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## ***BILL FOR WATFORD HOSPITAL TOWERS OVER £900 MILLION***

### ***Trust loses control of ‘pie-in-the-sky’ project as Government says no to high-rise spending spree***

The cost of the planned 17-storey triple-tower block hospital for Watford General Hospital has soared to at least £900 million, according to expert calculations released today. The West Hertfordshire Hospitals Trust is persisting with the unaffordable high-rise plans despite clear instructions from the Government to cut back.

Building experts from the New Hospital Campaign (NHC) point out that the Trust risks wasting £8 million in fees on the scheme, which is the Trust’s ‘preferred option’ but now has no real chance of being built.

The plans, for the UK’s tallest hospital outside central London, have increased by 50 percent in less than a year. Today they were described as ‘very expensive pie in the sky’.

The Trust has claimed that it can build a new hospital next to the Watford General site for about £540 million. The NHC experts have shown that the Trust is being misleading and over-optimistic in making such claims.

The NHC says that building a new emergency hospital on a clear new greenfield site, accessible for everyone in West Hertfordshire, would provide a better environment for healthcare than a hospital squeezed into a part of Watford that is already becoming very heavily developed. It would also be cheaper and quicker to build than the Trust’s high-rises.

#### **Huge hit on finances**

Recent news has increased the pressure on the Trust. The Government’s central New Hospital Programme has demanded that trusts in the first wave of new hospitals, like West Herts, come up with cheaper options for their schemes. Spending on each scheme may be limited to just £400 million – less than half the cost of Watford’s hospital high rises.

It is also not clear whether this national figure would cover simply the construction costs, or the whole cost of a fully fitted-out and commissioned building. If £400 million is meant to cover the whole project, that would make it even more difficult for the West Herts Trust.

But the alternative future for Watford General – a multi-phase refurbishment of the existing shabby buildings, costing millions and disrupting health care for many years – would also be a waste of money. The Trust has already rubbished the idea of refurbishment in a report that was meant to be kept secret, saying the site would be left with buildings that will not last long. Nothing new could be completed at Watford until 2028.

The Trust's finances would take a huge hit whatever happens at Watford General. Given its annual turnover of just £370 million, trying to build the £900 million triple towers would destroy the Trust's finances - it could simply not repay the loans. But refurbishment of the current buildings would mean patients having to soldier on through years of disruption, dust and noise. Patients would instead choose one of several better-run and more accessible alternative local hospitals. The result – potential drastic cuts in West Herts' income.

Meanwhile, the costs of maintaining and repairing the old Watford General buildings would mount month by month, sending expenditure almost literally through the roof.

### **The Trust loses control**

NHC Co-ordinator Philip Aylett today called on the Trust to look instead at options that offer real value for money – on a clean new site accessible for all the people of West Hertfordshire.

“The Trust has lost control of the costs and timetable for its schemes at Watford General. The ‘preferred’ plans have been revealed as just very expensive pie in the sky. West Hertfordshire’s patients would suffer for many more years as they are treated in rundown buildings amid the chaos of major construction work. The NHC’s estimates show clearly that this will come at a huge price.

“ And the Trust’s only fallback options would see money thrown away on a refurbishment of the existing Watford General buildings. The Trust itself has admitted that the buildings don’t have many more years of life in them.

“The Trust’s own Chief Nurse has warned that the design of the current Watford buildings promotes infection, with sluices in the wrong place and not enough side rooms. This is inadequate healthcare at exorbitant cost.”

Dr Aylett also questioned the value for money of the likely £8 million cost of producing the ‘outline business case’ for the triple towers:

“The Trust has known for several months that it would have to rein back spending on Watford General. The Government has asked it to ‘review its demand and capacity / space assumptions and capital costs’ on the triple towers and decisions on the way forward have been delayed.

“Yet the Trust has continued to employ expensive planning consultants and agents to push forward the triple towers and get outline permission. It is all pointless, yet it could end up costing £ 8 million. At every stage, the Trust has prioritised building at Watford over adequate development at Hemel Hempstead and St Albans. This defies common sense, and the Treasury now has the spendthrift Trust firmly in its sights.”

## The costs of the Watford triple towers – the facts

The New Hospital Campaign's experts have calculated that the plans put forward for Watford would cost at least £900 million. These figures are based on the costs of recently-completed hospitals, especially the Grange Hospital in Cwmbran, Wales, which welcomed its first patients in 2020. This cost £350m including construction and design costs of £226m plus £124m of non-construction related costs. The Grange has 470 inpatient beds and has a floorspace of 55,000 square metres. It was built on a clear site, using modern off-site prefabrication techniques.

The planned high-rise Watford hospital would be much bigger than the Grange, with up to 1000 beds and a floorspace of up to 120,000 square metres. Building in the expensive south-east rather than in Wales is costlier, and it would take longer than the Grange, which has only medium-rise buildings rather than the 17 storeys planned for Watford.

High buildings take more time because of the need to use more cranes and other factors like the need for heavier machinery for lifts etc. Taking longer adds to the cost, with inflation raging in the building industry. Building so close to an existing hospital would also be more expensive than building on a clear site.

So the NHC estimates that the Watford plans would cost between **£904 million (assuming 2% inflation on building costs) and £929 million (assuming 3% inflation)**. These are very conservative estimates, taking no account of non-construction costs including inflation on the equipment to be used to fit out the buildings. There will also inevitably be extra unknown costs because building will take place on a sloping, difficult site. In some parts, the site of the proposed new hospital building has a high risk of surface water flooding, which can only be reduced by expensive control measures.

Dr Aylett commented:

“Our analysis has exposed the Trust's extravagant plans for Watford as totally unrealistic. The triple towers will, in all likelihood, never see the light of day. The fact that the Trust is pressing ahead with them shows a naïve optimism bias.

“Sadly, it is now overwhelmingly likely that a fudged ‘solution’ will be imposed on the people of West Hertfordshire by the Trust – a multi-year refurbishment of old and decrepit Watford General buildings. The reputation of Watford General is already low - this will drive it down further.

“What is now needed is for the Trust to get back control by carrying out a proper, unbiased assessment of the pros and cons of a real alternative – a new emergency hospital on a clear site that all of us in West Hertfordshire can get to easily. With financial pressures mounting, there is no time to waste.”

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