class care, funded and delivered by the State, without so much as a proper debate.**

**In its place they have managed to inflict us with the Jersey Care Model; a 'do what you can at home, with whatever funds you have available' scenario in which the State has simply turned its back on its citizens.**

Over the last 4 years our group, has spent an incredible amount of time researching and studying all the expensive reports that have been produced. We are passionate about this Island and our future healthcare in particular, but also very concerned about the way we are being governed.

It has become abundantly clear that our current Council of Ministers is weak and inept. They lack any sign of original thought and have relinquished all authority, handing it to unelected **Director-**

**Generals, carefully selected by the disruptive and squandering former CEO, Charles Parker. This is crippling our Island.**

Our island is being mismanaged - and systematically bankrupted. Everyone knows it and it would seem that the majority of islanders have reached a state of despair. Surely something can be done?

**Enough is Enough.**

Nothing will improve until the current Council of Ministers is removed.

**Thank you for coming here tonight and thank you for listening.**

Tamara Vanmegglen

## THE SITE THE ROAD & MORE

We have yet to hear a viable reason for the proposed super highway, carving an up to **12 metre wide path up Westmount Hill** costing an estimated £38 million, including Parish and private land acquisition.

The proposed plans, if approved, will materially alter the west side of town by destroying the 112 year old Bowls club, homes, agriculture and green space, historic rock outcrop and drastically alter the gradient of the hill. It will remove more than 140 public parking spaces along People's Park to create a new traffic lane – and all this without a Green Travel Plan or any traffic impact studies to date.

UK best practise in hospital design is to **start** any new hospital build with a **Green Travel Plan** - to find ways to promote more sustainable transport modes, particularly reducing private car trips. As hospital parking generally consists of 2/3 for staff, it is no surprise how vital incorporating **Workplace Travel Plans** is into the Green Travel Plan, a concept the Jersey government has been supporting for over a decade.

However, we have been told that the Green Travel Plan will be produced **just in time for the Planning Application** for the road and hospital, to be submitted at the end of the year – which is **backwards** to how it should be.

It is important to note that the Overdale hospital site has been **assessed 3 times previously**, and each time, minimal road alterations were proposed, including in 2016 when **Arup, the main highway contractor** on this project assessed it. The difference? Arup produced a Green Travel Plan in 2016 as part of its proposal up front.

Remember Senator Farnham's statement to the media about '**only 3 homes**' destroyed? Well, it is **12 homes now in total** being demolished to make way for the 4 storey car park on top of the hill.

Remember the multiple promises by politicians last year to find the **Bowls Club a new home**? That has not happened yet [and the President of the Club wrote into the JEP last week to say the uncertainty threatens the future of the club.]

**St. Helier has held 2 parish assemblies** on the proposed sale of Parish Land for the road access, both of which voted overwhelmingly against the road plans.

I have been advised by a member of the **St. Helier Roads Committee** they too have rejected the proposed road access plans and are disappointed with the **lack engagement** and failure to produce Green Travel plan that has resulted in the current proposal allocating **700 parking spaces when the current hospital only has 150**.

Going back to the **2020 Site Evaluation Report of the short listed 5 sites is revealing**. The contractors state access to the hilltop Overdale site is challenging and that Westmount Road is narrow and with tight bends and cannot accommodate the **large equipment needed for construction** and will require 'significant enhancements'. No mention the road amendments were required for the actual hospital.

When we pointed out that destroying so much to **accommodate construction was not a good**

**reason**, we were then told that it wasn't for construction, it was because **ambulances** needed a straighter road to access the new hospital. We mentioned that ambulances go up and down Westmount every day now to Overdale!

When the States Assembly voted for Overdale, they passed an **amendment to review alternative and more sustainable transport options** that minimise impact on green spaces, leisure centres and homes.

The project team produced a report last December purporting to **analyse 71 alternative options of road access to Overdale but it was nothing more than lines on Google** maps and unsurprisingly concluded the current option was still the best one. Interestingly, the 'do nothing' to Westmount Road option scored only **marginally lower** than the proposed destructive plans on a 38 criteria point rating.

The professional peer review report commissioned by the Scrutiny panel noted a **severe lack of information** to support the proposed Westmount option at that time, criticised the **lack of serious consideration** for the 'do nothing' option considering time was the overriding priority and noted it did not contain a **sustainable transport plan** as required by the States Amendment.

Despite the failure to meet the terms of the Amendment, the Assembly passed it anyway and kicked the whole matter to Planning.

We have been told the **number one priority for this project is time**. Therefore, finding options to remove the costly and complex road construction should be appealing but are not pursued.

The Project team continually tell us that Westmount Road must have **24/7 access and be 2-way for 'resilience'** – what if there is an accident and the road is closed? We pointed out that the current hospital is accessed by a series of one-way roads.

The lead road engineer actually called Westmount 'dangerous' during one of the public meetings. I submitted a Freedom of Information request and found out that in the **last 4 years, there has been 2 minor accidents** on Westmount (only 1 involving 2 cars) and the road was closed for a total of **5 minutes** during that period. Hardly a 'dangerous' road!

We have been told the road needs to be **6.7 metres wide** (average Jersey road width is 4.7 metres), and you will be forgiven for thinking this is a particular hospital safety requirement. But, it's not. The project team tells us they have **instructions** from the IHE (Infrastructure, Housing and Environment department) **that Westmount must be wide enough for 2 Liberty buses to pass** each other on the hill. Really??

They have estimated **4 buses per hour** are to arrive at the proposed Overdale hospital and the project team conceded that the exit route may be via another road (therefore no passing on Westmount). You can of course alter the bus schedule by 5 minutes so they don't pass each other on the hill. I have submitted a FOI for the IHE instructions to the project team...I am still waiting for a response!

And then there is the issue of the **gradient**, the steepness of the hill. Anyone who has walked or cycled up Westmount will know it is difficult for most of us. To bring Westmount closer to

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accessibility standards, it is proposed to alter the gradient by **raising the level of the road 6 metres** by pouring thousands of tons of infill over the bowls area and then lowering the hairpin turn by **3 metres** to meet it. Large embankments on one or both sides of the road will be necessary to support these height changes.

The sheer scale of alternation means a **3D computer generated image** at pedestrian level view is vital to fully understand it. Yet, it has not been produced to date.

What's more, the estimated £38 million is for Westmount Road and around People's Park. **Only minor junction amendments have been proposed for surrounding road network**, notably the **alternative ambulance access route from the north via St. John's Road** which is narrower than Westmount! Are there future plans in store when they finally get around to conducting traffic impact studies? We don't know.

This is not a Town issue, but one for every tax payer. At an estimated cost of £38 million and many months of construction, unless and until we have a Green Travel Plan truly informing the road design and not the other way around, the current Westmount road proposals should be scrapped!

Mary Venturini

## FROM OVERDALE TO LES QUENNEVAIS & BACK?

We have just heard about the Overdale site from Tamara so I am now going to take you a quick walk around our concerns for the Les Quennevais site . . . the Cinderella of the hospital story or the ELEPHANT in the room.

For a start, I'll just point out that the conversion of the old school at Les Quennevais (which dates back to the early 1960s) into a modern medical facility is not mentioned in the Island Bridging Plan, even though there is a special section on housing and retail development at Les Quennevais. I wonder why?

The answer is obvious. The move of services from Overdale to Les Quennevais (which we first heard about in January this year) was clearly a rushed after-thought, like so much else in this hospital story.

But Les Quennevais is of **vital importance** to the smooth functioning of the whole hospital plan because it has to house the services that are now at Overdale until the new hospital is ready. Then most of them (but not all) are scheduled to return to the new hospital.

The project is for plans for the repurposing of Les Quennevais from school to medical centre to be submitted for a Planning Application at the end of this month. All being well construction should begin early 2022, with completion by the end of the year, **not** the beginning of 2022 as we were originally told back in January.

At the same time an application for demolition for at least some buildings at Overdale will also be submitted at the end of July with work to start early 2022.

So demolition will start at Overdale BEFORE Les Quennevais is ready. Just think about this a moment. Demolition will start while medics are still working there and while patients are still going there for consultations. Even if it's only the buildings *not in use*, these are the most dangerous (containing asbestos) and they are at the far end of the site. Just imagine going to Overdale for an appointment and dodging your way past diggers, earth movers and heavy trucks as they dismantle asbestos-filled buildings. Most people would agree this is dangerous. But members of the hospital team can't make up their minds. First they admitted it was dangerous and said that demolition would not begin until **all** services had moved to Les Quennevais. Now they are saying that they have to get on with demolition before the site has been evacuated because the whole project is behind schedule.

Here is another consideration.

Building starts at Les Quennevais (if all goes well with the July planning application) at the beginning of next year, before the plans for the new hospital at Overdale and the access road have been approved. What happens if they are NOT approved?

We shall have a new temporary medical centre going up at Les Quennevais at the cost of £17m. That's the price today, but the cost has already mushroomed from £5m to £17 m since January so who is to say that it won't suddenly go up again before the end of this year?

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So what if the planning application for Overdale and the access road fail? What do we have? A very expensive, supposedly temporary building (and we have been told several times that it is temporary) at Les Quennevais to house medical services which are supposed to return to Overdale but can't. Where is the logic to this?

Now let's move to Les Quennevais itself.

While the old school is being converted into modern medical facilities all the residents around the site will have to put up with the comings and goings of heavy construction vehicles in the narrow roads around their homes. Les Quennevais old school also has issues with asbestos. Let's hope that there is an Environmental Impact Assessment report before all this get's going.

One final thought.

At the moment there are over 200 people working at Overdale, most of whom probably live around St Helier. In future they will have to drive, or be persuaded to take public transport or bicycle, to Les Quennevais. And the consultants now working at Gloucester Street will have to drive to Les Quennevais for consultations, probably at best 30 minutes each way. And what about the patients? We still haven't been told how many appointments there are each day at Overdale. Where will all these people park? The hospital team is confident that this is all sorted. But many of the residents are not so sure.

### Action

In order to avoid these dangers we would urge you to keep your eyes on the Planning Applications at the end of July and to insist:

1. That demolition at Overdale does not begin before all the buildings have been vacated.
2. That construction at Les Quennevais does not begin before the Planning application for the new hospital at Overdale has been approved.
3. No approval for any of these applications is provided without an Environment Impact Assessment.

## Stephen Regal Presentation

### Cost – A Mysterious Process

Our government has a fiduciary and indeed legal responsibility to the electorate for the expenditure of public finances, in order to ensure that all such monies are expended in an appropriate and fitting manner.

The Government also has a responsibility to be completely transparent in the manner in which public funds are expended. Yes indeed, commercial confidentiality must be adhered to. However, the secrecy with which the management of the Contract for the Building of our New Hospital has been carried out appears to have breached the transparency that a democratic Government owes to the electorate.

First, let us examine the cost of the new hospital and how that cost has been incorporated in the contract with ROK/FCC, the appointed Contractor. The contract was undertaken prior to the site being selected and the design being finalised.

The evaluation of the cost of capital projects by any government is usually accompanied by a rigorous tender process by which costs submitted by competing construction companies are fairly compared. In other words, a level playing field.

A normal tender process usually starts with the production of drawings and specifications providing a common starting point along with Bills of Quantity setting out the extent of the works in sufficient detail to enable the works to be costed by the competing contractors. The tenders are then compared, ensuring that each Contractor is pricing identical works of an identical specification.

It is unclear whether the Government carried out a tender process prior to selecting ROK/FCC as the contractor for the Our Hospital project. Indeed, government has not shared this information in an open Forum.

An alternative to contracting by tender is a Design and Build contract under which the Contractor enters into a partnership with the employer. In this case the Contractor assumes responsibility not only for the construction works but also for the design of the project. Thus the Contractor can provide its expertise, experience and value to the works. The Contractor is in effect working in partnership with the Employer.

However, Design and Build contracts are not as straightforward as it might appear. The relationship between Contractor and Employer must be cost analysed at every step of the way in order to ensure that the Employer is gaining value for money in the relationship. This requires a challenging and recordable analysis of the Contractor's costs and charges.

This analysis might take many approaches, as one might be, as in this case, as a result of the lack of site selection at the time and thus any design for the building, it might be for the Contractor to provide an extensive tabular Bill of Rates, indicating the charges for many, in fact most of the items of work to be carried out for the entire construction project.

This Bill of Rates is a proforma document providing individual costs of many, if not all, of the work

items. These will include the costs of demolition work, the excavation of the site in all of its various forms, through to the supply and placing of the concrete, the associated reinforcement and temporary formwork. Followed by the blockwork construction and the various follow-on trades, including plastering, decoration, roof works and the plethora of labour and material items required for the entire construction works. The Bill of Rates should be an extensive and comprehensive document. It should also encompass the specialist trades including Mechanical and Electrical works, special finishes, windows and doors and the multitude of elements making up the estimated costs of a construction project.

We have asked the Government for details of the process that led to their entering into a Design and Build contract with ROK/FCC. The Government has failed to reply. As far as I can see, there is no evidence in the public domain that the Government has gone through the rigorous methodology and effective examination required by a competitive process before selecting ROK/FCC as the Contractor. At first glance it would appear that speed rather than proficiency and efficiency is driving this process.

What is the result of the failure of the Government to carry out a competitive Contractor selection process? I have used a simple methodology to compare the stated costs of the proposed new hospital at Overdale with general costs of new hospital construction in the various regions of the UK.

I concede that there are some elevated construction costs here in Jersey in comparison to the UK. These cost differences are primarily due to elevated transportation costs, higher wages and salaries and a generally higher cost of living in Jersey when compared to the UK.

However, the cost of our plans for a 68,000 m<sup>2</sup> hospital *appears* to be inordinate when comparisons are made with hospital construction projects in the UK in recent years. This includes taking into account a "Jersey weighting percentage" and a projected inflationary cost between now and the proposed construction completion date of 2026.

Using data published on the Internet by "Statistica", an authoritative internationally recognised information source, the average cost of construction of new hospitals in the UK varied from a low of **£2,604** per m<sup>2</sup> for a UK Regional Hospital in the central belt to a high of **£3,780 per m<sup>2</sup>** in central London for a general hospital. These figures are based upon data published up to 2018.

Obtaining the equivalent numbers for Our Hospital is somewhat complicated as our Government is particularly reluctant to provide actual numbers. However, if we just take the published projected cost for Our Hospital of £412.2 million and divide it by the published size of the Hospital of 68,000 m<sup>2</sup> we arrive at a cost of £6,161.00 per m<sup>2</sup>. If we take the overall cost inclusive of the currently budgeted contingency sum amounting to £805.5 million then the cost rises to a staggering £11,845 per m<sup>2</sup>

The additional cost of inflation from 2018 until 2026 is approximately assessed at 35%. The additional cost of the so-called Jersey Weighting is, say, 15%. Taking these costs into consideration the discrepancy between building a new Hospital in Central London and here in Jersey is in the region of a staggering 100%.

The Government has disputed our analysis. We await their publication of the facts and figures required to prove their case.

Peter C Funk

## Financing the Unknown

Notes for Presentation

We have two vital health care projects that need to be financed.

- Our New Hospital
- The Jersey Care Model

We say financing is unknown because the Government has not advised the Public of the detailed costs of either project.

We have an idea of what the Government has been spent or committed to the Our Hospital Project to date:

- £45 million spent on the defunct Gloucester St Hospital Project
- £15 million on a Kitchen in St Peters
- £30 million with ROK/FCC to prepare plans and a Planning Application
- £38 million for an access road to Overdale and property purchases
- £17 million for conversion of Les Quennevais Old School

Plus unknown overheads estimated at £150,000 per day.

List goes on.

We have spent or committed to spend in excess of:

- £145 million to Date
- No hospital in sight

As for the Jersey Care Model, our Government has committed to spend £58 million over the next three years, having spent £5 million or more on consultants.

The budget for the JCM has yet to be established.

The financing requirement for the Our Hospital project includes:

- A £550 million budget for Our Hospital
- A £255 million contingency
- £805 million in total

How does our Government intend to finance the Hospital?

- No announced plan
- Treasury Ministry suggested financing the Hospital by raising new long term debt and a contribution from Strategic Reserve Fund
- Gov has total assets 2020 £6.5 billion
- A Strategic reserve fund valued at £968 million in 2020
- Very few outstanding liabilities
- Gov certainly credit worthy

But borrowing the easy part

- Gov could readily borrow £400 million of the £805 million hospital budget
- 30-40 year fixed rate bond at, say 3 ½ % interest can readily be achieved.
- Would incur nearly £400million in interest
- Our £805 million hospital could cost us £1.2 billion

Financing JCM equally unknown

- Raiding HIF for first £58million
- HIF valued at £108million in 2020
- Fund intended to support our cost of GPs, pharmacists and care.
- Not much left

Government assumes JCM will make us healthier thus reducing demand for health services.

Savings illusory.

What's the conclusion?

No one outside Government can fully understand the Government's finances

On available information

- Gov has already spent a huge amount of money on Hospital
- Financing the JCM is a raid on the HIF pure and simple
- Financing and cost of financing is uncertain.

Yet on the Government goes with their ill-defined plans.

Extraordinary.