

**WRITTEN QUESTIONS TO THE PRESIDENT OF THE HEALTH AND SOCIAL SERVICES COMMITTEE BY DEPUTY T.J. LE MAIN OF ST. HELIER**

**ANSWERS TO BE TABLED ON TUESDAY 25th OCTOBER 2005**

**Question 1**

“The Committee acknowledges that no approach was made to it by the developers of the private hospital for any kind of funding, yet the President, on 15th March 2005, informed the States that the scheme would require a ‘very, very substantial amount of public money’, and reference to the word ‘subsidy’ has been used in answer to questions on more than one occasion. Can the President inform members whether the developers themselves have ever suggested or expected any subsidy, either for capital expenditure or operating costs?”

**Answer**

“I refer the Deputy to my answer to Questions 1, 2 and 3 drawn from his list of written questions which were laid before the States Assembly on Tuesday 27th September 2005.”

**Question 2**

“Would the President inform members how his earlier claim of a lack of benefits arising from the proposed scheme reconciles with the 19 benefits listed in the PriceWaterhouseCoopers (PWC) report on the proposed scheme?”

**Answer**

“It would appear that I have yet again to reiterate the Health and Social Services Committee’s rejection of this proposed development. In general, the 19 supposed ‘benefits’ stated in the PWC report are spurious or so marginal as to be significantly outweighed by the general disadvantages to the public interest. The principal objection is that the proposed development would add to bed capacity, when it is clear that the General Hospital either has sufficient bed capacity or indeed, has surplus bed capacity. Further, the General Hospital has sufficient operating theatre facilities for the present and this is amply demonstrated by the impressive reduction of waiting times, a report of which was received by the Health and Social Services Committee at its October 2005 meeting. A copy of this report is available to the Deputy and, indeed, to the proposed developers, and I would urge that they read it.

As to the future, anyone walking along the Gloucester Street entrance to the General Hospital will observe, that construction work has now begun to create additional day surgery facilities which will come on line in mid 2007. The creation of these additional day surgery facilities will have a profound effect on elective surgery. The target is that on completion of this facility the General Hospital will adopt the target that 80 per cent of all elective surgery will be performed as day case operations; the current ratio of day to inpatient surgery being approximately 46 – 50 per cent. The achievement of this 80 per cent target will have the effect of reducing the need for inpatient beds even further.

It is in this context that the so-called ‘19 benefits’ can be discussed. Some of these so-called benefits are about increasing additional capacity; the above makes plain that this capacity is not required. Some of the so-called benefits are about reducing costs for public services. While the quoted rationale (in the PWC report) of these cost reducing benefits is tortuous and impenetrable, it should be clearly noted that Health and Social Services is reducing costs as per the cost reduction plans and efficiency targets agreed by the States of Jersey. Some of the so-called benefits relate to the ability of local clinicians to maximise their private sector income. Leaving aside the fact that private facilities exist in Jersey and other such private facilities are to come on line in the next year or so, those consultants employed by Health and Social Services have every opportunity to maximise their private income, provided of course that they do not breach the ‘Code of Practice for Private Practice’. Some of the so-

called benefits are ‘benefits for Jersey residents’. One such so-called benefit is that the ‘development of services will reduce the need to travel to the UK mainland for treatment’. If there was a local market for such services, and provided that they could be safely performed by local consultants, then they could be developed by our local consultants using existing facilities. One must assume that there is no market for such services otherwise conversations to develop them would obviously have taken place. The other so-called ‘benefits for Jersey residents’ are equally spurious or marginal in their impact.”

### **Question 3**

“Would the President inform members what services, if any, the Committee considered that the developers of the private hospital expected ‘free of charge’ and which were not already provided free of charge, and whether there would be any incremental cost to the taxpayer?”

### **Answer**

“This question simply does not make sense and is not in plain English. It is, therefore, difficult to know how to answer it. Apart from some voluntary and charitable work which contributes to the functioning of the hospital, nothing within General and Acute is provided ‘free of charge’; it is all paid for by the Island’s taxpayers. It is, therefore, wholly wrong of Deputy Le Main and the developer to imagine, as they appear to, that any service, for example, stand-by time, is a free good.”

### **Question 4**

“Would the President acknowledge that the cost of ‘stand-by time’ already exists aside from the proposed development of the private hospital?”

### **Answer**

“The cost of ‘stand by’ incurred as a consequence of the delivery of public health care services is a cost fully met by the tax payers of Jersey. Deputy Le Main and the developer want the private scheme to piggy-back on these costs being met by the taxpayer. Were this ever allowed to happen, the effect would be a dramatic subsidy to the private scheme from the public purse.”

### **Question 5**

“Does the President accept that any risks associated with the development of the private hospital remain with the developers and investors of the scheme notwithstanding the PWC report suggesting ‘a shared services’ approach and, if not, the reasons why?”

### **Answer**

“If the proposed development of a private hospital exists as an independent stand-alone facility then I am on the record as making it absolutely clear that such a development and associated risks would then be a matter for the developer. However, as the PWC report makes clear, to be viable, the scheme needs a partner to ‘share the risks’. The developer seeks the public of Jersey, through the Health and Social Services Committee, to share that risk. Hence these increasingly ludicrous attempts to force Health and Social Services into a deal, rather than secure a private sector partner.”

### **Question 6**

“Would the President inform the Assembly if he received an approach from PWC to be interviewed, and, if so, how did the President respond to that approach?”

### **Answer**

“The initial meetings between PWC and the Health and Social Services Committee were conducted at senior

officer level which was entirely appropriate. The latter's advice to the Health & Social Services Committee, supported by independent expert advice commissioned from the U.K., was that such a development was clearly and unambiguously not in the public interest. On that basis, I took the view that such a meeting was inappropriate and unnecessary. Nothing in the intervening period, right to the present day, persuades me that I was wrong in so declining a meeting. On the basis that the professional advice received was that the proposed scheme was not in the public interest, I felt it my duty not to assist a private sector developer in an effort to help him achieve a scheme clearly against the public interest."