

23.06.13

1 Deputy L.J. Farnham of St. Mary, St. Ouen and St. Peter of the Minister for Infrastructure regarding the cost of implementing the multi-site healthcare facilities proposal (OQ.111/2023)

Will the Minister undertake to produce accurate costings, together with funding options, for the multisite health facilities proposal presented to States Members last week, and to seek States Assembly approval prior to signing any contract for commencement of the work?

Deputy T. Binet of St. Saviour (The Minister for Infrastructure):

I think a fairly obvious answer to that is yes. I do not think I would get through far if I had any intention of doing anything different. It is a simple answer to that one, and that is yes.

3.1.1 Deputy R.J. Ward of St. Helier Central:

If the Minister was to bring something to the Assembly, which I assume there will be given the answer he has just given, can he guarantee that that will be a separate proposition and not part of a larger Government Plan where it can be hidden and mean that people will have to vote against an entire Government Plan if they are not happy with those plans?

Deputy T. Binet:

I think we are a little way away from that but I certainly intend to bring it in such a way as to win the Assembly's approval.

3.1.2 Deputy R.J. Ward:

May I ask for a definitive answer that it will not be part of a Government Plan?

Deputy T. Binet:

I am afraid I will just offer the same answer as I have provided and that I intend to bring it to the Assembly in a way that will prove acceptable to the Assembly when the times comes.

3.1.3 Deputy M. Tadier of St. Brelade:

With regard to the funding of the hospital not being disclosed, the Chief Minister said that it was not being disclosed because it is not wise to let the people contracting to do the work know what your overall budget is. Does the Minister think that is a valid point of view and, more to the point, does that set a precedent that in future whenever we contract work out that we cannot do ourselves that we will not know how much it is going to cost in advance?

Deputy T. Binet:

Depending on the type of contract that we use, I think there is an inevitability that quite a lot of the information, if not all of the information, may have to be made available.

3.1.4 Deputy M. Tadier:

Is the real reason that the funding amount is not being disclosed is because the Council of Ministers, and this Minister, do not know what that sum is; not because it is commercially sensitive?

Deputy T. Binet:

I would just remind the Deputy that we are very early in the proceedings. I do not have any intention of holding anything back from anybody. I work in a very transparent way. I am quite happy to share whatever information is available as and when it is suitably available. At this point in time I am not sufficiently comfortably that we are accurate enough to release those figures. But I am reasonably comfortable about releasing figures when they are in a form that I think is defensible.

3.1.5 Deputy G.P. Southern of St. Helier Central:

The question I must ask is when will the Minister undertake to produce accurate costings and when will they be signing contracts for any such work?

Deputy T. Binet:

I am afraid I cannot pin down a precise date. All I can confirm is that the team are working extremely diligently to progress matters as quickly as they possibly can.

[9:45]

3.1.6 Deputy G.P. Southern:

If the Minister cannot tell us a firm date can he give us an approximate date by which he will be acting on this issue?

Deputy T. Binet:

I am quite happy to look at that later in the week and provide the Deputy with an answer, and certainly at the next Assembly meeting.

3.1.7 Deputy S.Y. Mézec of St. Helier South:

Given that a key part of the rationale for abandoning the previous hospital project was its alleged unaffordability, can the Minister therefore confirm that when he is able to produce accurate costings for this that it will be a lower capital cost than that of the previous plan?

Deputy T. Binet:

I think I would like to draw the Deputy's attention to the fact that this is going to be a different scheme covering an extra 30,000 square metres of development. It is going to take into account the many things that the Our Hospital project did not. It is going to be developed over a 9-year period. On the basis that we have been, for some time, in double digit inflation I think it is highly unlikely to come in below the sum that was pencilled in at a very early stage of the Our Hospital project.

3.1.8 Deputy S.Y. Mézec:

Was that finally an admission that the hospital projects that this Government is undertaking will be more expensive than the previous one that they claimed to be unaffordable?

Deputy T. Binet:

I cannot accept the term "finally an admission". It has been plain for some time that we are going to provide a full range of facilities, which cover an extra 30,000 square metres, and it is going to provide all of the things that the Our Hospital project did not. They are not like-for-like comparisons.

3.1.9 Connétable M.K. Jackson of St. Brelade:

Would the Minister agree that it is impossible to produce accurate costings on a project which is stretching out to 2032?

Deputy T. Binet:

I am very grateful for the Constable's question because that is quite correct.

3.1.10 The Connétable of St. Brelade:

Just picking up on that. There will be earlier phases, will the Minister agree to produce costings which are achievable for the earlier phases, as they develop?

Deputy T. Binet:

Yes, certainly, and I will just remind the Assembly that the one thing that I have promised ... I have not made huge claims about potential savings but what I have promised is to put us in a position to get the best value possible from the market.

3.1.11 Deputy L.J. Farnham:

Not only is it possible to get accurate costings, as the previous project showed, I think it is absolutely expected and quite right that a capital project of this size will be brought to the Assembly for approval before the money is committed. To help with that, a simple calculation based on the previous project ... I am coming to a question.

The Bailiff:

It does have to be a question.

Deputy L.J. Farnham:

It will be. If we take the £804 million or the 70,000 square metres for the previous project, we add 30,000 square metres to that and apply a price pro rata that comes out at £1.15 billion. If we had a little bit of double-digit inflation for good measure, for what is proposed ...

The Bailiff:

I am sorry, Deputy, I have to ask you to focus the question. It is question time.

Deputy L.J. Farnham:

... we are looking at a cost of approximately between £1.2 billion and £1.4 billion.

The Bailiff:

Deputy we are running out of time allocated.

Deputy L.J. Farnham:

Would the Minister agree that it is likely that not only will the new multisite facilities cost more but they will cost considerably more given that they are going to take at least 12 years to complete?

Deputy T. Binet:

I think I would like to congratulate the Deputy on the quality of his speech. I think I have answered pretty much all of those questions fairly squarely, and I certainly hope the Deputy has been content with the information that I have provided.

Deputy L.J. Farnham:

Sir ...

The Bailiff:

No, I am sorry, Deputy, you have taken far too much longer in deploying your question, we are not carrying on.