WHY ARE HOSPITALS CHEAPER TO BUILD ABROAD?

Building in Jersey is more expensive than building in the UK. We have carried out detailed cost assessments, overseen by experts who have costed many new hospitals before.

There are three questions that must be considered before comparing the costs with other hospitals:

WHAT?

- type of hospital are they building?
- Does it provide the same services we have in Jersey? The Island wishes to maintain the full range of services of a general hospital. Many mainland hospitals do not have such a mix of services.

WHERE?

- are they building it?
- Location factor is an issue with costing of hospitals. Building on an island is generally more expensive than building on the mainland.

WHEN?

- were they building it?
- The costs of our new hospital include the inflationary effect of price rises over the next six years. A comparable hospital that is already open will have been built at the lower prices that applied at the time, without the inflation included in our costs.

The new hospital will cost an estimated £466 million.

Allocated budget £23 million already set aside

'Baily day fund' up to £168 million average income 6%

Borrow up to £275 million through a public rated Sovereign Bond

Sovereign Bond

- Fixed Rate 2.625%
- Favourable climate for borrowing
- Fixed interest rate

Favourable climate for borrowing

Fixed interest rate

COSTS