

STATES OF JERSEY



NEW HEALTHCARE FACILITIES PROGRAMME (P.43/2024): COMMENTS

Presented to the States on 12th July 2024
by the Council of Ministers

STATES GREFFE

COMMENTS

The Council of Ministers does not support this proposition.

Ministers accept that it is a legitimate and reasonable view that the funding proposals for the New Healthcare Facilities Programme should be considered in a proposition separate to the Government Plan. Equally, however, Ministers believe that it is more logical for the funding approach for the new hospital to be considered as part of the Government Plan.

Ministers note the position of the previous Government, as referenced in the report to P.43. However, the new Government has been consistent on similar such matters. The Council has not been supportive of separate propositions to consider strategies for rebuilding the stabilisation fund (P.35/2024) and increasing the value of the strategic reserve (P.22/2024). Ministers are of the view that consideration of these important issues should form part of the Budget debate, and as part of a holistic package, and not be taken on a piecemeal and disjointed basis.

Although Ministers accept that the funding of the new healthcare facilities is different to the matters raised in P.35 and P.22, the principle remains the same. The funding of the new hospital represents a significant challenge for Jersey, especially as it does not stand in isolation as the only area in need of spending and investment. Everyday spending on key public services, and especially health, is coming under increased pressure and will very likely need to increase significantly in the year (and possibly years) ahead. Wider infrastructure investment is also needed across our existing property portfolio, alongside the need for some new public realm development, placing added pressure on the programme of capital spending. This must be balanced with the need to replenish the Stabilisation Fund and grow the Strategic Reserve, as recommended by the Fiscal Policy Panel, and retain and enhance the competitiveness and productivity of our internationally facing economy, which will itself require Government support.

In view of such widespread and interlinked challenges, which will require the careful management of spending, prudent deployment of revenue (including any forecast additional revenue), and a cautious approach to borrowing, Ministers believe it is important that all these matters are considered collectively. Such an approach is undermined by the separate consideration of any single issue, including hospital funding.

Ministers intend that the approach to funding the next stage of the new hospital will be clearly set out in the Government Plan, alongside other funding and investment priorities. States Members will be able to debate this funding proposal during the Government Plan debate, with the option to bring forward amendments or alternative proposals, all in the context, and with a full understanding, of the wider public finances. This is considered to be a preferable and ultimately more beneficial approach for Assembly colleagues.

Ministers are of the view that debating the funding of the new hospital in a separate proposition does not offer any advantage to States Members. Accordingly, Members are requested to reject this proposition, and to consider, scrutinise and debate this key topic in the context of the 2025 Budget and Government Plan later in the year.

Comment under Standing Order 37A

The noon deadline for the submission of comments has moved forward by 24 hours for this sitting due to the Public Holiday on Monday 15th July. This comment has been submitted late due to that changed deadline.