

Dear Members of the Scrutiny Panel

I write as an ordinary Jersey resident to express my deep concerns about the size of the proposed loan to be taken out for the 'new' hospital, especially as the amount of the loan being proposed is greater than the sum of annual tax received.

My worries are that, as opposed to Island finances in the past (when there was no deficit) it is my understanding that there are already debts on:

Jersey Housing (now Andium Homes) £250 million and ?? applying for a further  
£250 million

Jersey Ports and Harbours ?£100 million already, ?£60million to revamp the airport  
Jersey Development Company ??

There may be others.

I do not know the figures, but I understand that these were previously States of Jersey departments, but are now States owned companies that now operate outside the States of Jersey organization. As such, they are no longer accountable to the States, nor to the Jersey Public? Should this be questioned?

It seems rather a question of 'smoke and mirrors.' All have debts/loans that are dependent on the States of Jersey, and ultimately the taxpayer. Surely ALL borrowing/ Debt should appear on the States Accounts? Equally, should not further borrowings for these companies be referred back for debate? Is this an issue that the Comptroller and Auditor General should look into?

Am I correct that there is also a 'black hole '? It would appear that we are no longer living within our budget.

My great concern is that the borrowing suggested may well not be feasible or desirable. Current interest rates are at an all time low, but what happens when they rise? I remember mortgage repayments of 15%. Perhaps what is being proposed for the 'new' hospital is something that the Island cannot afford? Any further loan should be considered in the light of all other debts/ loans (as mentioned above.)

Jersey needs a functional hospital, but we also need to be able to staff and equip it. We also need a reserve. The current figures for a new build are astronomical,

will provide a smaller hospital than the current one and will, apparently, only have a 60 year life span. I am also not entirely sure that all the costings have been done, or what is included in the suggested £496 million?? We must, perhaps, question the scheme?

Thank you to the Scrutiny Panel for looking into these issues.

I do not wish to pass on a debt to my children and grandchildren and am extremely concerned about Jersey's finances.