# **New Hospital Campaign**

NHC

For real transformation in West Hertfordshire

# WHY WEST WATFORD IS BEING FAVOURED AS THE ONLY SITE FOR NEW HOSPITAL DEVELOPMENT IN WEST HERTS

# THE STORY OF THE WATFORD HEALTH CAMPUS PARTNERSHIP: A DEVICE DESIGNED TO BOX US IN

The critical decision about the site for major new hospital services in West Hertfordshire will shape healthcare across the area for decades to come. The sole driver for this decision should be the health interests of people across West Herts - but that does not seem to be what is happening.

West Hertfordshire Hospitals NHS Trust has chosen Watford General hospital as the only option for major new hospital services for West Herts. To find out why the Trust insists on west Watford as the only option - despite numerous problems arising from this decision - the New Hospital Campaign has been examining legal agreements obtained through Freedom of Information requests, and other official documents. The findings give rise to very serious concerns about whose interests are being served by the Trust's continued adherence to the west Watford site, which is at the very edge of the area and extremely challenging for many residents of west Herts to access:

- The health needs of people across West Herts are being marginalised by the priorities of one Borough Council and its commercial partners;
- Retention and development of hospital services at Watford has been a key and explicit aim of Watford Borough Council's regeneration plans for many years. To achieve its objectives, the Council set up longstanding legal and financial arrangements together with commercial partners;
- These arrangements were rooted in masterplans for what is called the `Watford Health Campus Partnership'. The aims of the masterplans are to deliver a new hospital on the Watford General hospital site, and to provide regeneration and help boost Watford's regional status as a major business centre;
- West Herts NHS Hospital Trust signed up to these objectives years ago including the aim of developing a new hospital at the current site – through legal agreements with Watford Borough Council and direct involvement in the Campus project: this took place long before programmes of public 'engagement' that purportedly had an open mind concerning site location;

• We have to ask why an NHS hospital trust is concerning itself so intensively with economic and commercial regeneration in Watford. Its sole purpose is and should be the healthcare of people across West Herts.

Given what has happened, it is imperative that the decision about the site for major new hospital services for the whole of West Herts is reversed and re-considered, with full factual disclosure and with the health needs of people across West Herts as the paramount consideration.

#### 1. Why stay at the west Watford site?

This briefing paper from the New Hospital Campaign assesses the conduct and performance of the West Hertfordshire Hospitals NHS Trust (WHHT) in relation to the site of Watford General Hospital (WGH) and the area immediately surrounding it in west Watford. In particular, it examines serious deficiencies in the Trust's approach to development of emergency and specialist services.

For many years, the WGH site and its surrounds have been subject to a complex web of agreements between various parties, notably Watford Borough Council (WBC), WHHT, Watford FC, and, since 2013, Kier Project Investment Ltd (now renamed Kier Property). The most important of these is the Watford Health Campus Partnership (WHCP).

In the next section, we describe some of the main features of these agreements, which for about 15 years have set out ambitious plans for the development of housing, retail and other commercial units and hospital facilities. Much of this development is now taking place – but there has been little real progress in relation to the hospital.

The evidence we present in this paper shows that the interests of the parties to these and other agreements do not always align with each other. In particular, it demonstrates that the vital health interests represented by WHHT have too often lost out to the priorities of developers and Watford Borough Council, especially over the crucially important decision about the site for major new hospital services for West Herts. This has meant that the future of hospital provision has so far been determined by the interests of one borough and its commercial partners, rather than the health needs of local people across West Herts.

#### The Trust's responsibilities

WHHT 'provides acute healthcare services to a core catchment population of approximately half a million people living in west Hertfordshire and the surrounding area'. That covers the boroughs of Dacorum, St Albans, Three Rivers [and Hertsmere] as well as the Borough of Watford. Watford has the second smallest population of those boroughs at less than 100,000, with St Albans and Dacorum each having a population of over 140,000. The three hospitals for West Herts are at Hemel Hempstead, St Albans and Watford.

In its dealings with the WHC, WHHT has not done enough to represent the health interests of the whole of West Herts. Instead, it has insisted that new emergency and specialist hospital services should be based at WGH, which is situated at the southern edge of the whole area.

The reality appears to be that these longstanding pre-existing arrangements have made the Trust a marginal player in the face of the greater determination, agility and clarity of purpose on the part of WBC and its commercial partners.

The representatives of the local authority and the private sector have reached many of their commercial and political objectives. The Trust has failed to achieve its key goals.

### An ongoing puzzle

The relentless focus on west Watford as the site for our emergency and specialist hospital way into the future has bewildered vast numbers of west Hertfordshire residents for years. The Watford General site is extraordinarily hard to get to from many parts of the area and the problems and risks of major rebuilding at or around the present site have been pointed out many times. It seems obvious that, with funding for redevelopment promised, this is a once-in-a-lifetime opportunity for a better solution. The New Hospital Campaign believes that a new hospital on a clear new site accessible for all in West Hertfordshire would be the best location for emergency care services.

So why does the West Hertfordshire Hospitals NHS Trust (WHHT) continually seek to pass up the opportunity? Something of an answer can be gained by looking in more detail at the history of the WHCP.

### 2. The Watford Health Campus – some key dates

**2002-03** According to Watford Borough Council the Borough was, at around this time, "faced with the very real prospect of losing its general hospital". Action began to make sure the hospital stayed within the Borough's administrative boundaries. As the Council put it in a communication in 2012-13: "Since then the council and other partners [including the Trust] have been working to deliver Watford Health Campus."

**2007** Outline Planning Application for the Watford Health Campus, including 'the development of a new major acute hospital, residential, commercial, business accommodation and leisure facilities.' This was approved by Watford Borough Council, but the project was not taken forward because of the financial crisis.

**2010** A 'section 106' agreement <u>was reached</u> for 'vital infrastructure' around the health campus site; plans for the campus would, it was reported, see 'a new 600-bed hospital to replace Watford General Hospital, more than 500 new homes, business units, a hotel, leisure and recreation space.'

**2012/13** The Watford Health Campus Agreement was signed by Watford Borough Council, WHHT and the Watford Health Campus Partnership LLP on 18 June 2013. The Watford Health Campus Partnership LLP is a Joint Venture with two partners, Watford Borough Council and Kier Project Investment Limited (now renamed Kier Property); this partnership was legally a Local Asset Based Vehicle (LABV). On the same date a Collaboration Agreement was signed between WHHT and Kier. Redacted versions of the key agreements have now been made public following a Freedom of Information request by a member of the New Hospital Campaign. These raise a number of serious issues about the extent to which the interests of the NHS are being protected by the Trust. These include the following:

- Uncertainty as to what influence the Trust has over the development of the WHC site, including the land currently occupied by Watford General Hospital; and
- Indications that the Trust would find it difficult and/or expensive to terminate its relationship with the WHCP, if it did decide to build the emergency care hospital anywhere except Watford General.

**2015** At its July meeting, the WHHT Director of Estates <u>warned the Trust Board</u> that the Health Campus agreement could mean the Trust would 'lose its ability to influence the direction of the project and therefore its opportunity to secure the space needed for any future development of the hospital' (see paragraph 2.3). It is not known what, if anything, the Board did in response to this stark warning that the interests of the commercial developer and Watford Council could take precedence over the needs of the NHS.

**2016** A new road, Thomas Sawyer Way, was completed; this was crucial to the opening-up of the area around the Hospital to facilitate residential and commercial development. It also provided a new route for 'blue light' ambulances to the Hospital. Costs were shared between the WHCP partners and the Trust.

**2017** In a <u>Strategic Outline Case (SOC)</u> on its estate redevelopment plans, WHHT for the first time formally rejected the option of building a new hospital on a clear site (see p.10). The New Hospital Campaign claimed that the Health Campus deal meant <u>the decision had in effect been taken several years earlier</u>, probably behind closed doors without public involvement.

**2017** WBC decided to change the name from the Watford Health Campus to Watford Riverwell. The Managing Director, a Mr. McDiarmid, explained to the WBC <u>Cabinet meeting on 5 June</u> that year that since the Health Campus "was about building a new community with high quality space and multiple uses, the Council wanted to adopt a new brand and place name to reflect this". However, the WHCP name still covers the legal entity. The new brand-name probably effectively obscures from public view the key aim of keeping the hospital at the current site. As if to underline its continuing close involvement with residential development, at the time of writing this report in October 2021, the Trust's website was extraordinarily carrying <u>a link to the Watford Riverwell</u> website, a marketing site for apartments [Go to 'More About the Trust'].

**2021** This description of the <u>Watford Health Campus Masterplan</u> currently appears on the website of the architectural practice T P Bennett, who produced one version of the masterplan in 2014:

As with other satellite towns close to London, Watford is undergoing growth. With the aim to keep the Watford General Hospital in the centre of the town [our emphasis] and fund new housing locally, the Council formed a partnership with Kier Property to help improve the local infrastructure around the hospital and create a new community on council-owned land. With this in mind tp bennett developed the Watford Health Campus masterplan: the biggest of several regeneration schemes in the Hertfordshire town.

Read that again. This is the main hospital for west Hertfordshire, an area <u>many times the</u> <u>size of Watford in terms of total population</u>, but a legal entity has been set up to try to ensure that the hospital stays in a particular location right at the edge of this very large area.

Judging by the repeated comments of local representatives over many years, this stark statement by planners reflects the intention of Watford politicians with respect to acute hospital services in West Hertfordshire; whatever the impact on the rest of the area, and however strong the evidence in favour of other locations, there is an insistence that the emergency care hospital for the whole of west Hertfordshire must be located within the Borough.

It is worth considering what these public bodies have done. Professional advice has been sought and public money spent with the explicit aim of ensuring that key elements of the NHS estate remain within the political and administrative boundaries of one borough. This is a matter of understandable civic pride; but it has nothing at all to do with rational decision-making aimed at providing the best healthcare for the population of West Hertfordshire as a whole.

The T P Bennett document goes on to explain that Watford Borough Council "formed a partnership with Kier Property to help improve the local infrastructure around the hospital and create a new community on council-owned land".

Watford Borough Council (WBC) have clearly been the main driving force through the whole period that the WHCP has been in existence.

### 3. No objective assessment of the options

The Trust's close involvement in the Watford Health Campus has seriously, and quite possibly fatally, compromised a fair and objective assessment of more suitable locations than the Watford General site for a new emergency and specialist hospital for west Hertfordshire.

The WHHT has consistently set its face against such an open and objective assessment. Although in 2016 a search of 17 possible sites was conducted by Amec Foster Wheeler, with the intention of producing a short list of suitable sites, this study was actually commissioned not by the WHHT but by the Herts Valleys Clinical Commissioning Group (HVCCG). It's

noteworthy that this was the only occasion that the HVCCG has taken an independent line on the issue of hospital redevelopment from that of the Trust. It was quickly reversed when a change of personnel at the CCG occurred. No short list emerged after all: a single, unsuitable site was identified from the study as a 'comparator' and the new site alternative was dismissed.

In 2020, after the Trust had already made its preference clear in the 2019 Strategic Outline Case, it commissioned a Site Feasibility Study from the Royal Free Hospital's property division. The Trust has been in a close and growing partnership with the Royal Free for several years. To widespread surprise, so far as new sites were concerned, the brief was based purely on four of the sites that had been rejected following the Amec Foster Wheeler study four years earlier. Two Watford-based options were added. No new review of currently available and suitable sites was conducted. The study concluded that rebuilding at Watford would be faster, by the criterion of significantly improving hospital facilities by 2025 or soon after, than any of the four pre-selected new sites.

On that single criterion all new site options were discounted at an infamous meeting of the joint WHHT/HVCCG Boards on 1 October 2020. The NHC commissioned a completely independent assessment of the Royal Free report by a highly experienced construction specialist, Mike Naxton, who concluded that the new sites would be finished significantly earlier than the Watford-based options. Although the Trust <u>published his report and their comments on it on their website along with the Royal Free's study</u> (click on 'Longlist Appraisal') they dismissed it without presenting any substantive arguments for doing so.

Subsequently the criterion of completion "by 2025 or soon after", which appears in their published rejection of the Naxton report, became irrelevant when the timings for the government's New Hospital Programme, of which this project is a part, were substantially altered, towards completion by the end of the decade. This would logically appear to render the joint Boards' decision baseless and void.

## 4. 2014 – a missed opportunity for hospital expansion?

While it has in this way favoured Watford over other parts of West Hertfordshire, the Trust has not managed to make much progress in actually developing Watford General. The key period was between 2013 and 2016, when, despite some encouragement from the WHC partners, the Trust failed to stake a convincing claim to land for expansion of the hospital.

The WHC partners reported in their <u>draft update to the Watford Health Partnership LLP's</u> <u>business plan</u> in 2015 that the Hospital Trust could only become a member once it had attained Foundation Trust status, but until then "they will be fully involved in the development of the Campus through the Campus Forum, as defined within the Campus Agreement" (para. 1.4). But the involvement of the Trust has in fact been in some ways limited.

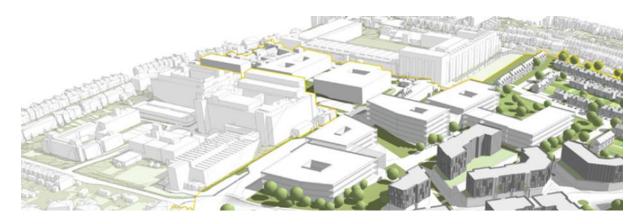
Part of the problem was – and is – that the Trust has **never** been financially sound or stable enough to become a self-governing Foundation Trust, something which, it was claimed, would have been necessary to allow it to join the Campus partnership. Between about 2013 and 2016 statements by Watford representatives made reference to the Trust's problems in achieving Foundation status. Its failure to become a Foundation Trust may well have limited the Trust's scope for influencing developments on the site, although the Trust argued at the time that it could become involved in the Campus without achieving that status.

More fundamentally, the Trust showed hesitancy in the crucial period after the formal signing of the LABV documents in coming to a conclusion about what it wanted to do to develop the hospital. In August 2013 Watford's Mayor Dorothy Thornhill expressed anxiety at the slow response of the Trust to the Campus plans, telling the Trust to 'get itself sorted'. Mayor Thornhill said: "What we don't want is in 10 years the [Hospital Trust] chief executive saying 'if only we had known what we had wanted and if only we had done that'. Local concern at the continuing slow speed of the Trust's response was reflected in an editorial comment in the Watford Observer in January 2014.

Despite the Trust's inability to sign into the LABV, it was given a chance to make a decisive contribution when in March 2014 the Partnership put forward two outline planning applications for the whole development.

Unsurprisingly, the applications did not contain much detail on how much of the overall site would be available for health uses. Nevertheless, plans attached to the application, though imprecise, suggested that the hospital could have sufficient space to expand and provide quite spacious accommodation and reasonable landscaping – see the illustration below which is taken from the design guide, one of the planning application documents. Under the 2014 plans, most new hospital buildings would be modest in height, around five or six storeys. This was an opportunity for the Trust to 'get itself sorted'.

The 2014 masterplan also provided some scope for expansion of the hospital into the area then occupied by the <u>Farm Terrace allotments</u>, which were later controversially taken into the Health Campus after an acrimonious dispute between the developers and allotment owners. A number of Watford politicians stated in the period between 2014 and 2017 that parts of the allotment area should be used to enable hospital expansion; this responded to statements by the Trust that it would wish the allotments area to be used by the Campus to allow for that expansion.



2014 the WHCP plan for new buildings with substantial hospital uses in an L shape around the existing hospital and next to the football ground, using a generous plot offering some landscaping. Darker blocks at the bottom are mainly residential.

But, while planning for residential units would be taken forward in the succeeding year, and much residential building has in fact taken place on the site, nothing came of the 2014 hospital plans. In 2015 the Mayor identified the lack of clarity from the Trust as her 'deepest concern' about the Campus project, and she was not the only Watford politician expressing impatience with the Trust. But the Trust still did not move fast enough to respond to the growing demand for urgent action to set out its plans for the hospital.

The Strategic Outline Case (SOC) for redevelopment of the Trust's estate, finally published in February 2017, described its intention to redevelop Watford General. It belatedly recognised that 'Pressure is increasing on WHHT to confirm their future plans for WGH in order to allow business plans to be developed for the adjacent areas [of the Watford Health Campus].' Another SOC with similar proposals was published in 2019 after intervention by the Department of Health.

So, despite the prompting from Watford politicians, it took well over three years from the signature of the WHC agreements for the Trust come up with the required plans for Watford General – and then it had to change its plans. Meanwhile, detailed planning for residential, commercial and other property on the Campus went ahead. Construction of those buildings began soon after. *By the beginning of the 2020s, the Trust was playing catch-up with the developers.* 

### 2021 – plans for a hemmed-in hospital

With other options ruled out, as we have seen above, the Trust has persisted in its pursuit of a west Watford 'solution'. An outline planning application was made in the spring of 2021 for the new hospital facility, which was approved by Watford Borough Council in July 2021. Under the design produced by the Trust the hospital would take up 3.67 hectares, half the extent of the current hospital 'footprint'. To get all the required hospital services in that reduced space, the Trust would have to build very high – partly in three 'finger blocks' of up to 17 storeys.

See the drawing below, produced by the Trust to illustrate its 2021 plans for its current preferred option, which shows roughly the equivalent area to the drawing above, though from a different angle. Under these latest plans there would be some limited scope for further expansion of the hospital estate, but the main change is that, instead of medium-rise buildings as planned in 2014, the aim now is to build high, with minimal landscaping between the blocks. A further challenge will come if the suggested move of the Mount Vernon Cancer Centre from Northwood to a site between the existing main clinical buildings and the Watford FC ground takes place.



2021 – the Trust's plan for new hospital buildings at Watford. The darker buildings in the middle are the hospital, with residential and retail development surrounding it. Some space is earmarked at the top of the picture for hospital expansion

In seven years of the Trust's association with the WHCP, the plans for hospital development have therefore deteriorated. Instead of the fairly spacious medium-rise development proposed in 2014, the Trust has in 2021 been planning three expensive high-rise blocks with very little landscaping, which would be surrounded by retail and residential development. There would be little room for later hospital expansion.

One of the reasons for the squeezing of the space for the hospital over the years has been a gradual increase in the developers' ambitions for residential units on the site, and indeed in the number of beds planned for the new hospital facility. Whereas in 2010 there were to be 500 housing units on the Campus, by 2021 developers were looking to build nearly 1000. Equally, the bed numbers planned for the hospital have grown, from around 600 in 2010 to 'up to 1000' in 2021. On a small site with problems of pollution and topography, this threatens to cause severe problems. This overdevelopment has happened almost by stealth during more than a decade, and the Trust appears to have been unable to halt it; in fact, by increasing the number of beds planned, it has added to the likely overdevelopment.

The hope that part of the Farm Terrace allotments area would be used for hospital expansion has been dashed; a multi-storey car park is being built there, with residential and other development planned to occupy the rest of the allotments site. This disappointing outcome, with the emphasis on non-hospital development, is very different from the aspirations of 2014. In stark contrast to the expansion promised at that time, the space for the hospital is diminishing sharply.

But the Trust's plans may now have to take yet another route. It is now accepted that the current proposals for a new hospital facility at Watford would cost over £900 million – and, in the spring of 2021, the Government asked the Trust to scale back its ambitions. The Trust has done exactly that, reducing the preferred size of the proposed new Watford facility from up to 120,000 square metres in May 2021 to between 80,000 and 90,000 square metres in October 2021 – a drastic, sudden cut of 25 percent or more.

The most likely outcome, therefore, is that the Trust will end up going back to square one, refurbishing its shabby and outdated current main clinical block at Watford as well as building some new facilities. This will be highly disruptive to the operation of the Hospital.

Meanwhile, the Trust plans for Hemel Hempstead and St Albans Hospitals envisage just a 'Do Minimum' updating to ensure compliance with basic standards – and the funding even for that is by no means guaranteed.

#### 5. Conclusions

What has happened in the West Hertfordshire case violates three principles of effective forward planning and public administration.

- First there has been clear "bias toward preconceived solutions" against which the
   <u>Treasury's Green Book</u> on key principles of public finance warns (on p.6), risking
   planners "being trapped by preconceptions into missing optimum solutions" and
   raising major issues of value for money.
- Second the principle of objectivity, one of the <u>Nolan principles of public life</u>, which requires decisions to be taken "impartially, fairly and on merit, using the best evidence" has been flouted.
- Third, the principle of accountability enshrined in the NHS Constitution, stating that
  "the NHS is accountable to the public, communities and patients that it serves" has
  been ignored in that only one of the communities of the area covered by the Trust
  has been given serious attention through the Trust's long-term participation in, and
  commitment to, the WHCP.

It remains to be seen whether the participation of the Trust in the work of the WHCP has resulted in significant obligations and liabilities, but even if that is not the case, it is very likely to have seriously distorted the decision-making process right across the Trust.

The Trust has failed to manage properly the impact of the WHCP on its own plans, leaving it unable to settle on an emergency care solution that offers both affordability and good value for money. This is a serious failure of management, planning and negotiation.

The Trust's conduct has also made a mockery of the processes of public engagement which it has undertaken in respect of the options for emergency and specialist care. It has never been truly open to other options, as the record makes clear. It is also an unelected body, which severely restricts its accountability to the public for the decisions it takes. It therefore needs to be much more transparent.

The future of major hospital provision in an area must not be decided by one sub-area such as Watford unilaterally making agreements which appear to have been driven by a mixture of commercial and local political motives, and which the local NHS bodies, notably the WHHT, unwisely bought into. The dire consequences of this situation for hospital services in West Hertfordshire have now become clear.

The NHS should now ensure that these local bodies cast off the invisible shackles of the WHCP and that the issue is addressed in a fresh, open and objective manner.

New Hospital Campaign

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