

## **Case Study - Facilitating a Private Finance Initiative(PFI) Hospital**

Throughout the late 1980s and early 1990s, councillors and the former MP lobbied for a new acute general hospital.

An original outline application (DA/93/00417/OUT) for a new hospital on the former Darenth Park Hospital with up to 307 dwellings, open space and highways was submitted by Dartford and Gravesham Authority in August 1993.

Major structural changes within the Health Service in 1995 meant the ownership of Joyce Green Hospital transferred to Dartford and Gravesham NHS Trust. As part of the Government's Private Finance Initiative (PFI) the Trust Board advertised for private sector partners for a new hospital in the European Union's Official Journal.

In July 1996 the Council was asked if it wanted to acquire Joyce Green Hospital. The approach came via Tarmac Private Finance Unit and its agents. It related to the proposed PFI for the development of the hospital at Darenth Park and the future of the Joyce Green Hospital site.

Tarmac were interested in securing an offer from the Council for the site to enable it to continue discussions on the PFI for the new hospital with the Treasury. Accordingly it was felt appropriate that a provisional offer be made to them to establish what reaction would be received.

The Council's Policy Committee of 30 September 1996 agreed: "the purchase would assist the consortium in pursuing the PFI on the proposed new hospital site at Darenth Park." (Cross-reference to [Dartford Park](#) Case Study). Meanwhile Planning permission was granted on 25 November 1996 following the completion of a S106 Agreement. Darenth Park Hospital was already closed and the buildings mostly derelict.

Policy H2 of the Adopted Local Plan identified the site for a mixed development incorporating an acute general hospital and housing. This was subject to a comprehensive scheme that had regard for Government guidance in respect of redundant hospitals in the Green Belt, and assurances that the new hospital was built.

The relevant Government advice was contained within Circular 12/91 (Redundant Hospital Sites in Green Belts). This has now been superseded by PPG2: Green Belts. Circular 12/91 required the following:-

- Early assessment of the potential for re-use
- Alternative use of existing buildings to be explored
- Any redevelopment should ensure impact on the Green Belt is no greater than the existing. The new buildings should not occupy a larger area of the site nor exceed existing height. The relevant area is the 'footprint' of the existing buildings. This includes mixed developments.
- To enhance the amenity value of the site as a whole.
- Conversion or re-development should not normally require additional public sector expenditure or infra structure, nor should it overload local facilities.
- Local authorities should include policies along these lines in their Plans

The proposed scheme included a footprint of 46,560 sq.metres. The existing footprint was shown to be 49,997 sq.metres.

Approval to purchase Joyce Green Hospital was re-confirmed 27 January 1997 and contracts exchanged on 10 February 1997. Completion took place on the first tranche of land 13 August 1997.

Purchase of the remaining site - cleared of buildings - was completed on 19 December 2001 following the opening of the new hospital in September 2001.

Darenth Valley Hospital was the first PFI hospital in the country and brought many benefits including:

- Residential development of part of the former Darenth Park Hospital site (to help provide more housing in the Borough).
- Darenth Country Park
- The consolidation of the Council's North Dartford ([Dartford Park](#)) land holdings