

**From:** Bernard Place <B.Place@gov.je>  
**Sent:** 02 January 2019 11:17  
**To:** Mark Richardson (H&SS)  
**Subject:** RE: Hospital

Hi Mark

Presume this will go from Jeremy but can you run by our Minister please to see if he is content with response?

KR

Bernard

Dear [REDACTED]

Thank you for your email dated January 1 2019 in which you ask for clarification on a number of issues relating to the Future Hospital. The Future Hospital Project Team have kindly responded.

“Why does Deputy Renouf persist in his promotion of the Gloucester Street site?”

Deputy Renouf is taking forward the site approved by the States Assembly. Deputy Renouf acknowledges and respects that others may have opinions about the merits of other sites. He has as Health and Social Services Minister set out the basis for his continuing support for the approved scheme  
<https://www.gov.je/SiteCollectionDocuments/Government%20and%20administration/R%20Hospital%20Policy%20Development%20Board%20Report.pdf>

“I’ve wondered this too and his total absence on any comment or investigation of the suggested, ‘French build hospital’.

To date the Future Hospital Project Team has not formally received any information about a ‘French build hospital’ to be able to comment. To be able to comment and advise the Minister the Project Team would need to see

1. A schedule accommodation – this describes the content of the hospital (number of beds, operating theatres, outpatient rooms etc.)
2. A programmes of works – this describes the periods needed to gain the necessary approvals for the work and the build times for different parts of the hospital
3. A cost plan – this describes what is included in the costs (the actual building costs, allowances for inflation, contingency and so on)

This information would enable a sensible ‘like for like’ comparison to be made between what has been approved by the Assembly and what the Project Team understands is being proposed by the French team. It is important to note that the contract for the new hospital was advertised in the UK and the EU. The French team did not respond to the invitation to tender. Nor has the French team been in contact with the Project Team. The French build hospital is being coordinated we believe by a number of individuals not formally connected with the Future Hospital Project. The Project Team do not therefore have any contact details for the French team. The basis for the costing of the Assembly approved scheme was developed according to HM Treasury Guidelines, has been subject to Scrutiny and independent external assurance. All of this is in the public domain. None of the French build hospital material is in the public domain to our knowledge.

“There is a rumour going around that the State’s are locked-in to a contract with their hospital rebuild consultants and that they cannot dismiss them, so the re-build on the Gloucester Street site cannot be stopped.”

The nature of the contract with the hospital rebuild consultants does not allow for the circumstances you describe. The contract is known as a 'Pre-Construction Services Agreement' (PCSA). This kind of contract is used to appoint a design and build contractor to carry out services before entering into a formal building contract. It sensibly allows the construction team to work in partnership with the client team (the States of Jersey) to ensure a fixed price to build the hospital can be agreed before construction starts. This brings certainty to the costs in ways that other contract forms generally do not. The States of Jersey can terminate this PCSA contract with notice at any time.

I am particularly concerned at the cost of building the new hospital on the Gloucester Street site and the huge debt - estimated at £500,000, that that we will leave to our children and grand-children to repay. A debt that could be avoided.

Most Islanders agree with the need for a new general hospital. The hospital we need for the future has 10 operating theatres, about 285 beds and outpatient clinic for about 300,000 attendances each year. With all the supporting facilities (imaging department, A&E etc.) the cost of these services is similar irrespective of the site on which the hospital is built. The Assembly approved a 'blended' funding strategy to pay for the new hospital. This was a mixture of strategic reserve ('rainy day fund') and borrowing (a bond). This approach balances the need to preserve the rainy day fund but also take advantage of low interest rates currently available.

Islanders will of course have differing views about the merits of this approach. What is clear however is that with each year of delay the new hospital will become more expensive due to inflation. You rightly emphasise the need for open government. Bernard Place who is the Future Hospital Project Director would be delighted to meet with you or respond to any further clarifications. He can be contacted on [b.place@gov.je](mailto:b.place@gov.je)

With kind regards

-----Original Message-----

From: Mark Richardson (H&SS) <[M.Richardson2@health.gov.je](mailto:M.Richardson2@health.gov.je)>

Sent: 02 January 2019 08:07

To: [REDACTED] Bernard Place <[B.Place@gov.je](mailto:B.Place@gov.je)>

Subject: FW: Hospital

Happy New Year to you both.

Please would you be able to respond to this query that has come in via Deputy Macon.

Many thanks

Kind regards

Mark

-----Original Message-----

From: Jeremy Macon

Sent: 01 January 2019 12:32

To: Mark Richardson (H&SS) <[M.Richardson2@health.gov.je](mailto:M.Richardson2@health.gov.je)>

Cc: [REDACTED]

Subject: Re: Hospital

Dear Mark,

Happy New Year!

Could you please forward to future hospital team for a reply?

I'm very much interested in the reply also.

Kind regards

Jeremy

Sent from my iPhone

> On 1 Jan 2019, at 11:10, [REDACTED] wrote:

>

> Dear Deputy Macon,

>

> If you will have read [REDACTED] letter in yesterday's JEP titled, "We should put hospital patients and staff first", there was a paragraph, "Why does Deputy Renouf persist in his promotion of the Gloucester Street site?"

> I've wondered this too and his total absence on any comment or investigation of the suggested, 'French build hospital'.

>

> There is a rumour going around that the State's are locked-in to a contract with their hospital rebuild consultants and that they cannot dismiss them, so the re-build on the Gloucester Street site cannot be stopped.

> Is there any truth in the rumour? If you are unsure, I would ask you to investigate - we were promised 'open government'.

>

> I am particularly concerned at the cost of building the new hospital on the Gloucester Street site and the huge debt - estimated at £500,000, that that we will leave to our children and grand-children to repay. A debt that could be avoided.

>

> I look forward to receiving an answer in due course.

>

> Yours sincerely, [REDACTED]

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> Sent from my iPad