

Agenda Item 18

TO: West Gloucestershire PCT

FROM: Director of Operations

DATE: 20 November 2003

SUBJECT: CLINICAL ACADEMY, FULL BUSINESS CASE

1.0 PURPOSE

1.1 To recommend to the Board the proposals contained in the paper in Appendix 1 on the Full Business Case for the Gloucestershire Clinical Academy.

2.0 BACKGROUND

2.1 The Board will be aware from previous reports and the Outline Business Case that was presented to the Board in July, that the NHS community is developing a Clinical Academy for Gloucestershire. The purpose of the Clinical Academy is to support the achievement of the vision for education, training and lifelong learning shared by the Gloucestershire Health Community for all staff employed by the NHS in Gloucestershire.

3.0 THE FULL BUSINESS CASE (FBC)

3.1 The FBC (Appendix 1) covers:

- The strategic context in Gloucestershire
- Progress to date and further proposals to support the achievement of this vision
- The rationale for phasing the investment programme and for the first phase of investment in substantive physical facilities being the development of physical facilities in Cheltenham
- The investment proposal, associated capital and revenue costs and sources of funds

3.2 Certain issues required resolution when the OBC was put forward. In particular, a clear profile of revenue expenditure against income; a detailed risk assessment and management plan in relation to the provision of education facilities on the Gloucester site; details of the proposed partnership arrangements if UWE is involved and the implications if one of the partner organisations achieves Foundation Status. These issues are addressed in the FBC and the relevant sections are shown in the Executive Summary of the FBC.

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- 3.3 Given resource constraints the development of physical infrastructure must be phased and the priority must be the facilities required to support the medical academy from 2004 as the students begin their placement in Gloucestershire. Revenue and capital funding has been earmarked by the WDC and the Hospitals Trust to facilitate the first phase of development. The Hospitals Trust has already invested £840,000 of its available capital to meet the cost of site purchase for the facility in Cheltenham, (the re-development of the former Fire Service offices and workshops adjacent to Cheltenham General Hospital).
- 3.4 The total capital cost of the proposed provision of the physical facilities as detailed in the FBC is £4,731,500, to be funded by £2,187,000 from the WDC and £2,544,500 from Gloucestershire Hospitals Trust. The Hospitals Trust has committed £1.5m in its forward capital programme to expand the facilities at GRH to meet the needs of student numbers in 2005/06. This investment is not dependent on the Hospitals Trust becoming a Foundation Trust.
- 3.5 The £2,285,100 pay and non pay revenue cost associated with the development of a Gloucestershire Clinical Academy can be met within available funds.

4.0 RECOMMENDATION

- 4.1 It is recommended that the FBC is approved, allowing the scheme construction contract to be awarded and start on site in February 2004.