SOCIAL AFFAIRS SUB-PANEL

OVERDALE REVIEW

FRIDAY, 13th OCTOBER 2006

Panel:
Deputy A.E. Pryke of Trinity (Chairman)
Deputy R.G. Le Hérissier of St. Saviour
Deputy S. Power of St. Brelade
Deputy D.W. Mezbourian of St. Lawrence
Deputy S.C. Ferguson of St. Brelade

Witnesses:
Senator S. Syvret (The Minister for Health and Social Services)
Mr. M. Pollard (Chief Executive of Health and Social Services)
Mr. M. Littler (Directorate Manager of Medicine)
Mr. R. Jouault (Director of Corporate Planning, Health and Social Services)
Ms. M. Hutt (Senior Nurse, Services for Older People)

Present
Mr. W. Millow (Scrutiny Officer)

*(**Please note**: All witnesses and Panel Members were given the opportunity to comment upon the accuracy of the transcript. Whilst the transcript remains a verbatim account of proceedings, suggested points of clarification may have been included as footnotes to the main text.)*

Deputy A.E. Pryke of Trinity:

Good morning, everybody. Thank you all for coming. I would like us to introduce ourselves. I am Deputy Anne Pryke, Chairman of the Sub-Panel for the Overdale Review.

Deputy R.G. Le Hérissier of St. Saviour:

Roy Le Hérissier, St. Saviour.

Deputy S. Power of St. Brelade:

Sean Power of St. Brelade.

Deputy S.C. Ferguson of St. Brelade:

Sarah Ferguson, St. Brelade.

Deputy D.W. Mezbourian of St. Lawrence:
Deirdre Mezbourian, St. Lawrence.

The Deputy of Trinity:
On my left is William Millow, our Scrutiny Officer. Would you like to introduce yourselves, please?

Mr. R. Jouault (Director of Corporate Planning, Health and Social Services):
Richard Jouault, Director of Corporate Planning and Performance Management for Health and Social Services.

Mr. M. Pollard (Chief Executive of Health and Social Services):
Mike Pollard, Chief Executive of Health and Social Services.

Senator S. Syvret (The Minister for Health and Social Services):
Stuart Syvret, Minister for Health and Social Services.

Mr. M. Littler (Directorate Manager of Medicine):
Mark Littler, Directorate Manager of Medicine.

Ms. M. Hutt (Senior Nurse Manager, Services for Older People):
Maia Hutt, Senior Nurse Manager for Elderly Services and Health and Social Services.

The Deputy of Trinity:
Thank you very much. As you all understand from the last time, there are certain protocols. I know you have not had a copy this time, but they are still the same ones from last time, which I trust you have all read them. As you aware, this will be recorded and transcribed and you will get a copy of this before it is uploaded on the website. Just a bit of housekeeping: I will just ask you to speak up and, if you are at the ends, make sure that you have a microphone. It just makes it easier to be transcribed. Can we begin by going back to the Belle Vue development? At the hearing on 14th September 2006 Mike Pollard stated that Belle Vue was: "A counter in that negotiating game, so to speak." Just to carry on from that point, can you provide a description of what "negotiating game" that was and how hard you had to fight - or not if that is the case - to keep the Belle Vue development?

Mr. M. Pollard:
I do not think I described it as a game, Chairman.

The Deputy of Trinity:
Sorry, just to quote, it said: "Belle Vue was a counter in that negotiating game, so to speak."

Mr. M. Pollard:

We have to go back to the time when the Energy-from-Waste strategy was being debated in the States and there was the issue about how that was to be funded in terms of capital. All States' departments had a negotiation with the Treasury to see if there was any flexibility within the capital programme across the States to free up the necessary funds. I had been looking for some time with colleagues at what our strategic requirements were likely to be in the future and we had some choices to make. The end of the negotiation meant that we decided that Belle Vue was not a priority and, indeed, that those clients needs could be met a different way, which of course is why we are here today to discuss that other way. There were weaknesses in the department's capital programme. The first was that the development that is now being constructed at the hospital, the new day surgery centre, was about £1.5 million to £2 million under its required sum. That was because of the highly technical nature of the exercise of the day surgery centre. The day surgery centre is shoehorned into an existing structure with massive enabling costs. The second under-funded or unfunded development was the development at Five Oaks, which is called our central sterile services department, or CSSD as we know it. The function of the CSSD unit is to deal with the cleansing and sterilisation of surgical equipment. Put crudely, if you do not have a CSSD you do not have any surgery. Very simple; very straightforward. I would suggest to you that that is something of a no-brainer. Therefore, in the negotiation that took place, we were able to restructure our capital programme to fund these important developments and to allow our Minister to, in due course, surrender some capital so that a new Energy-from-Waste strategy could be implemented, which we all believe on the Island, certainly within the department, the replacement of Bellozanne is a fundamental issue in terms of health improvement for the Island.

Deputy D.W. Mezbourian:

When was that, Mike?

Mr. M. Pollard:

That was in around about April 2005. I may have to just come back to you on the month. It is around that time.

Senator S. Syvret:

The precise time of the decision needs to be regarded against the background of continuous discussions and negotiations among States' departments with the Treasury about what was going to happen to the States' capital programme generally in order to fund the incinerator. We have known for some years in the waste strategy steering group that we were getting near to crisis point with the replacement of Bellozanne incinerator and that somehow the States were going to have to find £70 million, £80 million, £85 million perhaps, whatever the final figure may be, to build a replacement for the Bellozanne incinerator. It is that issue which is the central and by far and away the largest problem with other

States' departments' capital programmes and the non-availability of resources to do everything that we would like to do. If you want to know how did that come about, what is the cause of that problem, I have to say quite candidly you must blame successive finance and economics committees, certainly throughout the entire period of the 1990s and possibly earlier, for having singularly failed to put any kind of amortisation funding plan in place for the existing Bellozanne incinerator. So we have reached the end of its life and we have got no money built up to replace it.

The Deputy of Trinity:
So you had this £6.6 million set aside for Belle Vue. Some of it went for use for CSSD and the day surgery unit and the rest went to waste management?

Senator S. Syvret:
To a large extent, yes, in the negotiations. We had various other minor capital works which we undertake on a fairly routine basis.

The Deputy of Trinity:
So just going back to that question, what you are saying is that you did not really fight to keep the Belle Vue project going?

Mr. M. Pollard:
Obviously I was faced with choices, which is part of the job, and in my view unhesitatingly and without qualification I require a CSSD unit and I require a day surgical centre more than I require to build a nursing home institution. So I do not feel as though I had a gun put to my head. I do not feel as though somehow I came to some begrudging deal. I think it is a very good deal and I believe it is a very good deal. I would like to confirm that I did that negotiation in April 2005 - having looked at my records - and that was reported and accepted by the Social Services Committee at its meeting in the summer, I think in June.

Senator S. Syvret:
May I just add to that? We as a department have always tried to be corporate and act in concert with the needs of other States' departments. Given the need of other States' departments and the incinerator funding issue, we had to look at what we were asking for and say: "Well, we could spend a chunk of this money on doing the Belle Vue development, but on the other hand, using far lower levels of money certainly to begin with of that capital expenditure, we could put people into private sector homes, which would be much, much better than where they are at present in Overdale." So we decided on balance that was a reasonable path to take bearing in mind the needs of the States corporately.

Deputy S. Power:

Was your decision made easier by the fact that you were beginning to become aware that there may be one or 2 new entrants into the nursing home market in Jersey or the residential and nursing home market in Jersey? Did that make it easier?

Senator S. Syvret:
It probably did. Yes, I think that is a fair observation. Obviously the better the market place is from our perspective, the more providers there are, the more competition, the better market suits the potential purchaser.

Deputy S. Power:
Going back to 2003/2004 and to when you made your decision in 2005, the fact that you had some information to indicate that there would be perhaps willing entrants coming from the private sector into this area of care, private and nursing, meant that you could, for want of a better phrase, let go of that part of the project?

Mr. M. Pollard:
It was an alternative solution to the problem.

Mr. R. Jouault:
Can I just add also that Belle Vue was always originally designed to be a 30-bed unit or a 28-bed, and we are talking about the requirements of 50 or so patients. So whether it had gone ahead or not gone ahead, we would still be here potentially talking about the other 28 beds and how we would meet their needs.

Deputy R.G. Le Hérissier:
When you came here, Mike, and you reviewed the capital plan and you said you made a choice, you obviously must have reviewed all the thinking about the residential care for the elderly and you must have come with your own thinking about this area. So what policy did you go to because clearly Belle Vue was only part of dealing with the elderly and, as Richard said, there were only 28, although there were plans in the work for 40/48, were there not? There was certainly elasticity to the design. But when you looked at the policy in terms of care of the elderly and you made that choice, what alternatives ran through your mind when you said: "Well, we will sacrifice Belle Vue"? What were the backup alternatives?

Mr. M. Pollard:
You will appreciate I did not sit alone in my room pontificating on these matters. **[Laughter]** I obviously took advice from people who have been in Jersey an awful lot longer than I have and who know an awful lot more about the sector, the private residential sector, than I do. So I took a lot of

advice. I took advice from people like Christine Blackwood, who I believe has given evidence, and people like the Director of Nursing and other clinicians and other senior managers. It became quite clear to me that the quality and standing of the private sector in Jersey was a very, very high standard, a higher standard than I am used to in the United Kingdom. I have always been very interested in that. I think a bit later we will talk about the concordat that we are seeking to establish with the private sector. It is building on the strengths of that sector and it is also building on the practice of our department, because we have, I believe, 49 residents already in the private sector. It is a historical matter, it is a practice; it is where our colleagues --

Ms. M. Hutt:
Thirty, Mike.

Mr. M. Pollard:
Thirty, so it is hardly a break with existing practice. It was simply adding to existing practice.

Deputy R.G. Le Hérissier:
Yet we have come across - kindly provided by your good selves - the Strettle report written in 1997 which talks about the trends and it talks, for example, about residential care. There is a lot about the parishes which, in a sense, has been superseded by the development, but that is when a lot of the so-called large parish expansion was or had just taken place. The Strettle report talked about something we picked up; in other words that as home care started to develop - and obviously there is still some way to go on that - the residential sector would be squeezed increasingly. In particular, as Mrs. Blackwood laid out to us in her evidence, the smaller homes would be squeezed. So either they would have to close down or they would have to find solace by reinventing themselves either as dual registered or as nursing homes. So what was your thinking about that? We are coming to the concordat, but did you feel that means we have got to do a massive expansion, even further expansion of home care, we have got to get to grips with the services family nursing are providing, and we have got to look at the whole issue of the monitoring incentives we provide. Other than the rather serendipitous arrival of Four Seasons and so forth, we have got to look at the monitoring incentives, which is what he talks about in his report.

Mr. M. Pollard:
Yes, I have to say I have not read that report. It was before my time and I did not hear about it until the proceedings of this scrutiny came around. It is quite interesting that it chimes with a lot of our practice. We talked at our last meeting about the strategy, which I am charged by the Minister of producing in draft form before Christmas, called New Directions. It is no secret that we will suggest or propose big investments in primary care and community care as a way of reducing the over-reliance on institutional care for the elderly. We have had that conversation and that remains as true today as it did when I first said those words. The market is transforming itself. The Minister made the point about healthy

competition. At least one nursing home has come to myself and my colleagues and apologised for previous mistakes and has come up with a business plan which will transform that home into the kind of standard that we expect. That is the market addressing its own needs. We are very uplifted by that kind of conversation and I am sure that other types of conversations are taking place within the sector. Not only are we working with the private residential sector in this way as well as commending many of their own self-generating improvements, but we are also in conversations with our colleagues in the parishes of St. Brelade and St. Helier to look at how we move their facilities or how they move their facilities with our support into dual registered facilities for the very reasons that you have mentioned. So that report seems to me to be highly prescient about the actions that are now unfolding.

Senator S. Syvret:

Could I just add to that? There have been episodes in recent years where some residential care homes have said that they did not have enough custom and that they might go out of business, basically. Part of our thinking has always been the recognition that Jersey society needs to have a healthy, strong private sector in both residential care and nursing care because it simply is not possible for the States of Jersey to provide all of the kind of facilities that the community need at present and into the future. So the States has to work in a real reasonable market partnership with the private sector, public/private partnership, in order to ensure that the provision is available across the Island for those who need it.

Deputy R.G. Le Hérissier:

I think question 2 has been dealt with, but just to press the point, Mike, you came, you reviewed all this material and the decision was taken to essentially not proceed with Belle Vue. So what were the main policy planks under which you were going to proceed given that you had removed Belle Vue from the equation?

Mr. M. Pollard:

Clearly why I have come to the Island professionally -- there are lots of wonderful other reasons why I am on the Island, but the reason I have come professionally is because the Minister and the Chief Executive of the Island have asked me to prepare for them proposals for the restructuring of health and social care and you and I, Deputy, have talked about that many times and we have, indeed, just talked about it again. So when you have a strategy, one has to work through how do we deal with the immediate space problems. My thinking was that for us to proceed down this particular path would not close down options. We did not want to make decisions that would then constrain policy that will, as I say, come out in the latter months of this year. So that is really the kind of, if you like, tactical, pragmatic position that I proposed to the committee and which happily the committee accepted because it is not closing down options, you see.

Deputy S. Power:

I am going to ask you all to bear with me while I step back to May 2004. I respect the fact you made a decision to move into private residential nursing care. At that stage, on 5th May, there was a meeting. The former Health and Social Services Committee viewed revised drawings which showed the ability of expanding Belle Vue from a 28-bed unit to a 48-bed nursing home. My question is would a 48-bed home at Belle Vue have provided a solution to both Leoville and McKinstry?

Mr. M. Littler:
It was 54. We need 54 beds.

Ms. M. Hutt:
It would partly. We have 47 continuing care nursing beds, but we also have the respite beds in that building as well, so no, it would not entirely have solved that problem.

Deputy S. Power:
Would it have brought a part solution? I mean, 48 out of 54 seems to me to --

Ms. M. Hutt:
Yes, it would have brought a part solution. Can I add to that, though? Those proposals to make that building future-proof were there and were added really at the end of when we had been talking about the planning and it very much was viewed by us that were involved with that as a future-proofing. There was never any money to do that. In fact, we had to alter the plans at the latter stages quite considerably to save some money on the project. Richard went to a value engineering workshop where we shaved a considerable amount of money off that 28-bed cost. There was never any money identified for this future-proofing. It was an aspiration rather than anything else.

Deputy S. Power:
So there were no capital monies?

Ms. M. Hutt:
There was no capital money for that.

Deputy S. Power:
So the exercise in looking at an extension to 48 was purely a theoretical exercise?

Ms. M. Hutt:
It was. What they did was they made the kitchens big enough so that in the future if they needed more kitchen space they had it. They designed the bedrooms in such a way that you could put a wing on one side without spoiling the whole front layout of the building. It was those kinds of things that they did. It

had no direct impact aside from the size of the kitchens on the actual building that was going up.

Senator S. Syvret:
Can I say that there was no prospect for the foreseeable future for probably many years of getting the money to make the extension to expand the unit. As we know, we were not able to get the money effectively to do the basic unit, let alone an expanded version. It is worth bearing in mind - and Roy will remember this - the fact that I was under political attack at the time of driving forward the Belle Vue proposals with people in the States saying: "Why are you doing this? This is a waste of States' capital monies. Why do you not just use the private sector?"

Deputy R.G. Le Hérissier:
Yes, thanks, Stuart. Building on that, you are a bona fide witness, are you, Richard?

Mr. R. Jouault:
Yes.

Deputy R.G. Le Hérissier:
Okay, I mean, you are a very fine person but I just wanted to know if you were a bona fide witness. I was going to build on Stuart's comment because I know that we have discussed this briefly last time. The Constable of St. Helier had run a proposition saying that the price per unit was quite high and I think he was talking about 164 per unit.

Mr. R. Jouault:
For Belle Vue?

Deputy R.G. Le Hérissier:
Yes, for Belle Vue, having he felt -- and when I was on the committee we had some doubts about Sandybrook, the cost per unit and whether those small numbers were really viable. Did you at any point say: "Well, maybe we should look at this laterally and say here we are following the traditional States of Jersey Rolls Royce approach to building. Is there another lateral way we can approach this and go ahead with some version of Belle Vue?" Did you ever think of that?

Mr. R. Jouault:
Well, certainly for the value engineering workshop, part of that work - and we certainly can provide for the scrutiny panel a cost comparison analysis with UK costs to build and to purchase in the private sector - was using quite well established Laing & Buisson cost comparisons and we could identify all the things that we know about why it is expensive to build in Jersey. So that work was carried out and we can certainly provide that to the panel.

Deputy R.G. Le Hérissier:
What conclusions were reached?

Mr. R. Jouault:
That inevitably building a nursing home in Jersey and staffing it is a very expensive activity to do for anybody, whether that is public or private sector. There are advantages on either side, but one of the advantages for the private sector is they might be able to achieve economies of scale with their staffing in that if they have a large staffing pool then they can rotate that staffing. They can achieve economies of scale and there are obviously advantages from the States' perspective of being "not for profit", so there are pros and cons on either side.

Senator S. Syvret:
Could I just add to that? I do not buy the argument some people put forward that places like The Limes or Sandybrook are too lavish and extravagant. I think these kind of buildings are the home of the clients who are going to live there, so it is a home environment, not a hospital style environment. Therefore, they do need to be homely. They need to be good quality, well decorated, smart to modern standards, offer private rooms; all of those kind of facilities I think are needed for people when they are living in that kind of environment. That is a view that you will also find prevalent in the private sector. You visited Silver Springs; you have seen the quality there. The fact is older people, people who need this kind of long-term care, I think have a fully justified expectation that they will be living in a quality environment.

The Deputy of Trinity:
Just to pick up something that you just said, Richard, about the pool of staff and, in the private sector, the economies of scale because of the pool of staff, were you talking about kind of UK companies?

Mr. R. Jouault:
Yes.

The Deputy of Trinity:
Like Silver Springs and Four Seasons and ...?

Mr. R. Jouault:
Yes.

The Deputy of Trinity:
Okay, thank you.

Deputy S.C. Ferguson:

Following on from that, in fact as a sort of additional one, your comparative figures for construction for an equivalent institution to Four Seasons at Silver Springs, your cost per bed in fact is something in the order of double what they managed to convert Silver Springs for. So there does look to be an area to be looked at perhaps with regard to States' health building.

Senator S. Syvret:

Well, I think it is a general criticism that is sometimes made of States' projects, that they tend to be expensive to undertake and it is often claimed - perhaps rightly in some cases - that the private sector would do it a lot cheaper. But when the States embark on these kind of projects, certainly these days having learnt the lessons of the 1960s and 1970s, there is an understanding that it is better to build well now so that the building in fact will last 40 or 50 years rather than building badly and it having to be knocked down in 20 years' time. So there will be an expense using that kind of approach, but I think it saves money in the long run. Also, at Belle Vue we were looking at completely ground up, purpose building a brand new facility, whereas at Silver Springs they had a lot of the buildings and so on in place already. All that was required was conversion, so that will account for a substantial part of any cost difference.

Deputy R.G. Le Hérissier:

Although sometimes it is argued - and I think Mike mentioned it in his evidence - that in order to make a non-fit for purpose building fit for purpose, e.g. the corridors are a classic case at Silver Springs, there is quite a lot of money involved. I understand this will be the case at the former Mermaid site, for example, on things like corridor dimensions. Massive retro fitting has to occur.

Senator S. Syvret:

That is a fair observation, but even taking that into account I think it would be cheaper than demolishing the buildings and building new ones from the ground up. Because in essence the buildings are approximately appropriate so they can be converted. There is an expense, but they can be converted.

Deputy S.C. Ferguson:

As another slight postscript to that, are you now looking at ways to set up a sinking fund for any capital projects?

Senator S. Syvret:

Indeed. This will be one of the exercises we will want to take out in terms of the long-term strategy for health and social care in Jersey. How society pays for health and social care into the future has got to be one of the key issues in any such strategy, both the ongoing revenue cost of delivering health and social

care, but also the capital spend that will be needed. This is why we are going to be looking at alternative funding mechanisms for healthcare in the long term. When you look at societies, generally advanced societies, with the possible exception of military spend in some cases, healthcare tends to be the largest spend of governments. Certainly it is by far the largest spend in Jersey because we are not, for example, running an armed forces, nor do we have an unemployment benefit, which are very high drains on a lot of western economies. So health and social care spend is clearly the largest spend that we have in Jersey so if we are going to plan securely for that to be continued to be delivered over the next couple of decades, we need to absolutely be clear about the funding.

Deputy S.C. Ferguson:
Well, yes, I was talking about a sinking fund.

Senator S. Syvret:
That may well be one of the options that we discuss with the Treasury.

Deputy S.C. Ferguson:
Which is one of the criticisms you made of the States' system.

Senator S. Syvret:
Indeed, that is absolutely correct and we will be discussing all of these issues with the Treasury. It may well be beneficial - and, indeed, there has been talk in the past of doing this with States' departments generally - of giving them a set budget fixed over a period of some years for capital and revenue so that the departments can then plan as to how they want to spend that money and how they plan to spend it over the coming years. So we are going to be exploring those kind of ideas further with the Treasury.

Deputy S.C. Ferguson:
For the benefit of the rest of the scrutiny panel who were not on the Health and Social Services Committee, in March 2004 the committee was apprised of a meeting which had taken place in October 2003 between the management team of Rehabilitation and Services for Older People and the Chief Executive and Managing Director of Four Seasons in which potential private and public development opportunities had been discussed. Could you summarise what potential private and public development opportunities were discussed with Four Seasons in October 2003?

Mr. R. Jouault:
That would probably be myself and Mair Hutt who carried out those discussions with Four Seasons. At that time - I have to recall this from memory so bear with me - Four Seasons were looking to develop into Jersey and I think they may have just at that point taken over La Haule.

Ms. M. Hutt:
They had. They had just bought La Haule.

Mr. R. Jouault:
And were interested in a variety of other options. We were certainly very keen for large providers of care such as BUPA (British United Provident Association), Barchester, Four Seasons, these very big players in the marketplace, to come to Jersey because our aim is to raise the standards across the private sector and by having large providers that is a potential outcome of that. So we spoke to Four Seasons at that time about a variety of different projects which were ongoing. Some parishes at the time were considering whether they wished to hold on to their facilities, there were some hotels which were potentially to be converted, and we were also discussing whether they could perhaps develop the Belle Vue site. So, as Deputy Le Hérissier said, we were looking at a variety of different options whereby we could engage with the private sector.

Deputy D.W. Mezbourian:
Following on from that, Act A11 of the Health and Social Services Committee, 3rd March 2004, mentioned these discussions that had been taking place and indicated that they had requested some reports to be prepared for them. I will just mention a couple of the requests that the Committee made. They asked for a detailed submission of Four Seasons Healthcare outline and plans and they asked for an estimate of building costs based upon an agreed specification. In fact, I will mention the other 2 as well so that you are fully aware at the minute. They also asked for satisfactory references from similar partnerships for both residential care and day services from trust and local authorities with the UK and a visit to the FSHC (Four Seasons Health Care) facilities in the UK. Were any of those requests followed up?

Ms. M. Hutt:
We never took that report to that degree. These discussions that we had with Four Seasons were broad-ranging, exploratory, with no commitment on either side and I think they took the commercial decision to go in a different direction.

Deputy D.W. Mezbourian:
So if that was a committee decision to request that those actions be undertaken, who then made the decision that they should not be?

Ms. M. Hutt:
Four Seasons did not want to go any further in their discussions with us at that point.

Deputy D.W. Mezbourian:

So all of those were discussed with them and they just declined?

Ms. M. Hutt:
No.

Deputy D.W. Mezbourian:
They were not discussed with them?

Ms. M. Hutt:
No, they were not discussed with them. The discussions with them kind of naturally ended when Belle Vue -- the timing is a bit vague in my mind, but when Belle Vue closed, Four Seasons I think were having conversations with us but they were very much looking at what was happening in Jersey and they were not having conversations with us to the exclusion of conversations with other home owners. I am aware, for instance, that they had exploratory discussions with other home owners in Jersey as to buying other nursing homes. I am aware that they had discussions with parish officials about purchasing parish homes. I am aware they had discussions with parish officials about entering into private/public partnerships with parishes. They were kind of very active talking to everybody. I personally have no knowledge of us being asked to provide that. Do you, Richard?

Mr. R. Jouault:
No.

Ms. M. Hutt:
They have never fed that down to us as officers.

Mr. R. Jouault:
I certainly do not recall the last issue was going to visit -- what was it?

Ms. M. Hutt:
Go and visit homes in the UK.

Deputy D.W. Mezbourian:
Yes, the Four Seasons Health Care facilities in the UK.

Mr. R. Jouault:
No. Well, we never got to go-- I would remember that. **[Laughter]**

Ms. M. Hutt:

Yes, if we had gone we would have remembered.

Deputy D.W. Mezbourian:
At that time Four Seasons did not view the States of Jersey as being the main contender for the services that they could provide? They would perhaps not have been viewing this public/private partnership to the degree that you were?

Ms. M. Hutt:
I would say we were not the only ones. They would probably think that we were not the only opportunities for them.

Deputy D.W. Mezbourian:
So when did discussions resume with them at which you realised they viewed the States as being the best way forward for them over here?

Ms. M. Hutt:
We sent out letters asking for interest to all the home owners in Jersey. They responded along with the other home owners. We knew that they had lots of experience. We knew that Lakeside was changing hands. We also have our own local providers, so that tender specification went out in -- I cannot remember the date.

Mr. M. Littler:
I think it is very important that we only started to send out tenders for services after the in principle decision by the Minister, and that was on 30th March. So the tender that went out, that was after the in principle decision to see whether or not it was feasible. Four Seasons sent their formal tender or an expression of interest on 6th June 2006.

Deputy D.W. Mezbourian:
So there were no discussions before the tenders went out with Four Seasons?

Mr. R. Jouault:
I think it is important to understand how the relationships between the States and the private sector work in that Mair and myself and Mark are in constant dialogue with local home owners and with UK providers on a range of different issues, but that is about maintaining a market intelligence and an understanding about what local providers are doing and what their plans are for the future. So it is not a case of formal negotiations starting and stopping. We have been continuing to talk to, I believe, people from the Barchester about the single assessment process as well.

Ms. M. Hutt:

I mean, it depends what you mean by discussions. Richard is exactly right. I have discussions with home owners all the time and not only home owners that we use. I am often approached; Health and Social Services has been approached on I would say at least 4 occasions in the last 15 months by UK providers who have wanted to come and talk. They have ended up talking to me about what the local market is like and where Jersey elderly care is and where it is going. So the word "discussion", quite what do you mean by that word "discussion"? Because we do talk to these folk all the time.

Deputy D.W. Mezbourian:

When did you start discussing the price of beds?

Ms. M. Hutt:

That is down to negotiation. That was after the ministerial decision, after the tender document went out.

Deputy D.W. Mezbourian:

Because according to the minutes that we have been provided on the steering group for Leoville and McKinstry, it states that --

Ms. M. Hutt:

Can I just stop you there? If there is anything that is commercially sensitive could we discuss this in camera, please?

Deputy D.W. Mezbourian:

There are no figures mentioned.

Ms. M. Hutt:

Oh, that is okay.

Deputy D.W. Mezbourian:

I am trying to find out when you started discussing the price of beds with Silver Springs, and on the minute dated 19th April it is quite clear that Silver Springs was looking at charging a certain amount per day.

Mr. R. Jouault:

We would certainly know at any time at any point in the year how much all the homes would be expecting to charge for the facilities that they either have or they are prospectively going to build. That is what I am talking about in terms of market intelligence.

Deputy D.W. Mezbourian:
Okay, so you were in discussion on prices even before the tender?

Ms. M. Hutt:
No, that does not necessarily mean that. We would have at the steering group discussed what the current situation is in the market. We do not need to talk to Silver Springs to know that. We would know what they were proposing to charge. We would be able to extrapolate from what they charge at their La Haule facility. We would be able to extrapolate from what we know that the other homes charge locally in Jersey. So it is intelligence, as Richard says.

Deputy D.W. Mezbourian:
Although this refers to someone from Silver Springs that you had been discussing directly with?

Ms. M. Hutt:
Discussing does not mean negotiating. Having conversations with does not mean negotiating.

Deputy R.G. Le Hérissier:
Sorry, can I jump in here and refer to what I said at the very beginning about the economics of operation. It has been argued to us - and I am perhaps jumping ahead to the concordat - that the way you approached the tendering process was inevitably going to favour large operators because you wanted economies of scale. You have said: "Yes, but it was all open" and so forth. What happens to a small operator? We have heard evidence that some of them were interested and that, indeed, you may well have been approached, but what they essentially told you was: "Look, if you want us to move from residential beds to nursing beds, we are quite prepared to take that because we have read the tea leaves and we can see the way the world is moving. But we are small operations but we are homely, that is our great asset because we are small. We may not have the latest curtains but we keep them washed and so forth. We are small operations but if we are going to take the gamble of creating nursing beds and entering this competitive situation, we have to have some kind of guarantees. We do not need cast iron guarantees that you will for ever provide us with 6 patients, but we have to feel that if you are pitting us against an operator who can provide, I do not know, 50 beds or whatever, there is going to be a little enclave for us. Because we know certainly if we get an understanding with you and this finance flows in, we will not be charging the same as the big operators but we clearly have to charge a lot more. We have to invest a lot more in our homes." To what extent did you ensure that these people were able to compete in the market that you created?

Senator S. Syvret:
In these kinds of situations we have to strike a balance. As I explained previously, we want there to be a broad and successful private sector provision in Jersey. It is important for a variety of reasons. But

against that, we do have a responsibility to make sure that taxpayers' money is being used on a cost effective basis. We understand, certainly, the particular issues that the smaller homes will have, economies of scale and so on, not the backup of large organisations in the United Kingdom. We will try to take that into consideration but ultimately I think it would be unwise and possibly even non-compliant with the States of Jersey Finance Law if we were to enter into some kind of long-term binding agreement with the smaller homes saying: "We guarantee that we will send you X percentage of our patients." I do not think that would actually be legal. We have a duty to always test the market and to make cost effective use of the taxpayers' money.

Deputy R.G. Le Hérissier:
Do you think the inevitable consequence of that, Stuart, will be eventually, particularly when you consider the ever-growing regulatory burden, to squeeze these people out?

Senator S. Syvret:
No, I do not think it will. I think people that run good homes that are well run, that meet decent standards, will always find a marketplace. I do not accept that they will be forced out.

Mr. R. Jouault:
There are many niche markets within what is broadly called long-term care which are around a variety of different clients with a variety of different needs. So I think smaller homes will always survive if they position themselves around certain types of care.

Deputy R.G. Le Hérissier:
Do you feel that that market is being created and people are taking the risk, Richard?

Mr. R. Jouault:
I think there is evidence to support the fact that many of the residential homes are dual registering and now identifying what the demand is and adapting their facilities to meet that demand, yes.

Mr. M. Pollard:
I do not know any provider who likes regulation. **[Laughter]** I used to be regulated by a different area of the health service so I understand that, but the market is changing. The market is changing very well here and the area of the market that is over-provided is residential rather than nursing home care. I am sure you have had evidence presented that would demonstrate that. There is a very high vacancy factor in the residential sector which is really nature's way of saying you really are oversupplied. That is playing itself out. We talked about dual registration but there is also the people who are anticipating the growth in these niche markets arising from new directions. We can see a movement towards dual registration to give both the parish facilities and institution proprietors all the flexibility they want so

that by changing their product they are guaranteeing their future rather than looking for kind of gold-plating from the States of Jersey.

Deputy R.G. Le Hérissier:
But a lot of these people do start off under a much lower cost base than perhaps big operators. Are you prepared to deal with a variety of providers who would complicate the administration of your tendering process but price-wise could probably be quite competitive?

Mr. M. Littler:
We do now, Roy.

Deputy R.G. Le Hérissier:
But at the nursing end?

Mr. M. Littler:
Yes, we do now, yes.

Ms. M. Hutt:
We sent these letters of invitation to tender to all the nursing homes in the Island. We sent them to the existing nursing homes knowing that one of them would not be interested; that owner had already indicated that to me, thank you but no thank you. The others are generally operating on something like a 90 to 98 per cent capacity rate anyway so they do not have a lot of empty capacity. One of the reasons that we were pleased to see new people coming into the Island is because of a shortage of nursing beds. The existing nursing homes would always find it difficult to even commit to having 6 empty beds in 6 months' time because they are too full most of the time for them to be able to do that.

The Deputy of Trinity:
Just taking that a step further, we have these very good private sector nursing homes who you said are 90-odd per cent full.

Ms. M. Hutt:
Between 90 to 98 per cent capacity.

The Deputy of Trinity:
There are 2 new big players on the market, especially Silver Springs which is brand new so therefore empty. Perhaps jumping ahead on a level playing field here, as I understand it, when the tender process went out they had to have the number of beds that you required empty on that day, which is very difficult if you are already continuing to be in the market.

Ms. M. Hutt:
But if we cannot buy beds for patients, if the beds are not there and the homes are operating to a high capacity, and each of the home owners said to me that they would find it very difficult to be able to say to us at any particular date, no matter how far in the future, that they would have any empty beds. The empty bed situation changes on a daily basis.

Mr. M. Littler:
It was not correct to say that we required all those beds there and then. We had to move fairly quickly because of the state of the building and when we put out tenders we asked what you could supply. So the fact is we have not got all our beds on one day. We have to see what is possible.

Deputy D.W. Mezbourian:
So how many homes did tender in the end from which you were able to make the choice?

Mr. M. Littler:
Two main ones.

Deputy S. Power:
Can I come in on a question here because I am unclear on the sequence of events? I put it to all of you where my confusion lies. The Silver Springs Hotel closed some time in 2004; that was its last trading season I think. Somewhere in the short period afterwards Four Seasons bought the Silver Springs Maia has confirmed that indirect and informal negotiations -- discussions, sorry, took place --

Ms. M. Hutt:
Not negotiations, no. Normal discussions --

Deputy S. Power:
Normal discussions, yes, but no guarantees, no comfort as to --

Ms. M. Hutt:
Finding out what is going on.

Deputy S. Power:
Where my confusion comes in is that they then ripped this hotel apart, rebuilt it as a nursing home without any comfort or without any degree of --

Mr. M. Littler:

Yes, I can absolutely confirm that, yes.

Deputy S. Power:

-- sustenance or support from you and they waited through a construction period of 15 to 18 months and then were more or less ready. I know there were some delays, but they were more or less ready in the late spring of this year when your tender documents went out. I find it difficult that a commercial organisation would invest the kind of funds that we are made aware of and take a cold commercial risk. They must have been aware of the fact that you were very close to making a decision on Overdale.

Senator S. Syvret:

Can I say I just do not agree with your analysis or your hypothesis. Large commercial organisations do gamble and do take risks. There was absolutely no guarantee that we were going to give them any custom. In any event, they would be looking to their own activities in the private sector to find a lot of their custom. I mean, in businesses you have to invest and it is often a risk of the speculation. They could have invested all that money and they might not have got any custom from the States because they had not met our standards or they had not been cost effective, and that would have just been tough on them.

Mr. M. Pollard:

They are a half a billion pounds business and carrying that kind of risk may be big to ourselves sat round this table, but to an organisation like that it is not really a big risk.

Mr. M. Littler:

Also, Sean, they already had a foothold in the market with La Haule so they knew the market in Jersey and they must have made that commercial decision on market intelligence that they had and also their big infrastructure.

Senator S. Syvret:

They would have made a commercial decision based upon the analysis of the likely need patterns in the community, nursing homes in short supply, growing demand for nursing home accommodation, likelihood that more of it is going to have to be provided for the community. So on that basis they decided to make the investment.

Deputy S. Power:

They must have also, as part of that commercial appraisal, factored in the fact that you were likely to close Overdale?

Mr. R. Jouault:

No, my understanding, my discussions with the MD (Managing Director) of the company at the time, Mr. Lou Smith, was that their intention with respect to Silver Springs was to produce a flagship for their organisation. Their intention was not to look at public beds but to very much be in the market at La Haule. La Haule was one of the very few residential homes in the Island which had a waiting list because, again, of how they were positioning themselves in the market. They were looking at very high quality residential care and they were looking at very high quality nursing care, and that is what they wanted to do. As the Senator said, they knew the marketplace and there was no suggestion with respect to Overdale whatsoever as far as I am concerned.

Deputy D.W. Mezbourian:
Are you able to confirm that before the tender document was sent to all the homes, that Silver Springs were not expecting to have Health and Social Services patients transferred to them at Silver Springs?

Senator S. Syvret:
They might well and probably were hoping that that would be the case, but that would be the basis of their business decision and their investment gamble. The fact is absolutely no form of promise, guarantee or anything of that description either verbal or written was given to them. It was a straight tender basis and if they had not competed, if there had been a better product and a better cost effectiveness, we would have gone for that.

Mr. M. Littler:
Going back to Deputy Power, another big factor in their decision making is about capital acquisition. They are a venture capitalist holding company and they are into the property business as well as the health business. That is a big commercial decision that they take.

Deputy S. Power:
They are primarily a healthcare company, though.

Mr. M. Littler:
If you look at the holding company, they are venture capitalists and they are in the business also of property, capital appreciation and property.

Deputy S. Power:
Well, the ultimate parent has a property holding company, but the actual operating companies in Jersey, in Wales, in Lancashire, in whatever --

Mr. M. Littler:
But there are 2 income streams, you see, one through the health business. There is also capital

appreciation.

Deputy S. Power:
Would you say, then, based on what you have just said, that had they not been successful and had, say, your department decided not to allocate them the number of beds that you have, that they would have probably sold it?

Mr. M. Littler:
No, not at all.

Senator S. Syvret:
I do not believe so. They would have carried on running it on their own basis catering to the private market in the Island.

Mr. M. Littler:
They made it very clear.

Senator S. Syvret:
Yes, and that is one of the reasons why they made such an investment in it and did it to such a high standard so they would be attractive and competitive with other private sector providers.

Deputy S. Power:
Looking at the occupancy rates that they have volunteered to the sub-panel - which I am not going to enter into specific detail because it is sensitive - it looks to us that the take-up of beds by your department is well in excess of the take-up of beds by the private sector, by the private clients.

Ms. M. Hutt:
You are comparing nursing and residential here, are you?

Deputy S. Power:
I am looking at the whole thing collectively.

Ms. M. Hutt:
We are not buying any residential beds there.

Deputy S. Power:
Yes, it is nursing I was referring to.

Ms. M. Hutt:
So we are buying a higher proportion than they are selling privately.

Deputy D.W. Mezbourian:
I think I would just like to go back to a comment that Senator Syvret made a moment ago about Silver Springs were perhaps hoping to be successful in acquiring patients from Health and Social Services. Because before the tender letter was drafted, in the steering group minutes it does say that Maia Hutt was due to meet with the Director of Four Seasons the following day, who at that stage wished to know what people would be in which rooms. This is the part that confirms that they were, indeed, hoping to get Health and Social Services patients because I quote --

Ms. M. Hutt:
Can I explain that comment?

Deputy D.W. Mezbourian:
No, I will just finish the quote if I may: "Silver Springs are proposing that they will identify what rooms they are going to sell to the private sector and the remainder of the rooms will be for Health and Social Services." I think that confirms the Senator's assertion that they were hoping to be granted that, and that was before the tender document had been drafted.

Senator S. Syvret:
You need to bear in mind, as has already been explained, that these kind of discussions, exploratory discussions, will have taken place not only with Silver Springs but with a wide variety of other providers in the private sector on a fairly continuous basis.

Ms. M. Hutt:
I would like to explain that. I do remember that quite clearly. We were talking about at the time with lots of providers: "We have some ventilator patients. Are we going to be able to think about moving ventilator patients? We have some patients that need tracking. We have varying needs." We do not have "a patient is a patient is a patient" and most homes do not have **[Interruption]** and these were initial looks around homes, not only that home. I am very familiar with other homes so I do not need to go looking around the other homes. I do need to know more about them and I do need to know more about Lakeside to see what kind of facilities they have that might suit for particular patients that I might have in mind.

Senator S. Syvret:
You need to also consider that given that places like Silver Springs and Lakeside are, in fact, making very substantial investments which they hope to make a return on in the future, they are going to also

look at gathering market intelligence themselves. It is entirely natural that given the scope and scale of the kind of investment they are making they would want to come and speak to us and, indeed, other people in the marketplace to test and explore what the market might be for their business, for their product.

The Deputy of Trinity:
Are you aware of any other private sector companies looking at investing in their property for the future?

Mr. M. Pollard:
Nursing homes?

The Deputy of Trinity:
Nursing homes.

Ms. M. Hutt:
We are aware of other companies wanting to invest, yes.

The Deputy of Trinity:
So you will be taking that into account as part of the tendering?

Ms. M. Hutt:
There are at least 2 other possibilities in the near future that we are aware of.

The Deputy of Trinity:
Locally based, already in the market, private sector?

Ms. M. Hutt:
Yes.

The Deputy of Trinity:
Just to move on but on that point just to go back slightly, back to 2004, in some of your Health and Social Services P.70 minutes it is noted that: "Partnership to be considered for a 60-bed home at Overdale in the future." What consideration was given to a partnership for the development of a 60-unit home on the Overdale site itself?

Senator S. Syvret:
It was explored. It was one of the options that was explored, as we explained last time we were here.

We looked at a variety of options like rebuild, total rebuild, States' funded rebuild, public/private partnership, using the private sector entirely provision. We explored all of these options at the time.

Deputy R.G. Le Hérissier:
When you were exploring them, Stuart - it is almost back to the question I asked Mike - what were the other options in your mind about the Overdale site? What were the options in terms of the Overdale site?

Senator S. Syvret:
The options with the Overdale site were, starting at base level, to carry on as usual, just to carry on with having people living in this obsolete environment; to try and refurbish it, but of course the structure of the building, the layout of its floor plan and its location makes it impossible to renovate to modern standards. You could not build the private rooms and all of the other things that would be needed within that building, so to attempt to renovate it would be throwing good money after bad. We then thought about demolish completely and rebuild, but if we had had the capital monies available to do that it would have been easier just to build the Belle Vue site and move people out of Overdale into the Belle Vue site. We looked at public/private partnerships too, but they are not always viable or appropriate in particular circumstances.

Mr. M. Pollard:
The beauty of this is that the option with the highest quality came in with the best value for money. That is very rare because you often have to trade between those. But this is unequivocal.

Deputy R.G. Le Hérissier:
So, when Stuart said you looked at public/private, how far did you pursue that line of inquiry? Did you talk to potential partners, for example?

Senator S. Syvret:
I personally did not. The officers might have done.

Deputy R.G. Le Hérissier:
Yes. Did anybody talk?

Mr. M. Pollard:
No. The Treasury would advise us that the finance laws currently and the way that the States of Jersey operate, it is not able, as yet, to enter into the kind of Public Private Funding Partnerships that perhaps that are available on the mainland. So we must be very cautious about that. There is a lot to be done if the States is to go down that road or a much more general road.

Senator S. Syvret:

I did some work a few years ago on the whole notion of PFIs (Private Finance Initiatives) and public private partnerships which have been used quite extensively. They were developed by the Conservative Government, but the late government carried on with the same approach. Generally speaking, the investment made in health care through Public Private Partnerships has proven to be very, very expensive, and often quite poorly thought out and poorly structured. So there were very clear lessons to be learnt there in the UK's experience, so we have to be very cautious when going into public private partnerships in terms of build, and so on, are concerned. We have done at least 2: one with Dandara in respect of the dental clinic; and one with, I think it is Coolwaters, in respect of what was Catherine Quirke House, which is now demolished. Those are 2 examples of public private build partnerships that we have entered into. But the circumstances were particularly appropriate there because we owned property there; they owned property there, and it made much more sense, and it is a much more rational use of the sites to cooperate and work together.

Mr. M. Pollard:

The problem with PFI, apart from the fact that one has to use now and pay later - and pay later with a massive bill - is that basically what happens is that the private partner tends to shift the risk over to the public sector. Therefore, the public sector buys a certain quantum of activity but they must fight hell-for-leather to try and find the patients or any other customers or clients to meet that. One of the big development scandals in the National Health Service is that the government has built what they call ITCs (Independent Treatment Centres) and, again, the NHS (National Health Service) is having to commit itself because it has already paid for a certain number of procedures. Some of these ITCs, as they are called, the government has paid for 100 per cent capacity but can only have about 40 per cent of the patients. It is a disaster, and I would never recommend to the Minister that he go down that route.

Senator S. Syvret:

In the United Kingdom, it is very clear when you look at the habits that have developed politically that PFIs are very, very attractive to politicians, because you are able to get a nice, new, shiny hospital, or whatever it may be, built and say: "Look, this is what we have produced for you" without having to spend a lot of capital monies on putting into it in the first place. But, of course, the real cost is then borne by the service and the strictures on the service - in terms of the design, of what they are doing, how much it has to be used, and so on - built into it. So, politicians, most of whom are here today, gone tomorrow, can say: "Yes, PFIs. Look at all these new hospitals we have built" but the real cost is incurred by the public purse over the longer term.

Deputy R.G. Le Hérissier:

Although, interestingly enough, Stuart, a lot of the public submissions we have had, of course, they are

people who are very emotionally attached to the notion of public ownership. What they feel is, of course, in a sense you have sold off, or you might be - and we will be dealing with this later in the questions - that by going to the private sector in such a big way and paying them what they consider to be a massive revenue stream, you are not preserving your capital heritage, basically.

Mr. M. Pollard:
Where are the facts about that? Where is the evidence?

Deputy R.G. Le Hérissier:
No, I am saying this is what the public sentiment is. I mean, there is an argument which we did start last time, and obviously it is quite a complex one - and Deputy Ferguson is better able to speak of it - about whether the sums at the end come out roughly equal and, Mark, of course, did argue that they did, as I recall. But that has certainly been a strong public sentiment, rightly or wrongly.

Senator S. Syvret:
Well, if we are going to make sensible political decisions about all of that kind of public service provision that the States delivers for this community, we cannot be driven by ideological considerations. There are some States' Members and, indeed, members of the public and others who are, as you say, wedded to the notion of public services always being provided. There are other States' Members and other people in the community who quite clearly ideologically regard public sector provision as some kind of enigma and that pretty much everything should be privatised. I do not believe it is appropriate, or sensible, or wise, to come into these kinds of situations with either of those kinds of ideological positions. What we have to look at is: what is the best, most sensible solution in each case, on a case-by-case basis, at the time. The fact is, for reasons that we have already touched upon, the States, the public sector, does not have the capital monies available to make this kind of provision at the moment. Therefore, it makes perfect sense to use the private sector in this particular case.

Deputy R.G. Le Hérissier:
Yes, sorry, Stuart. If we could go back to the nitty gritty, so to speak, of the decision-making process and get away from the most interesting issues that we have just been discussing. According to the reading of all the material, the full ministerial decision was taken on 11th September, I think you told us that, and it gave the go-ahead for closure and transfer. But you only in fact approved the proposal, in principle, it appears, on 30th March 2006. Both these decisions were recorded decisions. When you made the in principle decision in March - and we have gone over some of this, but it is nice to get your mindset, so to speak - what information did you consider when you made that in principle decision in March?

Senator S. Syvret:

I had, I think, the continuing care proposals. What was the correct name of that document?

Ms. M. Hutt:
Yes, and business case, as well.

Senator S. Syvret:
Yes, that and the business case and, of course, the other background material which we have already explored in terms of the non-availability of States' capital funding, and so on. As we have already described, the officers had explored the alternative ways of dealing with the situation. They came to me with all this material and said: "We think that we might want to start exploring the issues with the possibility of using the private sector. Do you agree with that in principle? Do we do that, or not?" I said: "Yes, I agree with making explorations." So that was at that stage. The work was then further developed, done in much more detail. The officers worked with the private sector over the intervening months, and eventually we were ready to press the button and go with the policy.

Deputy R.G. Le Hérissier:
Yes, we have had a bit of difficulty in tracing the actual making of the decision, although obviously it has now been made in a full sense. You do not recall, Michael, or, indeed, Stuart, the actual record that was made of this decision?

Senator S. Syvret:
I am not sure that there necessarily would have been a record made, because it is not the kind of a decision that puts a particular agreement or policy in place. The officers came to me and said: "This is one of the avenues we would like to explore. Do you think we should do it?" I said yes. It is not a binding commitment to that stage. The decision only comes once the issues have been explored and they are ready to enter into agreements and initiate a new policy, or whatever it is. I think it would be a very, very difficult state of affairs if every time the officers of a department wanted to explore a particular issue, a particular policy area, or whatever, they had to come to the Minister and get a written formal ministerial decision giving them permission to do so on every occasion. I just do not think that is rational.

Mr. M. Littler:
But in this case though, I mean, because of the sensitivity and importance of it, we did draw up a business case outlining the key variables that we were dealing with, and the sensitivities that we were dealing with. It was only because we had an in principle decision which was recorded by the Minister, with the agreement of the Chief Officer, that we then felt able, with a mandate, to go forward and work up and make the in principle decision a reality. But there were caveats attached to that, and that is why we needed the final decision to press the button when all the plans had been made. We were confident -

the steering group were confident - that what we were doing we were doing for the right motives, for the best interest of the patients. When we had that green light by the Minister, we then felt sufficiently able with the mandate to go forward and commit lots of resources and time to make it happen. But there was no ambiguity about that decision-making process. We would not have done that without our Minister's support.

Deputy R.G. Le Hérissier:
Okay.

Deputy D.W. Mezbourian:
You mentioned there, Mark, the best interests of the patients.

Mr. M. Littler:
Yes.

Deputy D.W. Mezbourian:
We understand that some research has shown that mortality rates can reach a level of 20 per cent when closing wards and moving patients elsewhere. What consideration was given to that?

Senator S. Syvret:
A great deal of consideration. You are quite right, it is well documented that moving unhealthy, frail people carries with it a risk of mortality, and, indeed, we in fact said this to you - if you care to look at the record - we made this quite clear when we came before you on the last occasion.

Deputy D.W. Mezbourian:
You did.

Senator S. Syvret:
For that reason, knowing that this was the case, great care has been taken to have a full comprehensive clinical assessment of each individual patient, so that if they are to be moved, the location into which they go, the nature of the move, the nature of the care they need, the clinical risks associated with it, will be comprehensively assessed. It is worth pointing out that much of the evidence from the United Kingdom about mortality rates has sometimes involved things like homes being suddenly shut down unexpectedly, for all kind of reasons, and patients having to be moved suddenly with very little warning. Of course, that is a wholly unsatisfactory state of affairs and that is not the approach we are taking.

Deputy D.W. Mezbourian:

So at what point will you assess the success of the move with regards to the mortality rate?

Senator S. Syvret:
Hopefully, there will be no mortality rate because of the precautions that we are taking, which are comprehensive, clinically-led, clinically prioritised precautions.

Deputy D.W. Mezbourian:
With respect, I would suggest that there will be a mortality rate. It is highly likely. When will you --

Mr. M. Pollard:
Well, our patients are very old --

Deputy D.W. Mezbourian:
When will you assess that? After what period of time?

Ms. M. Hutt:
Can I answer this, please?

Deputy D.W. Mezbourian:
Yes.

Ms. M. Hutt:
I think I would like to say, firstly, that in relation to the research, we are not comparing like-with-like situations. Most of the research that has been done has been researched where they have been moved, but there has not been a backstop situation. We are not moving patients that we assess clinically as being complex and unstable. In the situations in the UK mostly, and some north European countries where they have researched this, they have had to move all their patients, even those that are clinically unstable and clinically complex. I think I described this the last time we were here, we have built in 3 monthly, 3 weekly, 6 weekly, 6 monthly and ongoing reviews; fully comprehensive clinical reviews for all the clients that we move. We keep mortality rate statistics for our clients now. We have a death rate, because that is the nature of the kind of clients that we are looking at. We will have a full evaluation at some point into the interviews. But evaluating the individual clients is what we see as being important, and keeping track of their progress is going to be really important. I do not think it is inevitable that the death rate will increase. I would be very surprised if the death rate increased, but it is also very difficult to predict what the death rate is going to be. If we keep these patients in Leoville and McKinstry, I would not be able to tell you now how many would have died by next spring. There will be a lot of variables in that. Things like flu, things like infections. It just happens some times that we get more deaths than we do at others. So we cannot predict that now, so it would be foolish to pretend that we

could predict that for the patients that have moved out. All we can do is look retrospectively and compare, but what will be important in that is that we are certain that our individual reviews of patients are happening, and will continue to happen.

Mr. M. Littler:
Yes. The other thing is the risk, whether you move or decant patients from Leoville, McKinstry to Silver Springs or to a self-build site, would be the same. Just the sheer fact of moving. What we hope, given the procedures we have put in place such as the caring of the assessment, the agreement with the relatives, grouping friends together, and all the nursing backup that we give in addition to Silver Springs, is that we have minimised that risk.

Mr. R. Jouault:
Can I just add, I think while we always have mortality rates as an aspect of our risk management, it certainly is not what I would consider to be high in the priorities of the success of a transfer. A success of a transfer is as much about the user experience, so while mortality rates are certainly something which we have risk-managed to a minimum in terms of how we evaluate the success, it is not by mortality rates, it is by the experience of the users and how they found that.

Senator S. Syvret:
Can I point out that has already been said. If you are moving the clients, no matter whether it be to a private sector home, or a public sector home, a new built public one, the risk remains the same, providing that you are moving them to a competent good, private sector environment. But the nature of dealing with this cohort of clients is that they tend to be elderly, frail, often with complex and unstable needs, therefore they will die. People will die from time to time under those circumstances. So, I do not think that that is avoidable. It is the nature of being old, being elderly, and having serious illnesses and debilitating conditions. I do not believe that you can justify at all your assertion that this move will cause the death of many of those patients.

The Deputy of Trinity:
All right. Sean.

Deputy S. Power:
Just one point relating to what Deputy Mezbourian said during our hearing with Dr. Richardson. He did confirm to us that one lady did die one week after being transferred to Silver Springs. I believe she developed a chest infection, but it has happened.

Ms. M. Hutt:
We cannot discuss individual clients.

Senator S. Syvret:
As I said, these are elderly, frail people with complex and unstable needs; therefore they do die from time to time.

Mr. M. Littler:
There is a lot more detail behind that which we cannot say anything --

Mr. R. Jouault:
Can I just stress that we cannot discuss the individual's care. That is not appropriate in a public setting.

Deputy S. Power:
Yes. I was referring to a statistic relating to what appeared to --

Mr. R. Jouault:
I thought you were relating to a lady.

Deputy S. Power:
I was relating to an incident which Dr. Richardson referred to in a public hearing.

Deputy D.W. Mezbourian:
I would just like to thank all of you for responding to that question, because the question was what consideration has been given, and you answered that fully. Thank you.

The Deputy of Trinity:
Just going back, the full business case regarding the future was based on what? On the business case that you wrote, is that right?

Ms. M. Hutt:
Yes.

Mr. M. Littler:
That is right.

Ms. M. Hutt:
That is right.

The Deputy of Trinity:

Which is dated September, so you are already in the process of looking at the tendering processes?

Ms. M. Hutt:
I did 2 business cases. I cannot remember what I called them, but the final one and a previous one. I did 2.

Mr. R. Jouault:
Outline and full.

Mr. M. Littler:
Yes.

Ms. M. Hutt:
Outline and full. Right, that is what I called them. I did the outline one in March.

The Deputy of Trinity:
Thank you for that.

Mr. M. Littler:
Yes, because we had not been into any negotiations we could not put the detail in terms of the cost. We had a good idea of the market. The outline business case that the Minister agreed on 30th March, that had most of the information that we had at that time, and then we worked it up, had negotiations with one big provider, started negotiations with another, so we knew before the Minister made a decision, what the likely costs would be. So there was more work made in that second business case.

The Deputy of Trinity:
Right. I think I have it now.

Senator S. Syvret:
I do not think there is anything remotely unusual about that. It seems to me it is simply competent decision-making. There is little point in asking officers or departments to explore particular policy decisions in detail if you have no intention of ever putting them into effect. If you are not prepared to even countenance the possibility, you will just be asking a department to waste time and money. On the other hand, it does not make sense to make binding decisions on these kinds of policy changes until you have the full detail worked up, so it is an iterative process.

Deputy R.G. Le Hérissier:
When you gave the in principle approval, Stuart, for this work to take place, did you have an

anticipation that a large home would eventually end up? Because I am still not convinced from the answers we have had earlier - despite these apparent niche offerings that you see them as making - that the market really allows the small operator -- or that they were ready, or that it had been structured in such a way that they could really be credible tenderers in that situation.

Senator S. Syvret:

We cannot, and it is not our job to structure the market. It may well be that with the 2 new, very large players have come into the market, with the economies of scale they have, the financial backup they have from their parent companies, it may well be that they were able to produce a better product at a lower cost than some of the smaller homes. As I have already explained, while we are careful to do what we can to make sure that the marketplace is working in Jersey, and that the smaller homes do have business, ultimately, we cannot. It would be illegal. The States of Jersey Finance Law says we have to be responsible for the cost-effective and proper use of taxpayers' money. Just because 2 or 3 nursing homes might be small, locally owned businesses, I am afraid it is not at law a justification for us saying: "Well, forget about the cost-effectiveness and the quality, we will give you a contract for the next 10 years."

Deputy R.G. Le Hérissier:

I do not think that --

Mr. M. Pollard:

It is a very, very buoyant market, and 98 per cent occupancy tells you there is a market. That market will grow notwithstanding any investments in primary care and community care for older people. That market will grow. That is why I find it very difficult to understand why people feel that they do not have sufficient market share. The concordat which I am sure we will come on to later, was brought about because Eileen Crabb, a very excellent Chair of that organisation[1], wanted to be sure at all times that our department was operating a level playing field in the sense that it did not want us to enter into anything beyond a competitive process with any player and, of course, with one eye on the 2 big players, I suspect, that were coming on to the Island. We were able to give that assurance. You chaired that meeting, Minister, if you recall, and that put their minds at rest.

Senator S. Syvret:

Indeed, the ultimate test of the situation is when you look at the market and you see 98 per cent occupancy across the market, then it is working. The smaller homes have custom.

Deputy R.G. Le Hérissier:

98 per cent of nursing occupancy?

Male Speaker:
Nursing.

Deputy R.G. Le Hérissier:
Yes.

Mr. M. Pollard:
The residential section is restructuring itself and it needs to.

The Deputy of Trinity:
Sean, do you want to go on to the next area?

Deputy S. Power:
Yes, if I may. I would like to come back to an issue that has been fairly consistent in the last 2 months in terms of submissions to the panel, and it is to do with the long-term maintenance of what we would regard as the older buildings at Overdale. If I just read a little bit of this, and then I will ask a question: "A number of submissions have been received by the panel which refer directly, or indirectly, to neglect suffered at the Overdale site. A possible lack of maintenance was raised by 2 individuals: one on 4th October and one on 5th October, at public hearings." Senator, you were asked for a response to the charge of calculated neglect at a hearing on the 14th, and your response, I think, was, that it is completely incorrect. "The fact that these buildings were built in the 1930s and partially re-built in the 1960s, that they have been maintained but it comes a point when, with these kinds of buildings, they were never substantial at the best of times, they were not really built to last, and you are simply throwing good money after bad." Those were your words. We did request information relating to maintenance at the end of September, and we have not received a reply. So the question really is what maintenance plans were in place for Leoville and McKinstry over the past 10 years?

Senator S. Syvret:
Well, I am sure we can provide you with that information. It has probably just been overlooked. The Director of the States for Health and Social Services will have a record of all the maintenance spent on these buildings. But the point remains, you quoted what I said last time, and I can only repeat it now. The fact is those buildings were significantly beyond their useful lifespan. Even if we were to spend substantial amounts of money in an attempt to refurbish them, it would be throwing good money after bad, because the design of the buildings, the structure of them, the layout, the way the floor plan is, means that you are never going to make those buildings meet modern standards. It is simply incorrect to say that there has been any kind of deliberate neglect or maintenance. That is simply wrong.

Deputy S. Power:

When those words were used, it was in reference to submissions that have been made to the panel, they are not our words. We are saying to you that we would not be completely honest with you unless we said that this is the kind of submission that we have had. If I were to say, I think, possibly 20 per cent of the submissions are relating directly, or indirectly, to the Overdale complex and the condition of the buildings.

Senator S. Syvret:
Can I ask you a question? When you have that kind of evidence - and I use the word "evidence" loosely - before you, what efforts do you take to test its veracity?

Deputy D.W. Mezbourian:
We ask you.

Deputy S.C. Ferguson:
We asked you for the maintenance plan. How you spend it?

Senator S. Syvret:
With all due respect, if that is all you do, then I think you are failing in your duty.

Deputy D.W. Mezbourian:
That is not all we do, because when we get the evidence --

Senator S. Syvret:
Because when people --

Deputy D.W. Mezbourian:
-- we then have to assess it --

Senator S. Syvret:
May I just finish, please? When people appear before these panels and make assertions based just on their kind of opinion, or their political and ideological predispositions, surely these panels are under some kind of obligation to test the facts. When people have made these claims have you said: "Well, you think that? That is your opinion. What evidence do you have of that?"

Deputy S. Power:
These references to neglect, they were not oral. They were, to a large extent, written, and it is for the panel to assess and to take into consideration - as you do in some of the decisions you make -how we weight the comments. We do not accept that the use of an inflammatory word, a word like "neglect",

may be entirely accurate. That is why we asked you for your opinion. That is why we asked if we can have an idea of the maintenance budget that was dispersed at Overdale, over a period of time, so we can dispute these allegations, or we can say otherwise. That is really where we are. It is not that there has been a queue of people outside that door ranting about the fact that the buildings are falling down. That has not happened. Some people have used the word "neglect".

Senator S. Syvret:

Well, we are happy to provide you with the maintenance history of the buildings, but the fact is we are dealing with a building that was part-built in the 1930s and part-built in the 1960s. It is clearly an obsolete building, much of which is many decades old and therefore unstable and starting to fall into conditions whereby it simply is not possible, really, to effectively and cost-effectively maintain it any more. That is the simple fact of the matter.

Mr. R. Jouault:

Sorry, can I just add to that? I think one of the issues around that is that the panel has visited the wards and knows themselves that it is not an issue of neglect. The wards have been maintained as watertight, their carpets have been changed, and from a fire perspective, that has always been maintained. But you cannot re-decorate a 4-bedded bay area into single rooms with en-suite bathrooms and the panel is aware of that.

Deputy R.G. Le Hérissier:

I think, though, it was not only the Leoville and McKinstry. As you say, despite the enormous struggle you have to keep that working, it looks, on the surface, very well maintained, quite honestly. That was something we picked up. But Stuart asks how do you test this? I mean, I do not think there is anyone who comes with an ideological preconception about maintenance. What we do is where it is possible - and as Sean said, most have been written - we ask people. For example, one respite patient told me, Stuart, that he was from the construction industry and he had put in a series of complaints, and over a period of 12 years he had had, in his view, no instant follow up to this particular series of complaints. There were other visual signs like, for example, there were gutterings that were totally rusted through. Now, it takes several years for a guttering to totally rust through. So somebody must have observed that over a very long period of time. It is these sorts of things. The hypothesis put to us - which may be alarmist, but it is worth testing - is had there been a deliberate - and, of course, this is not unknown in the public sector, as you well know - attempt or a benign attempt, or a benign process, whereby the site was running down and everyone had thought: "Well, these are awfully old buildings other than the ones where we have got patients" which I think were exceedingly well looked after given the enormous struggle against inappropriate facilities. But that is the kind of evidence people gave. It is anecdotal, it is spot evidence, but it is worth testing and, as Deidre said, if we get a maintenance plan, we can see: was there was a rigorous ongoing thing, were complaints followed up by individuals when they made

complaints, et cetera?

Senator S. Syvret:
I am not aware of the individual complainant that you mentioned. I would need to see the submission and the evidence to attest that particular issue. But the fact is whether the buildings -- I mean, let us assume just hypothetically that the buildings were neglected. Whether they were neglected is immaterial to the issue that the buildings are unfit for purpose.

Deputy R.G. Le Hérissier:
That is right.

Senator S. Syvret:
We were planning for a long time to build the Belle Vue development. We have all kinds of often very substantial States' costs at Health and Social Services, and if you have a building that you think you are going to shut down in 18 months' time because it is no longer fit for purpose, and possibly demolish it or whatever, then you are hardly going to divert a £100,000 worth of man hours and time to painting the guttering when we have all kinds of other pressing States' budgetary demands throughout Health and Social Services. I mean, to be perfectly honest, if we had money to spend I would prioritise it at places like Queen's House or whatever, rather than these old buildings at Overdale.

Deputy R.G. Le Hérissier:
No, I do not think we have any major argument with you on that. It is just that we wanted, albeit perhaps an alarmist hypothesis based on, shall we say, selective viewing or limited viewing, to test whether indeed that was the case.

The Deputy of Trinity:
Just to finish it too, I think, all of us around this table would agree that the facilities for the patients up at Overdale are not satisfactory compared to the private sector. I think all of us agree, especially having gone up to see it.

Mr. R. Jouault:
They are unsatisfactory not because of a result of neglect.

The Deputy of Trinity:
Yes, because all the 4-bedded wards and things and the wardrobes, et cetera, that we have seen.

Senator S. Syvret:
That is right.

Deputy D. Mezbourian:
I think it is worth mentioning, which we did do last time, that a vast many people have expressed an opinion that the wards are not as they could or should be and that perhaps some people do feel that money has not been spent on maintaining them. Most of those people who have given us a submission here before the panel or in writing have commented on the very high standard of care that is being given.

Senator S. Syvret:
Indeed, yes, that is absolutely right.

Deputy D. Mezbourian:
Now, again, we do not dispute that. We accept that, although what evidence is there for us to base any judgment of that comment on? You know, we receive positive comments as well as some negative ones, which I am sure you will accept. When people are asked to submit comments, you will receive positives and negatives.

Deputy S. Power:
It is very clear to us, as a panel, that there is a huge amount of public respect for the care that has been carried out for 2-and-a-bit generations up there. So when we do come across a submission, written or otherwise, that identifies an area where there is a negative comment, by far and away our impression is the outstanding respect that most of the public on this Island have for what has been achieved at Overdale. It is a strong message and I think part of the disquiet that we have found as a panel is the fact that this much-respected good and faithful friend is being closed, and that is an emotional thing.

Deputy S.C. Ferguson:
Going on from that, what is the current situation - how far have you progressed, for instance - with the transfer of patients and the redeployment of staff, bearing in mind that *The Evening Post*, with respect, is perhaps not always the most accurate source?

Ms. M. Hutt:
I had better answer that one, I think. As far as the patients are concerned, we have moved 13 patients so far, with another 9 to move. We will be moving the last patients the week beginning 30th October.

Deputy S.C. Ferguson:
Yes, so you have been redeploying the staff?

Ms. M. Hutt:
The staffing situation is somewhat more complicated. We have been moving staff into redeployment

posts for some while now and backfilling their absence with our own staff working back and with some agency staff. I think it was 56 people we had posts to find for. That is not the number of posts; it is the number of people nursing, and 10 manual worker posts. We have not moved any manual worker posts yet. We cannot do that until one of the wards closes down. From the nursing perspective, we have found redeployment posts for all our staff nurses and, as of this week, we have 9 HCAs (Health Care Assistants) that still needed redeployment posts. You would appreciate that is a bit of a moving feat. I may have 9 today, I may have 8 tomorrow. If somebody changed their mind, it might be back up to 11 by next week.

Mr. M. Littler:
Staff turnover.

Ms. M. Hutt:
But it is in the order of 9 still to find redeployment posts for.

Deputy S.C. Ferguson:
So, basically, you have sufficient staff on Leoville and McKinstry for the remainder of the people and you are filling some of that with bank and agency?

Ms. M. Hutt:
Yes, we will be able to close, hopefully, Leoville floor within the next month. Our patient numbers will have decreased sufficiently so that we can start amalgamating and using economies of scale in relation to staffing upstairs and downstairs. I will be releasing more staff down to the General Hospital, St. Saviour's and (…inaudible) within the next 3 to 4 weeks. We will be keeping some patients down on McKinstry until January and then hopefully moving a few more out and then keeping some more there into next year a little while. There is a possibility that I will have to recruit staff because I also have vacancies in Sandybrook and The Limes, but the staff have all been given very firm assurances that if we do have to take anybody on, they will be taken on on short-term contracts, time-limited contracts of 6 or 12 months or 3 months, depending on the needs of the service. That has been done to reassure people that if anybody is being redeployed, they need not think in 6 months time: "Oh, I could have stayed there and they have taken on extra staff." If we have taken on extra staff, they will be on a very short, fixed contract.

Deputy S.C. Ferguson:
Yes, and you have obviously been talking to the unions about this?

Ms. M. Hutt:
I have had 3 meetings with the unions since April, that is, 3 formal structured meetings. The ministerial

decision in principle was given to us on 30th March. My priority then was to speak to the staff. I put in motion some staff meetings for the following 10 days. I first met with Mark and union representatives on 20th April, was it, or the 24th, something like that --

Mr. M. Littler:
24th April.

Ms. M. Hutt:
24th. We had something like a 2 and a half hour meeting where we gave them chapter and verse of all our proposals, all our plans, all the explorations we were going to do and what we proposed to do in relation to redeployment. We followed the States' redeployment policy but improved on it. We improved on it in the sense that there is an endpoint in the States' redeployment policy and we have not given our staff an endpoint. If they go to a redeployment post and they do not like it, they can come back to us and we will find them another one. That is not necessarily always the case with the redeployment policy of the States. There comes a point where you have to say: "This is what you are having." We have said that we will not do that. I have had, since April to date, 64 meetings with staff and 3 meetings with the union representatives.

Deputy R.G. Le Hérissier:
Okay, Maia, as you obviously gathered, there was a slight difference of opinion and Mark can help because I know he is a veteran of these exchanges. It was the 25th, apparently, according to Mr. Corbel, but I do not think a day, between friends --

Ms. M. Hutt:
In my diary it says 24th, but one or the other.

Deputy R.G. Le Hérissier:
Yes, a day, between friends, is not a big issue. On the one hand, we had Mark saying earlier there was no ambiguity and that is always a bit of a dangerous phrase to tell politicians. Anyway --

Mr. M. Littler:
It was the 24th, it is in my diary.

Deputy R.G. Le Hérissier:
On the 24th. Yes, as I said, I am sure he would concede a day's latitude. I mean, were they talking about a fixed plan, and you suggest by the speed with which you went into redeployment they were already telling them: "Look, this is in principle." It is, as the Minister said: "The options are being discussed, blah, blah, blah" and: "Come along with us" and, you know: "Let us discuss these options."

There is a bit of confusion there. Mark?

Ms. M. Hutt:
There is no reason to -- oh, sorry, go on.

Mr. M. Littler:
We were very explicit in terms of that we had the agreement in principle from the Minister. This was clearly our intent, but obviously we had to address how are we going to treat the staff and, above all, how are we going to deal with the patients and assure quality of care. We gave them our strategy in terms of how we are going to make that move possible. Not only was it a potential decanting of the patients, but also the treatment of the staff; you know, how we could redeploy them elsewhere. We also said: "Look, it cannot be in cast iron; things could happen in terms of the availability of posts within the General Hospital and elsewhere", but we told them our intent clearly and to involve the staff all the way along, to give them as much flexibility as possible, that this is not just "take it or leave it" in terms of redeployment. We want them to succeed. We want them to feel comfortable because they have to perform in their new role, and this is how we are going to help them.

Deputy R.G. Le Hérissier:
But the decision itself was a fait accompli.

Mr. M. Littler:
The decision to move --

Deputy R.G. Le Hérissier:
Was a fait accompli.

Mr. M. Littler:
-- with caveats, because if the patients' relatives had said: "No, no, this is not feasible; we do not want it", I would have been duty-bound to go back to the Minister, because that was one of the caveats, and say: "Sorry, we are running into a lot of resistance here. It is not feasible."

Senator S. Syvret:
Can I make a point that it was not a fait accompli. It was a possibility, a theoretical possibility that was put to me by the officers, as I have already described. I decided that, yes, it was of merit and they needed to explore the issue further and, although I am sure they would have done this in any event, I insisted at the time that the first steps to be taken would be detailed consultation and discussion with the patients, with the clients and their families and with staff, and all of this had to be done. That was the first part of the exercise. All of this had to be done before we started looking at what tenders or

whatever we might offer to the client, et cetera. Had things looked profoundly difficult at that point, if clients had not wanted it, staff did not want it, that may have put a different complexion on the decision to proceed, but the fact is that negotiation - that discussion with them - took place as soon as we decided to carry exploring the idea forward. We can let you have a copy of this. There have been 64 staff meetings from 12th April to 29th August to discuss this. So 64 meetings with the actual staff of the team, the wards themselves.

Deputy S.C. Ferguson:
At what point did you ask the staff representatives for their suggestions as to ways in which this could be made to work better?

Ms. M. Hutt:
I did not ask them for their suggestions in that sense. I was the manager of that area. It is my responsibility to manage the situation and it is my responsibility to communicate with the staff that I manage myself. We have a States' redeployment policy. We planned to improve on how that was implemented. We had identified in relation to redeployment of staff that there were no areas that our staff were not qualified to work at, but the real issues were in relation to meeting their needs, meeting their wishes, meeting the service needs, meeting their training needs. All those issues needed to be addressed. It is my responsibility to make sure that happens, to make sure that the staff are protected and looked after and that the service is protected and looked after. The union is there to support the staff, but the union is not there to do my job, and my job is to --

Deputy S.C. Ferguson:
No, no --

Ms. M. Hutt:
So I did not need to consult with the unions in respect of obtaining their permission to do something or asking them how to do it because, with respect, the union representatives that I am speaking with do not have my management experience. Yes, I value their views and I sought their views on 24th April, but I would be surprised if they had as much detailed knowledge of how to implement such a process as the personnel officers that I was working with and myself.

Deputy S.C. Ferguson:
Yes, I was not suggesting that they would be doing your job for you. I was merely suggesting that their input is part of ensuring they take joint ownership.

Ms. M. Hutt:
Which we procured after the 24th. Yes. It starting happening on the 24th.

Mr. M. Littler:
Deputy, I think you are quite right and so is Maia. When we had that meeting on the 24th with the Royal College of Nursing (RCN) and then separately the Transport and General Worker's Union (TGWU), one of the things that we were at pains to explain was why we needed to change, and Amanda Bisson(?) and the other RCN rep at that time --

Ms. M. Hutt:
He was the JNA (Jersey Nursing Association) rep.

Mr. M. Littler:
-- was Jim Ward.

Ms. M. Hutt:
JNA.

Mr. M. Littler:
Yes, they said: "We understand your need for change" and they thanked us for confiding in them, above all about the planned way we were going about it, because I know Amanda had gone behind the scenes and she had been told that the staff were well-informed and what have you. At that meeting, she commended us on our plans and our thoroughness. It is from the 24th onwards that we were not doing this against the RCN's wishes because the RCN had expressed yes, they are supportive of this. But as Maia said, she placed, quite rightly, a lot of attention on the staff. Those people being affected. But the union were told very early on - you know, we had to arrange the meeting - and they were supportive of that, especially the sort of care we are going to give to the actual staff and also about the decanting of the patients. So we had the clear impression of support, and I have had thousands of negotiations to know whether or not this was going to be a stickiness. We had the clear impression that they knew the reason for change, they supported it and they supported our plan. We were quite upfront in terms of our intent and the flexibility, that if they had any problems to come to us and we will deal with them quickly.

Deputy S.C. Ferguson:
Right, so, again this is what I mean. They have joined in ownership with you as of that meeting on the 24th/25th (…overspeaking).

Mr. M. Littler:
That is right, and even with TGWU. There were a few reps there, Peter Hannaford and Nick Corbel. We talked about the TGWU because, you know, we were respectful of the different union perspectives and the different tensions between, say, qualified nursing staff and perhaps the manual-type staff.

Again, we went through exactly the same procedure, going through the need for change and how it would affect their membership. There was something like 10 or 11 domestic-type staff that would be affected. We also said that this was not going to be a big bang, it was going to be a gradual process, a step-by-step process that as patients were decanted out, sensitively and carefully, we would then collapse the staff that were there and redeploy them out. I said that is not an exact science because of the availability of jobs but, again, we gave the assurances that we are going to do this. The big thing is, notwithstanding any ideology, it was the need for change; why we were doing this and why we were doing this in this timescale. A lot of things about whether we manipulate the private sector or not, we were doing things in a timescale before we either had to put big money in, in terms of making Leoville and McKinstry watertight, and also about the availability of capacity in the private sector. If we had dithered for years and years or waited for private partnership build, the time would have gone. So we were working within reasonable timescales and they understood that. We made it explicitly clear to them.

Deputy R.G. Le Hérissier:

Thank you, Mark, that is a very good explanation, but there is a slight nuance difference as you obviously gathered. Indeed, the RCN, for example, as was accurately reported, were prepared to co-operate in change and they felt they had insights about change and they wanted to give you those insights. I am not sure they felt perhaps totally on board in that regard. There is a difference, as you know more than anybody, because you are, as I said, a veteran. There is a difference between consulting people on a pre-determined position in order that that position can be implemented smoothly and saying, you know: "We are quite prepared to deal with you" as Sarah said earlier, on the way we are approaching this at this point. I mean, we do not want to carry on for ever trying to say whether this is the right approach. Do you feel you gave them that latitude and that involvement?

Mr. M. Littler:

I think from that first meeting where we gave them all the information that they could possibly want and, sort of, an open-door policy, if for any reason they felt that it was not going as planned on that day that they could go to Maia, they could talk to their staff and what have you because they knew our plan, the way we pronounced it and followed it. It is interesting, and I have discussed with the RCN reps: "Have you had any formal complaints?" "No." "Have you had any complaints from your membership?" "No." Now, when you are moving something like 56 staff and perhaps 10 others, I find that absolutely amazing. From my old job, I had problems just moving 3 people, let alone 56. I think it was because Maia and her team, in discussing absolutely in detail on a regular basis with the staff - who did discuss it, probably informally, with their unions - that because things were going to plan, people knew the endgame, I do not think there was any need for any terms of engagement because they knew the plan; we were implementing it to a plan. Normally with the engagement, if there are choices to be made you run into problems. We were not running into problems because we were up front with the

staff. There were some problems, as you know, in terms of rumour mill, misinformation, which Maia had to work hard to overcome and also reassure one or 2 of the union reps. But it was an unusual one, Roy, in terms of big change, about the absence of any real concern, either from the staff or the unions or anybody. I must put it down to Maia and her team, their diligence. I was very, very surprised about that, very surprised indeed.

Deputy of Trinity:
You talked about the negotiations that you had with Amanda asking if the staff had any complaints, et cetera.

Mr. M. Littler:
It was not negotiations. It was a discussion, yes.

Deputy of Trinity:
It was a discussion. Did you ask the same question of Nick Corbel from the TGWU, just out of interest?

Mr. M. Littler:
I think when we discussed the way forward in detail with Nick on the 24th, Nick understood where we were heading and why we needed to. I think, knowing him, he must have been, in other spheres, very uneasy about the principle of moving from a public provision to a private provision. But because it was in the nursing area and because of the compelling need for us to do this and the rightness of it, he must have gone away - I am just surmising now - and still been slightly uneasy with the notion. But at any time - whether it be through Peter Hannaford, who is the convenor at the General Hospital - there was an open door if they thought that their members were not going to be treated fairly in relation to our plan. The fact that they were not being materially disadvantaged, they were going to be treated fairly, Nick has not come back to me at all. Notwithstanding Maia, on the day-to-day operations of it my door was open if they wanted to discuss whether Maia and her team were not handling it properly, and they have not come to me on that. But, yes, I can understand there is an ideological difference, perhaps, on this issue.

Mr. M. Pollard:
In addition to those meetings, I chaired the Health and Social Services Department's joint consulting committee for manual workers and, obviously, Nick Corbel and Peter Hannaford and the local representatives attend that 3 or 4 times a year. The discussions on Overdale took place at the meeting in June and the meeting a few weeks ago. I have to say, like Mark, that I think the T and G have been very mature about this. They are clearly an ideological issue, but they do understand the sensitivity and the complexity of these matters. The major concern raised at both meetings was the matter of the future of the Overdale Hospital. At the June meeting, the action that was agreed was that I write an unequivocal

letter declaring very clearly that there was a future for Overdale Hospital, which I did to their satisfaction. I cleared the wording with the convenor, Peter Hannaford. So the concerns were articulated outside of that process and the actions that were taken by management were at the request of the trade union.

Deputy D. Mezbourian:

I think, although there were some concerns, we did have some very positive comments from that hearing, particularly from the RCN who Amanda assured us that they were aware that Maia had an open-door policy and that indeed most of the RCN staff were very happy. Comment was made on the fact that they were already, some of them, undergoing training which they were very appreciative of. So again, there is positive and there is also some negative as well.

Senator S. Syvret:

I just think it is important to keep a sense of perspective about it. I mean, we have undertaken, I think, a model textbook exercise here in terms of informing staff, keeping them in the loop, discussing the situation with them. That is reflected in the fact that no individual complaints from any of the staff concerned have been addressed to any of us. There clearly is though, some ideological opposition that one or 2 of the union representatives might have to the notion of using the private sector. It is a perfectly legitimate point of view and it is entirely right that they should have that. I just think we need to be aware of those factors. I would just add that we have also gone out of our way to use bank and agency staff much more than we would have liked to, precisely in order to make sure that we kept permanent posts open and available for the staff when the time comes for them to move.

The Deputy of Trinity:

Thank you. At this point, I think we will just have a 5-minute comfort break. I think some of us could do with stretching our legs. Thank you.

ADJOURNMENT

Deputy R.G. Le Hérissier:

Okay, we will resume and we will go on to the concordat. As we understand, it is a term chosen from the Vatican or the area of high diplomacy. We have been discussing where it came from.

The Deputy of Trinity:

Agreement between the States and the Church, I think.

Deputy R.G. Le Hérissier:

Yes. It was raised in a *JEP* article on 24th August 2005. At our earlier hearing, the Chief Executive

indicated that the Minister had signed the concordat with the Jersey Care Federation to develop the capacity of nursing care on the Island. When we asked Mrs. Crabb about this on 4th October, th impression we got - and this again is impressionistic evidence - is that she did not appear to know much about it. So what is your response to her indication that no concordat has been signed between your department and the Care Federation?

Mr. M. Pollard:

I must apologise here. I did say that a concordat had been signed. It is really kind of a working relationship, a way of describing a partnership arrangement between ourselves and the Jersey Care Federation. As I said earlier, the Jersey Care Federation looked for a meeting with myself and the then President, now Minister of course, really concerned about what was happening in the market. Was there the prospect of - and it was put as crudely as this – that Health and Social Services were going to enter into a favourable deal with some institutions over than others. We had that meeting - forgive me if I have not got the date just to hand - a meeting which I thought would be a tension ridden meeting, as soon as the Minister said that there would be a level playing field all the tension disappeared immediately and, if you like, love broke out, as you might say. The concordat is the development of this relationship. Perhaps we will have to revisit the terms. It is about the relationship with the non-State sector, which of course involves ourselves in more than simply the private sector. It involves us with the parishes that I mentioned earlier. The idea of that is to have a continuous dialogue on a number of matters. The first is what is the market looking like? Quite reasonably, the Federation, as one of our stakeholders, will be briefing in great detail about the new directions when that starts to unfold a little bit later this year. As we have said all the way through this meeting, that is a very key issue about where the market is going and people have livings to make on the back of it and investments to make on the back of that. The second is to look for ways in which we can help people with their training. There is a very good, honourable record whereas our nursing training function offers opportunities to the hospice, to the parishes and indeed to other sectors for joint training. Thirdly, to work with them to always look at any problems that occur. I mentioned earlier that individual homes have been to us and there is a dialogue that we have heard about. Also looking at how we raise the standards because it is becoming very clear to me certainly - and many of my colleagues have known this a long time - that the expectations of clients are increasing exponentially. En-suite single rooms is going to be the core standard, I think, in 5 years in Jersey. That is my feeling. That is a very good standard and clearly there has to be dialogue with all of the sectors to make sure that we are all ready for that as it comes towards us.

Deputy R.G. Le Hérissier:

Thank you. I do not want to flog this too much. Oddly enough, there is a sense of déjà vu, having attended numerable discussions about how one big player has influenced the agricultural marketing markets. I have a terrible sense of economic déjà vu. But there is this feeling put forward by some

witnesses and put forward by our informal - not necessarily recorded - evidence with small home providers, particularly the charity sector who used traditionally to rely on bequests to provide their capital development. They used to rely on that, so that money was not built into the fees they were charging. But of course, as you well know, because of the stock market, they are suffering seriously, particularly the charitable sector. So there is this feeling that, okay, you have announced the level playing field; you have announced the concordat, although the official signing ceremony is yet to take place. But there is this feeling that these big operators will - by sheer economy of scale, the ability to offer very fine facilities, as the Minister said - essentially make it impossible for the small operator. We will find in Jersey - and this has been expressed in some of the written submissions - or you will find that you are essentially beholden to one or 2 operators and that the power relationship is going to be reversed.

Senator S. Syvret:

That, of course, is one of the risks, one of the jeopardies that we are conscious of. We do what we can to try and ameliorate it. We need a healthy, functioning market in Jersey that is competitive and has a variety of different players, different operators available for us to choose from; indeed for the public generally themselves to choose from. As I said earlier, there is a balance to be struck between trying to make sure that we do not end up in a position where there is a monopoly or duopoly of care who are then able to abuse their market power and crank up prices. On the other hand, we have to make sure that we are using taxpayers' money well and effectively. Indeed, we have no choice in that because the States of Jersey Finance Law has certain very clear requirements in it as to the budget of the department. So, as much as it is understandable that some of the smaller private sector players may prefer that we gave them some kind of guarantee that we will send X percentage of our custom to their particular business, we cannot really do that. So there has to be a continuous dialogue looking at market circumstances on a week-by-week, month-by-month basis and testing things like cost, value for money, standard of service and so on. It is a delicate balance to strike because we want, on the one hand, to preserve a broad marketplace. On the other hand, we have to make sure that we are getting value for money. So it is a valid concern. It is a difficult balance to strike.

Deputy R.G. Le Hérissier:

They face a chicken-and-egg situation, Stuart, because they are well aware - certainly the one or 2 I have spoken to, again anecdotal - that you cannot give them a cast iron guarantee, but they need to know. If they engage in, say, capital refurbishment to move to nursing beds, they are going to probably have to borrow money on the outside market because, as I said, bequests and so forth are not bringing the revenue they used to, for example. They really need -- they could come up with a very good price probably. They could come up with a very attractive price apropos the Jersey Finance Law, but somehow they need that reassurance. A difficult one, as you say.

Senator S. Syvret:

We can give them the following kind of reassurance. We can say: "Here is what the market projection is over the coming years based on population surveys or whatever. We think the level of demand will be this." They can find out for themselves what the average market price might be Y. On that basis, we can say: "If your business can deliver this product, these beds, over 2, 3, 4, 5, 10 years, whatever it may be, and you can do it for a price that is in this ballpark, then there is a reasonable expectation that we may put custom with you." What we cannot do is go to these smaller homes and say: "The market rate is this but we understand your problems. If you make this investment, we will give you £400 a week over the market rate or something of that nature." We cannot do that. We just cannot do it.

Deputy R.G. Le Hérissier:

I think it is filling the beds which is the key issue because you will find if you read the literature -- and Deputy Ferguson is more expert, she can talk later about the rate of return which big care corporations are seeking. It is mind-boggling compared to what these private charities, who are prepared to just break even essentially, are wanting. It is almost the guarantee that the beds will be filled and I think you will find their prices will be, in that context, very attractive.

Senator S. Syvret:

Again, I have to say all they can do is share with us the information we have about the likely market demand. There is a 98 per cent occupancy of nursing home beds at the moment. That trend will probably continue. If, say, there were suddenly a flood of new development in the market and for some reason better home care or whatever declined in the number of clients, then that is just the way it is panning out. There is not a lot we can do about that. We cannot say to people: "We will guarantee to fill all of your beds in 5 years' time", without knowing whether that is going to be viable under prevailing market conditions.

Mr. M. Pollard:

What is really clear though this is that big places coming into the market have made local businesses, local concerns up their game. Certainly a conversation that I had about 6 months ago was with a local nursing home who, as I said, apart from apologising for previous failings, have started to invest. I was asked, almost to take the Minister's words: "If we produce this kind of product and make this kind of investment at this kind of price, will your department look to use us? The answer is over those things there the answer will be yes. Those investments are taking place.

Senator S. Syvret:

Basically, I think we have given the private sector as much kind of reassurance as we can, short of starting to make binding promises to them that may not be able to be kept.

Deputy S. Power:

A quick point relating to what Roy said. Christine Blackwood went to some trouble to explain to us that we, as a Health Department, have to import a lot of new UK health regulations and we have to implement them. I think a recent example was a recommendation to install thermostatic valves on hot water taps in nursing homes. Some of the smaller homes -- I think they have been given a year to do it but the information that we get from them is that they will struggle to do it. These kind of constant capital investments, sometimes it is very easy to do if you are a multimillion-pound business. But if you are a small nursing home it is not that easy to do it. I am wondering if in the next 5 years some of these smaller operators will not be able to meet some of these regulations. You might have a problem.

Senator S. Syvret:

I have to say, having visited a number of residential homes and nursing homes over my involvement in Health, most of them have been perfectly good, operating to the appropriate standards. I have come across some, where it has not always necessarily been the case and the proprietors have given me an ear-hole bashing for an hour about what they saw as excessive and unnecessary bureaucracy and red tape. **[Laughter]** But our inspectors went to them, inspected their kitchen and found that their cupboards were largely filled with out-of-date food. I am sorry but I have to say to the proprietor: "And your point is? That is just tough." We are not tolerating any of these institutions serving out-of-date food to their clients. I think the marketplace and the providers have to be realistic about meeting decent standards. You will all be familiar I am sure with the variety of horror stories that emerge from time to time about appalling conditions and lack of care and so on in the United Kingdom. We do not want that kind of thing to ever happen here in Jersey. That is why we do have standards similar to those which exist in the United Kingdom, although we hopefully have a better marketplace here, better providers and we enforce those standards more regularly. But to take up the issue you mentioned about thermostatic taps, the fact is elderly people being burnt by suddenly and surprisingly hot water is a common injury for elderly people. If a care home really cannot afford £1,000 or something to fit thermostatic controls on their taps, I am sorry but that is just a basic modern safety standard.

Deputy S.C. Ferguson:

I think possibly some of the comments also arise from, you know, a bit like the hotel industry where the hotel inspectors go around a certain grade of hotels and one of them has, for example, in that particular grade put hairdryers in all the bathrooms, so the inspectors suddenly say: "Yes, right. Okay. If you have not got hairdryers in your bathrooms, you are going down a grade." It is the sort of frills and --

Mr. R. Jouault:

No, I think there is some truth in this and some homes may go out of the market in the future. What will lead to that will not be hairdryers or thermostats but it will be room size because some homes are operating to minimum standards of room size. Those standards are not going to decrease. Room sizes

in the future are not going to get smaller. They are only going to get larger, as we get larger.

Senator S. Syvret:

Sarah mentioned hotels then. I think there might be a similar syndrome in place. I used to be a member - to digress a little - of the Tourism Committee and I visited a lot of guesthouses and smaller hotels around the Island during that time. Frankly, I was astonished going into some of them at just how unspeakably dreadful they were. I thought this is just unreal if this is how people are trying to run a business. I could have made the place look better in the long weekend with £150 worth of paint from B & Q. I am afraid there has been certainly in the past an attitude on the part of some businesses that simply because they are up and running society owes them a living and they do not have to make any effort. Those days are over.

Deputy S.C. Ferguson:

No. I think, to be fair, I am not talking about businesses or people in those circumstances. I am merely pointing out that I would agree with the premise that perhaps sometimes when we import regulations, whether it is from the EU or the UK, they tend to get gold plated. This is something that I think we have to guard against because it is not always appropriate.

Senator S. Syvret:

You are quite right. It is not necessarily always appropriate to introduce every UK or EU regulation and we do consider, I think, the applicability of standards to Jersey. But the kind of standards that we are dealing with here applying to residential care homes and nursing homes are, on balance, entirely reasonable. But a broader point is that because we are so closely interlinked with the United Kingdom - most of our staff come from the United Kingdom, they have done their training there, the standards we look to are from there, people are more familiar with that kind of arrangement - although we could not always follow UK custom and practice in healthcare delivery, it probably is not wise of us to do that. We probably ought to broadly be in tune with UK regulation. For example, the European Working Time Directive will not apply to Jersey because we are not part of the EU. But the fact is it is going to apply to Britain and we are going to have to, for all practical intents and purposes, follow that otherwise the hospital will be empty of staff. We will not get anyone.

Mr. M. Littler:

If there were litigation, they would soon say: “What is the best practice?” The lawyers would soon look to what happens in the UK and they will compare what is happening in Jersey.

Deputy S.C. Ferguson:

Unless of course we could make the case for following places like New Zealand or Australia, as has been known in the past.

The Deputy of Trinity:

Before we move on, just one brief point. I think since Christine Blackwood has been in her job for the last 4 or 5 years, the standard of care in residential and nursing homes has improved greatly. Just looking at the level playing field - and we take the instance that Sean mentioned about the thermostatic valve - does the same thing apply within your hospital?

Mr. M. Pollard:

No, but it will do because the Minister has charged me with ensuring that the law or like regulation applies equally within our department as it does to the other sectors. This is the piece of work I am doing now. I have been charged by the Minister with that.

The Deputy of Trinity:

So you will have that expense of putting thermostatic control on all the taps?

Mr. M. Pollard:

That is the agreement. They are there anyway but I mean I can understand: it is a legitimate issue. One always abides by the "do as I do, not do as I say". Clearly there is a grievance around "do as I say". Now whether that is real or not, it is arguable. But we will that have that playing field: we are charged with that.

Senator S. Syvret:

As a matter of principle, I have always been of the view ever since I was involved with health that we needed to be doing much more independent oversight regulation, kind of complaints procedures, whatever it may be. For various reasons, we have not been able to go as far or as fast down that particular track as I would like. But I am absolutely politically committed to that and it probably is not appropriate -- I mean I do not quite know what the answer is because you do not want to duplicate a variety of different States' departments with their own separate regulatory structure that is independent from them. So I am not quite sure what the most logical path is going to be in terms of cost effectiveness and resource. But certainly where - for example, as in the Health and Social Services case - we employ inspectorate personnel like Christine Blackwood, like the Health Protection Unit or whatever, maybe we could legislatively put in place for them some kind of statutory independence by which perhaps they could report via maybe the Public Accounts Committee or whatever direct to the States. That way there could be no question of the department kind of getting an easier ride or having to shut up and not rock the boat too much over what poor standards if they are cut.

Deputy R.G. Le Hérissier:

We are not going to spend a lot of time on staffing because we have heard of the handling of the issue.

But the unions are obviously, like any union, worried about the preservation of jobs. Yet of course we heard the evidence from them and I wonder if we could have a quick comment from you on your staffing situation, particularly if things like the nursing level is approaching crisis level. Is this the case?

Mr. M. Littler:
No, it is not a crisis at all.

Deputy R.G. Le Hérissier:
No? So everything is fairly under control?

Senator S. Syvret:
There are some areas that you will find are hard to recruit to up and down the length of the nation. For example, intensive care nurses, theatre nurses. There is simply a nationwide shortage of those kinds of specialisms, so sometimes it is difficult to recruit permanently to post and we do have to sometimes make more reliance on bank and agency staff than we would. But that is not a unique feature of Jersey's circumstances. You will find this up and down the country.

Mr. M. Pollard:
What is basically happening is that something like 45 per cent of nurses will retire across the Britis Isles in the next 5 to 10 years. The number of people entering the profession at the front of it are not keeping in train with that. It is a very serious matter. We do have vacancies in the department, more than I would wish, and that is why the Director of Nursing Governance has formed a group, which includes Kenny McNeil and Amanda Bisson and all the people who we have been talking about, together with the respective senior nurse managers. They have worked through a game plan, a very complex game plan, that looks at what we need to do in various domains, various elements of activity, to be able to recruit faster than we are doing currently. This work started probably about 3 months ago now and it is already bearing fruit and because we informed the nursing staff on a weekly basis of where we are and what we are doing, we have made some quite successful attempts at recruitment in nursing.

Ms. M. Hutt:
Yes, we have, and the nursing situation will improve more in the next 2 weeks when I will be able to release some staff from Overdale for redeployment. There have been vacancies held to assist us in the redeployment process and we have, throughout the whole of Health and Social Services, been able to have a core of staff so that any extra bank and agency -- we still have this safe core of people and areas have not been working under what their normal minimum numbers are, but some of the staff have been bank and agency staff. So, no, I would not describe it as a crisis.

Mr. M. Pollard:

People are under pressure. We are used to pressure though. We are in the frontline and are under pressure. But the word "crisis" I think is inappropriate and very misleading.

Deputy R.G. Le Hérissier:
So the notion that the attraction of working in Jersey -- I am sorry, I do not want to pursue this much longer, but the Jersey factor is not diminishing in your view?

Mr. M. Pollard:
The differential in remuneration between the UK and Jersey has narrowed. Again, part of the process I have just mentioned where the trade unions are sitting down with senior nurse managers under the chairmanship of the Director of Nursing is to work through with the Treasury what that might mean in terms of correcting that pressing problem. It is part of the plan.

Senator S. Syvret:
That is one of the things that the States are going to have to address broadly. As Mike said, the differential in rates of pay is closing rapidly in the case of certain doctors and specialisms and may be already disfavourable as far as Jersey is concerned. You have to add to that, which of course people take into consideration when deciding whether to take up a job or apply for a job here, the very high cost of living in Jersey - you are basically dealing with central London living costs - and of course the immensely high cost of accommodation. So it is certainly true that all of these factors are making, to some extent, professional recruitment to the Island much more challenging than it used to be. Another factor which I would just mention - sorry - which is of real concern is the prospect of the higher education funding. We still do not know precisely what it is going to be yet. We are awaiting the decision of ESC (Education, Sports and Culture. But if in fact there is a dramatic or massive expectation that either the students or the parents themselves, professional type people, are going to have to pay very substantial amounts of money to pay for their children's higher education in UK universities, then that too will be a very serious disincentive and a very significant factor in making our ability to recruit high quality professional staff that much harder. They are not going to come here if it is going to cost £12,000 more to put their child through college than it does in the UK.

The Deputy of Trinity:
It is good to hear that the government is taking it seriously because, wearing my other hat as an RCN member, I know that the national body of the RCN has been highlighting that 45 per cent of nurses are going to retire in 6 to 8 years.

Mr. M. Pollard:
That is why we have started our own home-grown initiatives, which are like cadets, so that we are offering a new creative course for 16 to 19 year-olds, the first cohort of which starts in January. We are

now in the second cohort of on Island nurse training where both the theory and the practice is undertaken in Jersey. It is really very, very special. It means that we can grow our own people and we know that people who live locally and work locally stay. So we have made some longer-term investment to start to close down those difficulties which we can see ahead of us.

Senator S. Syvret:

A real ethical dilemma we had or will have certainly in the future which is something that the NHS wrestled with in the past is whether to recruit nursing staff from overseas, such as developing world countries. It is a real dilemma. On the one hand, there is going to be in the nation a dramatic and serious shortage of nurses in the coming years, so we could recruit from overseas. But that means you are taking trained nursing resource away from very poor countries like the Philippines or wherever it may be who have invested in training them and you are sucking them out and taking them to the United Kingdom. Is that a responsible and ethical approach to adopt in respect of developing countries? I am not sure.

The Deputy of Trinity:

This could take us quite a while so if we move on to looking at respite care, we had Dr. Bayes, who I am sure you know is the Chairman of the Jersey Association of Carers. She came to one of our hearings and she felt very much that respite patients should not be mixed up with long-stay patients. Taking on from that, what is being done to address that apparent need to ensure that respite and long-term patients will be separated?

Senator S. Syvret:

This is one of the reasons why we are making this move: because we had a situation where respite patients were in the same area and the same care environment as long-term, elderly, frail patients with complex needs. That is absolutely a wholly inappropriate mix. Respite clients are often not necessarily ill in an acute sense. They just have care needs and there needs to be some respite care for their carers. What is required there in those situations is a good, high quality, home-type environment with private room, en-suite facilities, whatever it may be, where somebody can live for a week or 2 or however long the period may be. That is what we need and that is what we are going to be delivering more of in the future than is available at present.

Deputy S.C. Ferguson:

Whereabouts are you going to be able to deliver it?

Mr. M. Littler:

While I cannot go into the detail, we are in discussions with a number of providers within the private sector about delivering respite to our specification, dedicated respite. We are talking with them now.

Deputy S.C. Ferguson:
The other problem there is how are you going to develop your primary care side so that respite can be given at home?

Mr. M. Pollard:
Very wise. That is a very good question. With Dr. Bayes and a whole range of clients and organisations, we have been working on a new, fresh look at respite needs. A workshop took place in March last year and a number of new opportunities and new forms of respite were being suggested by clients. We had a second conference follow up a few weeks ago. I chaired that conference. There are 2 new things that are coming out. One is the need for what we call domiciliary respite. Very, very clear. Secondly, this concept of self-help. In other words, of carers coming together and providing respite facilities for each other, which is quite a curious and interesting notion. But the fundamental issue of domiciliary respite is very clearly now on the agenda. But we see that as being in addition to, not a replacement for, institutionalised respite. At the end of the day, the need for clients is so varied it is almost unique to each caring circumstance. One has to have as many weapons in one's armoury, so to speak, to be able to provide a respite option of choice. But it is a very good question. It is being addressed in a joint way with carer groups.

Deputy S. Power:
One of the issues with respite appears to be, now that you are closing down Overdale, we all accept that to send your grandmother or your mother up to Overdale is not a very enticing option for an elderly person. But elderly people who do go into respite 3 or 4 times a year for the carer to have a break, it is clear to us that they would wish to be in familiar surroundings every time they go in so that they are not in nursing home X in January and in nursing home Y in May and somewhere else in September. So you are addressing that?

Mr. M. Littler:
Yes, we are. Very much so.

Mr. M. Pollard:
That is what we mean by the concept of dedicated. In other words, it is there for them for the purpose and it is secure and it is routine.

The Deputy of Trinity:
So when do you hope to have those?

Ms. M. Hutt:

In the next couple of weeks. We have taken on board the comments from the users before we started thinking about what we ought to provide in the private sector and the points you make really clearly came out. They want somewhere discreet, completely separate from continual care. They want to be able to go to the same place so that they can form relationships. So we are talking with nursing home and residential home owners. But when we come to selection, it will be one residential home and one nursing home so we can provide that continuity. We need to have that finished within the next 3 to 4 weeks.

Deputy S. Power:
That is reassuring to know that you are addressing that, both from a residential point of view and a nursing point of view, that you are identifying that possible - I will use the term - oasis of respite care.

Mr. M. Littler:
Of those current clients and relatives that we are dealing with now, notwithstanding what we will be doing in the future. It is just to get us over this problem now.

The Deputy of Trinity:
Obviously the same kind of conditions charging-wise? Rules will still apply if they are in -- you will not be charging for their stay?

Ms. M. Hutt:
Respite clients do not pay for respite care at the moment. That will not alter. What will alter is they have to call out a doctor, their own doctor, and they will have to pay for that. At the moment that does not apply, so that would be the only difference in cost.

The Deputy of Trinity:
So moving on to question 18, Sean? We are nearly there.

Deputy S. Power:
This is a question related to - for want of a better phrase - the rumour mill. At our hearing on the 14th, Stuart, you said: "If you were asking do I ever envisage having these sites being sold or having something else done with them outside the bounds of health and social provision, I would have to say no. The issue of whether any part of the site would be sold was raised recently." The question really is what power do you have as Minister to prevent the sell-off of all or part thereof of the Overdale site?

Senator S. Syvret:
That is an interesting question of law, but I think you will find that it would be most unlikely that the States would want to try and sell off any Health and Social Services facility or property if the

professional view of the department, clinicians, nurses and management was that it needed to remain in Health and Social Care for strategic purposes. So it is a far-fetched scenario, I think. I do not see any Minister of Health and Social Services ever deciding: "Let us just sell off half the Overdale site." You just cannot do it. It is just ridiculous for a variety of strategic reasons. We need to retain that site in public ownership.

The Deputy of Trinity:
If you had a magic wand or a wish list, whatever you would like to call it, what would you like the site to be used for?

Senator S. Syvret:
Possibly a new nursing facility. That may be one of the pressing needs in the future. As I think we said last time we were here, there is always going to be a cohort of patients, of clients, with very high levels of complex and unstable needs that will perhaps require the additional clinical and medical input that is not regularly deliverable in the private sector. So there is always going to be, I think, a role for the public sector in that kind of care. That could indeed well be one of the future uses of that site.

Deputy S.C. Ferguson:
I wanted to ask about one or 2 of the financial things. I do not know whether you want to do this in camera again. If we are starting to talk figures.

Senator S. Syvret:
Yes. I think if we are going to start talking about contracts and rates and things like that. I think that will need to be discussed in camera because it is commercially sensitive.

The Deputy of Trinity:
Before we do, were there any other questions that any of us wished to ask? Thank you very much and thank you for sitting on those chairs for a couple of hours.

[In Camera]

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[1] Jersey Care Federation