

Surrender of vacant space at Seaton Community Hospital and estates update

Introduction

This report is submitted on behalf of NHS Devon and [NHS Property Services](#) (NHSPS), further to recommendations approved at the meeting of Devon County Council's Health and Adult Care Scrutiny Committee meeting on 9 November 2023.

The report is in response to recommendations a-d but also covers the separate request made at the meeting for further information about empty accommodation in NHS properties in Devon.

The committee's recommendations arise in response to a piece of work being undertaken by NHS Devon. In light of ongoing and significant financial challenges, the work in relation to Seaton simply seeks to remove an unnecessary burden of approximately £280,000 that is being paid by the local NHS in property costs for accommodation that is vacant, unused and has been so since 2017.

Background

Like Devon County Council, NHS Devon faces severe financial challenges and is under pressure to bring its budget back into balance.

The system has been placed in the lowest segment (segment 4) of the NHS Oversight Framework – sometimes known as NOF4 – by NHS England.

This means Devon gets 'intensive' support from NHS England – which includes additional reporting requirements and financial controls – with the aim of improving its financial and operational performance.

In 2023/24 as part of our journey to achieving a balanced budget, the forecast deficit for the county's NHS system as a whole is £42.3 million, which includes a £212 million savings plan. However, as shown by our December Board papers, we are £32.5 million adrift from where we expected to be against our plan.

The former ward at Seaton Community Hospital has been vacant and unused since 2017.

The beds were removed and closed following full public consultation when new ways of looking after people in the local community – often in their own home – were brought in and they have been very successful.

The Your Future Care consultation ran from 7 October 2016 until 6 January 2017 and was led by the then-Northern, Eastern and Western Devon Clinical Commissioning Group (CCG). It focussed on proposals to provide more care and

support for elderly and frail people at home and in the community. The aim was to prevent unnecessary admissions to hospital and, if patients need to go to hospital, to get home as quickly as possible, improving their chances of a better recovery.

Throughout the consultation period, the CCG attended over 70 events and public meetings. More than 2,000 people attended these events and discussed the proposals. 1,552 responses to the survey were received, in addition to more than 650 letters and emails.

The statutory responsibility of the CCG – and now the integrated care board – is to consult on significant changes to NHS services, not on buildings themselves.

Separately, ownership of Seaton Community Hospital transferred from the then-Northern Devon Healthcare NHS Trust to NHS Property Services in 2016 when the community services contract moved from NDHT to the then-Royal Devon and Exeter NHS Foundation Trust.

Reducing money wasted on vacant buildings

Taking steps to reduce vacant space enables NHS Devon to save money. Reducing vacant space at the hospital presents an opportunity for the local NHS to save approximately £282,000 in operational running costs. Examples of these costs include a market rent, rates, utilities and grounds and maintenance.

Given the above background, NHS Devon took the decision to declare the site surplus to the NHS requirements and to work with NHSPS to reduce or eliminate the holding cost of this space in September 2023. The decision was taken on behalf of the Board by the Finance and Performance Committee.

Many people have said the CCG/NHS Devon should not have wasted money on the vacant space in recent years, and NHS Devon acknowledges this as understandable criticism. However, a period of time was allowed after the consultation to embed the new model of care and, of course, during the Covid-19 pandemic the local NHS had other pressing priorities. Since the pandemic has receded, NHS Devon has focussed on addressing its lasting impacts on waiting lists for planned care, like hip replacements and cataract surgery. Now, because NHS Devon wants to spend public money well and improve performance, and in response to pressure from regulators and the Government, it has a renewed focus on addressing its financial challenges.

NHS Devon acknowledges the local community's role in paying for the ward. As set out above, the way the NHS cares for people (a model of care) changes and evolves over time thanks to developments in healthcare practice, medicine and technology. The model of care in place sees many more people than previously receiving care in their own homes from teams of highly skilled social care, therapy and nursing professionals. This community-based care is largely delivered in this area by Royal Devon University Healthcare NHS Trust. It remains the view of the NHS that, where appropriate, this is the right way to care for the growing number of patients with complex health needs.

As set out at the time of the consultation, every day a patient stays in hospital can reduce muscle strength by up to 5%, which affects people's ability to remain independent. People also tell NHS Devon that when they are ill, they would prefer to be at home, provided there is appropriate support available.

Community engagement

During the middle part of 2023, NHS Devon and NHSPS held a series of meetings with local partners to discuss the vacant ward at Seaton Community Hospital and see if an occupant could be found to take on the space.

These partners included:

- NHS Devon commissioning colleagues
- Devon's acute trusts
- Devon's mental health providers
- Local GPs
- The Eastern Local Care Partnership
- Local voluntary, community and social enterprise sector groups
- Other commissioners
- Other interested parties

In the lead up to, and after, the decision by the Finance and Performance committee, a further series of meetings was planned to let local partners know the outcome of this process and what had been decided.

The following partners, some of whom had been involved in earlier discussions about the vacant ward, were among those identified to receive briefings about the decision to declare the ward space as surplus therefore hand back to NHSPS:

- Devon County Council's Health and Adult Care Scrutiny Committee – Chair and members
- Constituency MP Richard Foord
- Seaton & District Hospital League of Friends
- Healthwatch
- Seaton Town Council
- The local Primary Care Network
- Other occupiers of the hospital
- Local acute trusts
- Devon County Council (DCC)
- The local community (through local media)
- Neighbouring constituency MP Simon Jupp

During this engagement process, information about NHS Devon's decision was made public by other parties.

Since then, local engagement by the NHS has continued. NHS Devon has held meetings and corresponded with the League of Friends, Richard Foord MP, DCC

divisional members and representatives of the newly formed Seaton Hospital Steering Group.

On 5 December 2023 a meeting was held at County Hall in Exeter, chaired by NHS Devon's Chair, Dr Sarah Wollaston. It was attended by representatives of NHS Devon and representatives of the Seaton Hospital Steering Group, including the chair and secretary, the CEO of the League of Friends and the leader of East Devon District Council.

At the constructive meeting, NHS Devon representatives presented the challenging financial background to the current position and updated on recent developments. NHS Devon representatives acknowledged the strength of feeling in the community, recognised the disappointment caused by the decision regarding the empty ward and expressed appreciation for the work that the group had put into generating a positive way forward.

NHS Devon was also able to provide updated information about the costs relating to the vacant space at the hospital, as requested by the group and the League of Friends prior to the meeting. The group expressed their ambition to reuse the vacant ward space and associated offices to deliver increased health and wellbeing services in the town and NHS Devon is supportive of the group undertaking a feasibility study.

It was agreed that NHS Devon colleagues would work with the Seaton Hospital Steering Group to provide:

1. Updated cost information in connection with the void space
2. Confirmed timelines
3. Support to work with NHSPS to facilitate a visit to the ward area to assess possible uses for the space
4. Support for conversations with NHSPS for the committee's use of space at Seaton.

Note: The information in point 1 was provided on 19 December 2023, for updates on points 2-4, see below.

On 6 December, before the meeting of NHS Devon's Board at County Hall, Dr Wollaston met community and steering group representatives and received three petitions (one hardcopy, two online) containing approximately 9,000 signatures.

Receipt of the petition was [formally noted as part of the main Board meeting](#) and will be addressed at the next meeting of the Board in February 2024.

During the Board meeting on 6 December, formal responses were given to three questions received from the steering group, and group secretary Martin Shaw addressed Board members.

Devon County Council's divisional member, Councillor Marcus Hartnell, is a member of the Seaton Hospital Steering Group and has confirmed that he is being kept up to date on developments through the group.

Since a public meeting held on 3 November 2023, when template objection letters were first made available, approximately 350 letters have been received by NHS Devon from people expressing concerns about the future of the vacant ward.

NHS Devon and NHSPS have also responded to a number of enquiries from local broadcast, print and digital media about the vacant ward.

NHSPS has supported NHS Devon at a meeting with Richard Foorde MP as well as responding to a separate enquiry from a neighbouring constituency MP.

During 2022/23 and 2023/24, NHSPS engaged with a number of charity and special interest groups (as well as a local dental practice) who expressed an interest in the vacant space. These enquiries were responded to with information relating to the amount of space available and the costs of occupation.

NHS Devon and NHSPS have arranged access to the hospital for representatives of the steering group and League of Friends. This is to facilitate development of further feasibility work. A follow-up meeting is also being arranged.

Current position and timelines

The decision to declare the vacant ward surplus to the NHS Devon requirements and hand back the space was taken in September 2023 by NHS Devon's Finance and Performance Committee on behalf of the Board.

Reducing or removing vacant space costs paid by NHS Devon to NHS Property Services at Seaton Community Hospital would be achieved by surrendering the former ward area and the office space on the first floor. Subject to approvals, the office space would be relocated to the other small void area within the main hospital.

NHS Devon and NHSPS continue to work together on the next steps for the vacant space and therefore no confirmed timescale to determine the preferred option for the vacant ward space is available at the time of writing this report.

However, mindful of the significant financial pressures it faces, NHS Devon needs to end its liability for the cost of the vacant ward space at the hospital quickly and work continues to effect this as soon as possible.

For clarity, NHS Devon is not proposing to change any services as part of this piece of work and exploring the options for delivering increased health and wellbeing services in the town for the next five years and beyond does not form part of this process.

However, Devon's Five-year Integrated Care Strategy, published in June 2023, sets out how One Devon – the Integrated Care System for Devon – will plan and organise health, care and other support services so that joined-up, preventive care is available to everyone in the population across the course of their lives. The Integrated Care Strategy was produced by the One Devon Partnership, Devon's Integrated Care Partnership, which is chaired by Cllr James McInnes.

The Devon Five-year Joint Forward Plan, published in June 2023, tells how the Integrated Care Strategy will be put into practice and how strategic goals will be achieved. The Plan will be regularly refreshed and updated, with the next iteration due to be published on 1 April 2024.

As noted above, NHS Devon's Finance and Performance Committee took the final decision on declaring the vacant ward space surplus to the NHS' requirements and begin the process of handing back the space in September 2023.

Roles and responsibilities

The role of NHSPS is to own and manage the buildings for which it is responsible. It is not responsible for providing or commissioning health services. The occupancy arrangements for NHSPS properties is applied on a consistent basis, therefore providing a level playing field and is based upon a market rent, cost recovery for utilities, rates etc and a management fee.

As local system leader, NHS Devon is responsible for paying for, planning and monitoring NHS services across Devon, Torbay and Plymouth. As noted above, NHS Devon is not proposing to change any services as part of this piece of work and exploring the options for delivering increased health and wellbeing services – including any proposal for a community health and wellbeing hub – in the town for the next five years in Seaton does not form part of this process.

However, NHS Devon and NHSPS are committed to working with the Seaton Hospital Steering Group and League of Friends to explore the feasibility of their proposals for the vacant ward space as one of a number of options for that space.

Other void estate in Devon

NHS Devon has established a system-wide programme of work to deliver the performance and financial improvements needed to allow the NHS in Devon to move out of NOF4.

NHS Devon currently pays £1.9 million in rent and other costs on vacant space across Devon.

Ensuring best use is made of the NHS estate is business-as-usual work. NHS Devon is reviewing other void estate to make sure taxpayers' money is spent well and that buildings are well used.

In some cases, this has resulted in positive changes. For example, at Ottery St Mary Community Hospital, NHS Devon was paying a substantial sum in void space. As part of routine work with local partners, NHS Devon established that Royal Devon University Healthcare NHS Foundation Trust identified that they could use it for some community and urology services and the space has been filled and the void cost eradicated.

Also at Ottery, NHS Property Services has worked with a local charity to bring the kitchen back into use.

A further example of where savings could be made as well as the opportunity to make better use of space is at Okehampton Community Hospital.

In November, NHS Devon took the decision to declare the vacant ward surplus to the NHS' requirements and begin the process of handing back the ward to NHSPS. As with the ward at Seaton, the former ward at Okehampton has been vacant since 2017 following full public consultation and now presents an opportunity for the local NHS to save more than £200,000 a year in rent and other property charges.

Local partners were made aware of this decision in November 2023. For further details, visit www.onedevon.org.uk/one-devon-news/former-ward-area-okehampton-community-hospital/.

Meanwhile, space in the rest of the hospital, although occupied, is significantly under-utilised. NHS Devon would therefore like to widen work with local partners to improve space utilisation in the rest of the hospital to get better value. This will be a medium-term piece of work and will involve community engagement to explore local needs and ideas. Any changes will need to be fully costed.

NHS Devon continues work to reduce the amount of money wasted on empty space in other buildings.

Viable projects will be developed and will be subject to NHS Devon's internal governance processes in the first instance. A corresponding process for updating and briefing local partners and stakeholders will be designed and implemented accordingly and therefore further information will be provided at the appropriate time.

ENDS