

If there is no money available to build the Midland Met...

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The [FT has reported this morning](#) that:

The Treasury is searching for investors for the stalled £353m Midland Metropolitan Hospital project after a consortium of banks including the European Investment Bank pulled out of the deal in the wake of Carillion's collapse.

For good measure they add:

The 670-bed Midland Metropolitan Hospital Project in Smethwick, near Birmingham, was six months behind schedule and beset by engineering problems when Carillion collapsed on January 15. The site has remained closed since February, with the Sandwell & West Birmingham Hospitals NHS Trust and the government attempting to negotiate a deal to secure its future.

And, to add the twist to the tale:

But the EIB and four other banks – Crédit Agricole, KfW IPEX, DZ Bank and Sumitomo Mitsubishi Banking Corporation – withdrew from the private initiative project this week, leaving the government scrambling to find an alternative and pushing the completion date back until at least 2022.

This is ridiculous. The world is queueing up to give the government money at the lowest possible interest rates. Every government bond issue is over-subscribed. There is then no shortage of funds to build this hospital with much cheaper funds than those the government is seeking. It is purely dogma in that case that is preventing this hospital being built. But whilst the FT recognises the possibility that the government could fund this project directly, it does not point out that this would, very obviously, be the cheapest option available.

Nor does it point out that if things are so dire but this hospital is really needed then People's QE could be used to fund it. People's QE was always intended as a backstop for the time that the market failed. The market has failed here. In that case it is just time to get on and use the viable alternatives to get this hospital built. That is the

message that needs to be sent to politicians. The time for fighting around with incredibly expensive market alternatives has come to an end. It is public and not private finance that has to build our infrastructure now.