

Treasury and Resources Department

Minister for Treasury and Resources

P O Box 353, Cyril Le Marquand House, The Parade

St Helier, Jersey, JE4 8UL

Tel: +44 (0)1534 440215

Chair of the Fiscal Policy Panel

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Our Ref: AM/DP

Dear Chairman,

In previous meetings with you and the Panel I have mentioned that we were likely to be bringing forward proposals to fund the new hospital. I am pleased to say that on 30 November I lodged a proposition with the States P.130/2016: *Future Hospital Funding Strategy*

(<http://www.statesassembly.gov.je/AssemblyPropositions/2016/P.130-2016.pdf>)

which sets out in detail how we plan to fund the new hospital. In particular, by issuing a new bond of up to £400m with the costs of the borrowing funded from transfers from the Strategic Reserve. In addition, the amount borrowed will be repaid by means of a transfer from the Strategic Reserve in the year it becomes due.

The proposition is currently due for debate on 17 January 2017 and I would appreciate it if you could take the time to review the proposals and comment on them publicly in advance of that debate. You should comment on any aspects you think are relevant from the perspective of your remit and I think in particular this includes the use of the Strategic Reserve in the manner proposed and any implications you think the funding strategy has for the medium-term sustainability of States finances.

Yours sincerely



Senator Alan Maclean

Minister for Treasury and Resources

direct dial: +44 (0)1534 440672

email: a.maclean@gov.je

www.gov.je

cc Tera Allas, Francis Breedon