

North West Dumfries Primary Care Centre



Full Business Case

November 2010 (CIG Submission)

| August 2011 (Updated for Library)

Contents

1.0	Executive Summary	1
1.1	Introduction	1
1.2	An Enhanced Patient Experience	1
1.3	Strategic Fit (Section 2.4)	1
1.4	Project Objectives (Section 2.5)	2
1.5	Preferred Site (Section 3.2)	2
1.6	Summary of Short listed Options (Section 3.3)	2
1.7	Preferred Option (Section 3.9).....	3
1.8	Costs (Section 5)	4
1.9	Risks (Section 2.9 and Appendix 5)	4
1.10	Funding Availability.....	5
2.0	The Strategic Case	6
2.1	Strategic Context	6
2.2	Organisational Overview	7
2.3	Business Strategy and Aims.....	10
2.4	Other Organisational Strategies	11
2.5	Investment Objectives	12
2.6	Existing Arrangements	14
2.7	Business Needs – Current and Future	18
2.8	Desired Scope and Services Requirements.....	21
2.9	Benefit Criteria	25
2.10	Strategic Risks.....	30
2.11	Constraints and Dependencies	31
3.0	The Economic Case.....	34
3.1	Critical Success Factors	34
3.2	Main Business Options.....	35
3.3	Short Listed Options	37
3.4	NPC/NPV Findings	43
3.5	Benefits Appraisal.....	44
3.6	Risk Assessment	45
3.7	Sensitivity Analysis	47
3.8	Preferred Option	48
4.0	The Commercial Case	54
4.1	Agreed Scope and Services	54
4.2	Risk Allocation	57
4.3	Agreed Charging Mechanisms	58
4.4	Agreed Key Contractual Arrangements.....	58
4.5	Agreed Personnel Arrangements	59
4.6	Implementation Timescales.....	59
4.7	Agreed Accountancy Treatment.....	59
5.0	Financial Appraisal and Affordability.....	60
5.1	Introduction	60
5.2	Capital Costs	60
5.3	Revenue Costs	63
5.4	Accounting Treatment	65
5.5	Financial and Economic Appraisal	65
6.0	The Management Case	68

6.1	Procurement Strategy.....	68
6.2	Procurement Management	70
6.3	Change Management	73
6.4	Benefits Realisation.....	74
6.5	Risk Management.....	75
6.6	Post Project Evaluation	75

1.0 Executive Summary

1.1 Introduction

The purpose of this Full Business case is to:

- Identify the Preferred Option which offers optimum Value for Money
- Set out the negotiated commercial and contractual arrangements for the project
- Demonstrate the affordability of the Preferred Option
- Put in place the detailed management arrangements for the successful delivery of the scheme

This Full Business Case outlines the progress made by NHS Dumfries and Galloway to develop a new Primary Care Centre in North West Dumfries since the Outline Business Case was approved by the Board in March 2010.

1.2 An Enhanced Patient Experience

The development of a Primary Care Centre in North West Dumfries is quite simply great news for patients.

The co-location of Primary Care and specialist services in a modern fit for purpose facility will create an environment in a dynamic new community based setting, providing many opportunities for integrating services and encouraging greater synergy between care provided for patients and between primary care, community and social care teams.

Benefits for patients and staff:

- Increased range of services available locally
- Significantly increased capacity to allow new services to develop
- Improved treatment environment for patients
- Improved communications among treatment teams
- Improved access, through DDA compliance and geographical location
- Other economic benefits will include the creation of construction jobs in the local economy

In addition to these benefits it is hoped that the Primary Care Centre in North West Dumfries will be the catalyst for future developments in not only the range of services provided but also in the way in which patients access these services.

1.3 Strategic Fit (Section 2.4)

The development of a Primary Care Centre in North West Dumfries, supports and complements both National and local Strategic drivers.

Nationally, 'Better Health, Better Care', sets out its key objective as "to help people to sustain and improve their health, especially in disadvantaged communities, ensuring better, local and faster access to healthcare". Delivering for Health set out key objectives emplacing delivering care closer to patient communities, tackling long term conditions, shifting the balance of care from secondary to primary care, tackling health inequalities, and delivering a more integrated care and treatment experience.

Locally the development of a Primary Care Centre in North West Dumfries complements and supports the Board's vision for the future which includes the following aims

- Provide healthcare in the most appropriate settings;
- Deliver healthcare through staff who are appropriately skilled, experienced and motivated;
- Develop a seamless journey for patients so they benefit from a unified health system; and
- Work with our partners e.g. social services so that patients receive the best possible outcomes.

Establishing fit for purpose and integrated primary care services and facilities is central to delivery of these aims and is aligned to the principle of supporting people, for as long as appropriately possible, in their own homes and communities.

1.4 Project Objectives (Section 2.5)

In developing the Preferred Option the following aims have been met:

- Facilitate the provision of services in a high quality environment which is "fit for purpose" for staff, patients and visitors
- Provide facilities/services that:
 - Have the necessary scope to meet the current service requirements
 - Have the ability to cater for any changes or expansion of services
 - Are DDA compliant
- Comply with all current and foreseeable guidelines and good Practice in terms of layout and room sizing's
- Improve service capacity and patient access to General Medical Services and other Primary Care Services
- Support the Board's future Dumfries Property Strategy.

1.5 Preferred Site (Section 3.2)

As a result of the appraisal process set in the Economic Case the Preferred Site for the Primary Care Centre in North West Dumfries was identified as Lochfield Road, Dumfries. The site is owned by the Dumfries and Galloway Housing Partnership. Missives have been progressed and completion is imminent. Planning consent has been granted for the development as shown in Appendix 15

1.6 Summary of Short listed Options (Section 3.3)

The following short list of options were identified in the Outline Business Case:

Option 1

Do Minimum – Co-locate Charlotte Street Surgery, Cairn Valley Medical Practice Branch Surgery and provide a base for Community Nursing/Health Visitors.

Option 2

Co-locate Charlotte Street Surgery, Cairn Valley Medical Practice Branch Surgery, provide a base for Community Nursing/Health Visitors and provide facilities for a range of Primary Care Services.

Option 3

Co-locate Charlotte Street Surgery, Cairn Valley Medical Practice Branch Surgery, provide a base for Community Nursing/Health Visitors, and provide facilities for a range of Primary Care Services and the Adult Specialist Drug and Alcohol Service.

Option 4

Co-locate Charlotte Street Surgery, Cairn Valley Medical Practice Branch Surgery, provide a base for Community Nursing/Health Visitors, provide facilities for a range of Primary Care Services, the Adult Specialist Drug and Alcohol Service and provide an outreach base for the Integrated Substance Service – Children and Young People.

1.7 Preferred Option (Section 3.9)

As a result of the appraisals process set out in the Outline Business Case Option 4 above was chosen as the Board's Preferred Option and remains the Board's Preferred Option

The key attributes of this option are:

- Addresses the space constraints and functional suitability issues at Charlotte St Surgery, Cairn Valley's branch practice and at Cameron House where the Adult Specialist Drug and Alcohol Service (ADAS) is provided
- Provides a base for other primary care services including chiropody/podiatry, psychology (self help programme), psychiatry including CPNs etc which provides an improved range of services to patients in a more convenient local setting
- Allows both GP Practices to plan for the future and provides opportunity to recruit staff and expand services
- Complies with DDA and current and foreseeable guidance in terms of layout and rooms sizes
- Reflects the Board's Dumfries Property Strategy through the vacation of the Charlotte St practice on the Nithbank site and facilitates substantial Capital receipts, Revenue Savings and negates a substantial backlog maintenance burden.
- Enables Cameron House (ADAS) to provide services to clients in a more appropriate setting
- A significant proportion of Cameron House (ADAS) clients live close to Lochfield Road
- Improved opportunities for face to face communication between GPs and the substance misuse service, on site access to advice/support re substance use, opportunities for joint training, improved integrated approach to treatment for people with alcohol and or drug problems
- Provides opportunity to share appropriate facilities with the building e.g. key staff facilities
- Enables the Adult Specialist Drug and Alcohol Service to share certain appropriate facilities with the children's and Young People's Integrated Substance Misuse Service
- Provides opportunities to support joint working for service users aged 17-18 years in transition to adult services
- Enhanced opportunities for joint training/development sessions in substance misuse

- Provides opportunity for all services to interact and co-operate more effectively

1.8 Costs (Section 5)

The key cost components of the Preferred Option for this Project are:

Construction Costs	£'000
Maximum Target Price	4,511
Total Capital Cost	5,836
Client Risk (3.2%)	211
Capital Costs inc Client Risk	6,047
Revenue Impact	
Net Revenue Impact	342

The details of these costs are shown Section 5 –Financial Case.

1.9 Risks (Section 2.9 and Appendix 5)

Following appointment of the PSCP in June 2010, a Risk Workshop was held on 27th October 2010 involving a range of key stakeholders and users and a Joint Risk Register has been developed by review and amendment by the parties several times, the most recent occasion having been on 9 November 2010 and is shown in Appendix 5. The Risk Assessment process identified three key strategic risks described below. Further details of these Risks are shown in Section 2.9

BREEAM Excellence

The latest guidance contained in the Scottish Capital Investment Manual in terms of Sustainability requires attainment of Excellent rating for new buildings. A pre-assessment of the developed design has been conducted and achievement of Excellent is anticipated. The risk assessment separates the credits into those for which the PSCP is responsible and those for which NHS is responsible. Continual monitoring and review of the BREEAM credits reduces risk of failure to attain required rating. Details of the BREEAM scoring are shown in Appendix 8.

Delay in Acquiring the Lochfield Road Site

The Preferred Site for the Primary Care Centre in North West Dumfries was identified as Lochfield Road, Dumfries. The site is owned by the Dumfries and Galloway Housing Partnership. Missives have been progressed and completion is imminent. (**Update: Purchase of site completed on 30 March 2011**).

Scottish Government does not approve the Full Business Case

There is a risk that the Board Affordability limit for the project may be challenged in terms of Capital and Revenue Funding.

1.10 Funding Availability

Since the submission of the Outline Business Case the UK Government has conducted a Comprehensive Spending Review. The impact of this review for NHS Scotland were outlined in the Scottish Government's Budget statement in November 2010. Consequently the levels of revenue and capital funding available to NHS Boards may be reduced leading to pressures on resources which may result in the project being deferred or delayed. The Board has already approved and set aside the revenue funding for this scheme following approval of the Outline Business Case, but further focus to reduce the capital and revenue implications for the scheme will be completed throughout the construction phase to ensure that maximum value for money is achieved in the current financial climate. **(Update: Local Delivery Plan (LDP) for 2011-12 has been approved with project funding included – see revised Appendix 2).**

2.0 The Strategic Case

2.1 Strategic Context

The development of a Primary Care Centre in North West Dumfries has both national and local strategic drivers.

a. National

- Nationally, Better Health, Better Care, published in December 2007, sets out its key objective as “to help people to sustain and improve their health, especially in disadvantaged communities, ensuring better, local and faster access to healthcare”.
- Previously, Delivering for Health set out key objectives emphasising delivering care closer to patient communities, tackling long term conditions, shifting the balance of care from secondary to primary care, tackling health inequalities, and delivering a more integrated care and treatment experience.

b. Local

- Establishing fit for purpose and integrated primary care services and facilities is a building block for the delivery of Patient Centred Care. This has, at its core, the principle of supporting people, for as long as appropriately possible, in their own homes and communities, building layers of increasingly intensive and specialist input through community based services, to community hospitals and ultimately acute services.
- In terms of premises development, NHS Dumfries and Galloway’s Dumfries Property Strategy categorises the Charlotte St Surgery, a major stakeholder in this development, as band 4 requiring “major review of possible options to establish a long term solution”,
- In addition, the Adult Specialist Drug and Alcohol Service, District Nursing, Health Visiting, Podiatry and other Primary Care services are based in Nithbank, a sprawling range of buildings assessed as mostly unfit for purpose and with a planned retraction date of late 2011.
- The Mental Health Full Business Case, recently approved by the Capital Investment Group, also has an impact as the development of modern mental health facilities will allow the redevelopment of the Crichton campus to accommodate services currently housed at Nithbank.
- The Primary Care Premises modernisation approach in Dumfries town has already supported two practices to establish new premises through a Public Partnership Initiative process and one to improve existing premises through a major improvement grant. All have community nursing and other associated primary care services co-located with an associated pharmacy. Charlotte Street Surgery has not yet been modernised and the Cairn Valley Dumfries branch surgery remains in the town centre. As a result of the creation of a Primary Care Centre in North West Dumfries a range of services will be located nearer to the users.

- Recruitment, retention and training opportunities for all staff are a major issue for a remote and rural area such as Dumfries and Galloway. This development will offer a significant improvement to the working environment for all staff, and specifically allow GP registrar training to restart at the Charlotte St practice, and allow a second registrar to be taken on by Cairn Valley, specifically prevented by space constraints.

2.2 Organisational Overview

a. Introduction

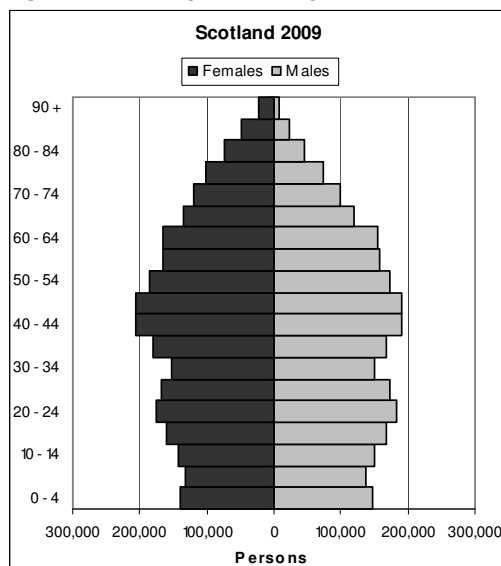
NHS Dumfries & Galloway provides health care and promotes healthy living for the people of Dumfries & Galloway. Dumfries and Galloway is a mostly rural region. It covers 6,426 square kilometres, with a population of 148,500 (2006 estimate, GROS). The main towns are Dumfries (31,100 residents), Stranraer (10,900), Annan (8,400) and Lochaberbriggs (6,100). All other towns and settlements have populations of less than 5,000. The region is divided into four traditional localities. NHS Primary Care and Community Care Directorates (PCCD's) East and West (LHPs) and Council Areas are based on these areas:

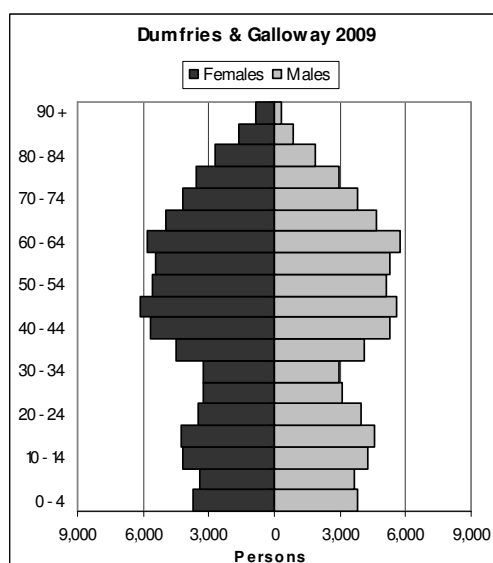
- Wigtownshire
- Stewartry
- Nithsdale
- Annandale and Eskdale

b. Population

The current population is already substantially different from the Scottish population profile, with a larger proportion of older people and a markedly smaller proportion of young people (see Figure 2.2.1). We have an older population compared to the rest of Scotland. The average age in Scotland is 40.1 but in Dumfries and Galloway it is 43.6.

Figure 2.2.1: Population Pyramids for Scotland and Dumfries and Galloway, 2009





(Source: GROS, Mid Year Population Estimates, 2009)

Projections from the General Register Office for Scotland (GROS) show that our adult population of 16-64 year olds is likely to drop by 19%, while our over-65s population is likely to grow by 56% by 2033. This current 2008-based estimate is even more dramatic than the previous predicted rise in the number of over-65s. These changes will result in substantially greater demands on health and social care systems and a reduced workforce who would normally be responsible for providing care and support.

c. General health

Compared with the Scottish population as a whole, people's health in Dumfries and Galloway is broadly better than average. We have lower mortality rates for a range of diseases compared with Scotland as a whole.

To compare mortality rates, we use Standardised Mortality Ratios (SMR's) which even out the differences in population and then compare our death rates to those of Scotland as a whole, which is given a rate of 100. Where our ratios are less than 100, we have fewer deaths than Scotland, and where our ratios are greater than 100, we have more deaths than Scotland.

Figure 2.2.2: SMRs for 'The Big Three' largest causes of death in Dumfries and Galloway

Dumfries and Galloway 2009	All cancers	Coronary heart disease	Stroke
Men	91.6	97.8	78.5
Women	94.8	100.9	92.2

(Source: GROS, 2009)

The only mortality ratio that is higher than the Scottish rate is the mortality rate for coronary heart disease for women. However, this is not significantly different from Scotland as a whole and has not been significantly different for at least the past five years.

d. Rural challenge

The Scottish Executive has released a number of urban-rural classifications since 2000 as part of a commitment to make sure that 'rural and remote communities have their distinct needs reflected across the range of government policy and initiatives'.

Nearly half of all people in Dumfries and Galloway live in areas classified as rural (that is, settlements with fewer than 3,000 residents). We have no large urban areas, and over a quarter of the population live further than 30 minutes' drive away from a large town. This presents a challenge for providing appropriate health care and social support.

Table 2.2.3: Six-fold urban-rural classification, percentage of population

Area	Large urban areas	Other urban areas	Accessible small towns	Remote small towns	Accessible rural	Remote rural
Dumfries and Galloway	0	28.1%	17.3%	7.6%	25.0%	21.9%
Ayrshire and Arran	0	58.7%	17.6%	4.3%	13.5%	5.9%
Borders	0	25.3%	18.8%	4.9%	39.1%	12.0%
Scotland	38.9%	30.6%	8.5%	3.8%	11.6%	6.5%

(Source: Scottish Government, August 2010)

The main factors used to determine the 'rurality' or rural nature of a settlement are its size and the distance (in drive time) to an urban centre.

NHS Dumfries and Galloway does not work in isolation from the rest of Scotland and, in common other NHS Boards we are accountable to the public through our accountability to the Scottish Government. We work within a framework of strategies set by the Scottish Government. We have based our vision and strategy development on these so that, as a Board we are in step with national developments and national policy.

We believe that our proposal to create the North West Dumfries Primary Care Centre is closely aligned to the following national and local policies:

- Better Health, Better Care;
- Delivering for Remote and Rural Healthcare;
- Developing Community Hospitals;
- Better Together;
- Gaun Yersel;
- Living and Dying Well;
- A Force for Improvement;
- Better Health, Better Care: Hospital Services for Young People in Scotland.

The Scottish Government has five strategic aims which The North West Dumfries Primary Care Centre will help to deliver:

e. Wealthier and Fairer

Within Dumfries and Galloway the NHS is the second largest employer. This strategy reflects the important role the Board has as an employer and offers opportunities across the region.

f. Healthier

In developing our model of care NHS Dumfries and Galloway supports equal access and ensures services are delivered across the region. We will demonstrate this by shifting the balance of care where appropriate offering local access and supporting enablement in all areas.

g. Safer and Stronger

We will support care, both within the community and within the home sector, utilising tele-care to provide a safer living environment enabling patients who wish to remain at home to do so whenever possible.

h. Smarter

This development provides the potential to develop new and existing skills in staff roles. We have been reviewing medical advances and changing practices to develop integrated pathways.

i. Greener

Modern facilities will support the Board's ambition to reduce the organisation's carbon footprint. Reducing travel to access health services to visit family and friends in hospital is a significant driver to provide health care closer to home where clinically appropriate.

2.3 Business Strategy and Aims

a. Preferred Location

Lochfield Road is situated in an area known as North West Dumfries, comprising Lochside, Lincluden, Stakeford and Summerhill. This has a population of approx. 12,000 people, almost a third of the total population of Dumfries. It has been designated as a disadvantaged area, and is supported by the development of a "Building Healthy Communities" project, a response to the Healthy Living Centre initiative. Apart from a small health clinic offering limited podiatry and NHS dentistry, there is no primary care provision based in the area. All services are accessed elsewhere.

b. Services

The services to be developed at Lochfield Road fall into two broad categories; primary care and specialist.

The Primary Care Centre will include two practices currently Charlotte Street Practice and Cairn Valley Practice - Dumfries Branch Surgery, offering choice to patients, in fit for purpose accommodation in the most disadvantaged area of Dumfries. District nursing, health visiting and a range of other primary care services will be offered as part of an integrated service with the GP practices.

A pharmacy facility service will be included subject to there being commercial interest, NHS Board approval and licensing.

The specialist drug and alcohol services are regional services. However, locating them in the Lochfield Road development will both ensure they maintain a community and primary care focus, and also offer easy access to some of the communities who will benefit most from the services offered.

Benefits for patients and staff:

- Significantly increased capacity to allow new services to develop, and support training
- Improved working environment for staff and treatment environment for patients
- Better communication among treatment teams
- Improved access, through better DDA compliance and geographical location
- Increased range of services available locally
- Better recruitment and retention opportunities

2.4 Other Organisational Strategies

a. Person Centred Care

NHS Dumfries and Galloway is developing a healthcare delivery model which has at its core the principle of supporting people, for as long as appropriately possible, in their own homes and communities, building layers of increasingly intensive and specialist input through community based services, to community hospitals and ultimately acute services. Establishing fit for purpose and integrated primary care services and facilities is central to these aims and is aligned to the key strategic driver to shift the balance of care closer to the patients' home by developing community based services.

b. Dumfries Property Strategy

NHS Dumfries and Galloway are committed to a process which will lead to Corporate Asset Management Planning, effective Space Utilisation, Centralisation of Estate on four main sites, increased Capital Receipts, Revenue savings and the requirement to commit resources to backlog maintenance

The Board at this time are working on a Board wide Property Strategy that will deliver benefits in terms of –

- Reduced age profile of Estate
- Reduction in revenue costs
- Generation of Capital receipts
- Reduction of backlog maintenance burden
- Reduction on CO2 emissions
- Reduction in overall size of Estate

This project is important to the delivery of the overall Board wide Property Strategy and will contribute to the above improvements.

2.5 Investment Objectives

a. Current services

Investment is required to address the following deficiencies in the current services and facilities:

- Due to existing space constraints GP Practices and other primary care services would not be able to improve the range of services and access to services due to their existing space constraints.
- Charlotte Street Surgery would be unable to reinstate their GP training programme, which longer term could affect the ability to attract high quality medical staff to come and work in the Dumfries area.
- Services would remain in their current cramped and unsuitable accommodation, making it more difficult to provide appropriate patient/ client care and staff would be left to work in cramped accommodation.
- The DDA issues at all sites would not be addressed.
- It will become increasingly difficult to attract and retain high quality staff.
- Accommodation on the Nithbank Site occupied by Charlotte Street Surgery, Community Nursing and Health Visitors and the Adult Specialist Drug and Alcohol Service would not be vacated making it difficult for the Board to achieve its longer term strategic aim to vacate premises on the Nithbank site and complete its Property Master plan .

b. Investment Objectives

In committing resources, to the development of a Primary Care Centre in North West Dumfries NHS Dumfries and Galloway aim to:

	Description
1	Facilitate the provision of services in a high quality environment which is" fit for purpose" for staff, patients and visitors.
2.	Provide facilities/services that: <ul style="list-style-type: none"> • Have the necessary scope to meet the current service requirements • Have the ability to cater for any future changes or expansion of services • Are DDA compliant • Comply with all current and foreseeable guidelines and good Practice in terms of layout and room sizing's
3.	Improve service capacity and patient access to General Medical Services and other Primary Care Services.
4.	Support the Board's future Dumfries Property development strategy.

Wholly inadequate premises currently used for all services – Charlotte Street Practice accommodation was created literally in a matter of days following the fire. Co-location of GPs with community teams supports better communication and co-ordinated working and support innovative patient focussed practice. Taken in conjunction with other previous developments,

this development will in due course be seen as a very local, accessible service, developing as response to local needs.

Service capacity will be improved by ability to hold more frequent clinics and clinics not currently provided. Access will be improved due to closeness to residential areas. Also, co-location of ADAS, ISS and primary care services will improve integrated working.

The Scottish Capital Investment Manual is clear that Investment Objectives should clearly relate to the underlying policies, strategies and business plans of the Health Board. They should be made SMART-specific, measurable, achievable, relevant and time constrained and business cases which do not include SMART objectives will not be approved.

The objectives set out above have therefore been tested against the SMART as follows:

c. Application of SMART Criteria to Investment Objectives

	Investment Objective	Specific	Measurable	Achievable	Relevant	Time Constrained
1	To facilitate the provision of services in a high quality environment which is "fit for purpose" for staff, patients and visitors.	The project will address the issues outlined 2.5.1 above	Successful achievement of this objective can be measured against the elimination of the issues outlined in 2.5.1 above	Will be achieved through the construction of a facility which reflects the design agreed by stakeholders	This objective is central to the requirement to provide an environment which is conducive to the provision of modern clinical services	Will be achieved when the Primary Care Centre opens
2	To provide facilities/services that:					
	<ul style="list-style-type: none"> have the necessary scope to meet the current service requirements 	Current service requirements are known	Can be measured through Stakeholder support for project	Achieved by stakeholder support for design	Necessary to ensure stakeholder approval	Can be assessed after when the facility are operational
	<ul style="list-style-type: none"> Have the ability to cater for any future changes or expansion of services 		Can be measured by examination of stakeholders future plans	Change and expansion can be accommodated due demountable partitions	Necessary to ensure most effective use of NHS resources	Can be assessed now
	<ul style="list-style-type: none"> Are DDA compliant 	All current sites have issues relating to non DDA Compliance	Can be reviewed against the Criteria required to attain DDA Compliance	Through design	Essential component of any new healthcare facility	Local Access Audit Panel will confirm as part of the detailed design process
	<ul style="list-style-type: none"> Comply with all current and foreseeable guidelines and good Practice in terms of layout and room sizing's 	All relevant guidelines have clear criteria	Compare against HTMs and SHPNs	Through design	Essential component of any new healthcare facility	Will be known when Design is complete and agreed
3	To improve service capacity	Improvement in levels of	Through extended and	Through providing	Essential to meet Board	Will be achieved when

	and patient access to General Medical Services and other Primary Care Services.	service Capacity and Access to services are key to improving quality of care	convenient opening times and improved levels of service	services in one facility on one site nearer to the relevant patient catchment area	aims and National Guidelines	facility is opened
4	To support the Board's future Dumfries Property Development Strategy.	Will result in a number of buildings being closed down and move off Nithbank site	Compare with Board's Dumfries Property Development Strategy.	Through stakeholder support and purchase of site	Board's future Property development strategy is a key element of Clinical Service Development Strategy	Will be achieved when new facility is operational and existing sites closed down

2.6 Existing Arrangements

a. Charlotte Street Surgery

Due to a fire affecting the practices original premises in 2006, the Charlotte Street Surgery is currently located in temporary accommodation on the Nithbank site in Dumfries. The original premises were not fit for purpose and neither are the current temporary premises.

The NHS Dumfries and Galloway Dumfries Property Strategy the Charlotte Street Surgery is prioritised as band 4 categorised as "Demand major review of possible options to establish a long term solution".

At the moment the practice patient list size is 9,571 patients, an average of 1375 patients per GP. There are no plans to increase the patient list – however it is recognised that when the practice moves there may be inevitable changes in the practice list size.

Historically the practice has been a training practice, which is important for the practice's development as well as in attracting GPs to work in the Dumfries area. Training was suspended due to lack of consulting space, however the practice wish to become a training practice again as soon as they move into the new premises at Lochfield Road. The surgery also provides medical student tutoring for students from Aberdeen, again attracting young graduates to the local area. This has had to be suspended due to the temporary accommodation.

b. Opening Hours

The telephones in the surgery are answered between 8.00am to 6.00pm Monday to Friday. Nurse appointments are available every day from 8.30am. Surgery times (by appointment only) are as follows:

c. Surgery Consulting Hours

Day	Monday	Tuesday	Wednesday	Thursday	Friday
Morning Surgery Appointments	9:05 – 10:45	7:10 – 8:00 8:45 – 10:45	7:10 – 8:00 8:45 – 10:45	7:10 – 8:00 8:45 – 10:45	9:15 – 10:45
Telephone Consultations	10:45 – 11:00	10:45 – 11:00	10:45 – 11:00	10:45 – 11:00	10:45 – 11:00

Emergency Surgery	11:00	11:00	11:00	11:00	11:00
Afternoon Surgery Appointments	2:00 – 5:40	2:00 – 5:40	2:00 – 5:40	2:00 – 5:40	2:00 – 5:40

d. Core Services

In addition to General Medical Services, Charlotte Street Surgery provides a full range of clinics and other services for patients:

- Diabetic Clinic – This is held Monday 9.00 – 12.30 pm and Wednesday 9.00 – 11.00 am by a practice nurse. By appointment.
- By appointment Asthma Clinic – Monday Friday 2.00 – 5.20 pm. By appointment.
- Well Woman Clinic – Monday from 11.30 to 12.30 pm and 4.00 – 5.00 pm and Friday 9.00 – 11.00 am with practice nurse and doctor. By appointment.
- Coil and Implant – Alternate Fridays 2:00 – 4:40 By appointment.
- Immunisation Clinic – Thursday 2.00 – 3.00 pm. Appointment times will be notified to patients. By appointment.
- Travel Clinic – Thursday from 4.00 – 5.00 pm. By appointment.
- Cardiovascular screening – Tuesday from 9.00 – 11.00 am and Wednesday 8.30 – 12.30 pm. By appointment.
- Child Health Surveillance Clinic – Run by doctor and health visitor for screening checks and first immunisation. Appointments are sent to patients.
- Minor Operations – Many minor operations can be carried out at the surgery e.g. removal of skin tags, ingrown toenail removal, injections of joint. These are carried out on alternate Thursdays 4.00 – 6.00 pm.
- Cryotherapy – There is also a separate clinic for liquid nitrogen treatment of warts and other skin complaints done by the nurse on alternate Tuesdays 4.00 – 5.00. Ask the doctor or nurse if this treatment will be appropriate for you.
- Maternity Services – All the doctors provide full antenatal and post-natal care of their pregnant patients. This is done during normal surgery times between the following times Thursday 2.00 – 4.00 pm and is conducted by the surgery midwives.

e. Cairn Valley Medical Practice

The Practice operates a Branch Surgery from the ground floor of premises at 7 Buccleuch Street in Dumfries town centre. The accommodation is limited to a very small cramped reception / records area, a single consulting room and an upstairs WC.

The current patient population using the Dumfries Surgery consists of approximately 1000 patients. The Practice plan is to increase this list by 1000 patients in the medium term when suitable premises are available.

f. Current Consulting Times for GPs/Practice Nurses

Day	Monday	Tuesday	Wednesday	Thursday	Friday
Nurse Clinic	9am – 10.30am 1.30pm – 3.30pm	9am – 10.30am 1.30pm – 3.30pm	9am – 10.30am 1.30pm – 3.30pm	9am – 10.30am	
GP Clinic	11am – 1.30pm	11am – 1.30pm	11am – 1.30pm	11am – 1.30pm	10am – 12.30pm
Child Health				1.30pm –	

Clinic				2.30pm	
Antenatal Clinic				3pm – 4pm	

The receptionist is currently on duty from 8am until 3.30pm Monday to Wednesday and 8am to 2pm Thursday and Friday. At other times the phones divert to Dunscore surgery.

It is planned that in the medium term, when the Practice moves into new premises the surgery hours will be extended to enable 2 GPs and a Practice Nurse to consult in the mornings and a GP and a Practice Nurse to consult in the afternoons.

The reception will be staffed during all surgery/clinic times.

g. The Adult Specialist Drug and Alcohol Service

The service is currently provided from Cameron House on the Nithbank site. Accommodation is also provided in two adjacent but separate buildings, Cameron House itself and 2 separate Annex buildings where additional office accommodation is provided. Cameron House was built in approximately 1830 and is listed as Category C. The Annexes were built around 1950 and 1970.

The specialist regional service adopts a harm reduction approach to treating drug and alcohol problems. Treatment plans are agreed and developed with the service users to address identified needs (physical, psychological and social). There is a commitment to developing an integrated care model of service delivery in partnership with other agencies in the statutory, non-statutory and independent sectors, to better provide a more client-centred service. The main partners are:

- Primary Care
- Social Work (Criminal Justice, Children & Families, Adult Services)
- Mental Health Service
- Alcohol & Drug Support - South West Scotland
- Turning Point Scotland
- Sunrise Project
- Apex
- HMP Dumfries

The Dumfries and Galloway Alcohol and Drug Partnership (ADP) provides overall strategic management of alcohol and drug services. This is a multiagency group chaired by the chief constable Mr Patrick Shearer. The ADP has four subgroups:

- Enforcement
- Public Engagement
- Recovery Delivery
- Children & Young People

h. Core Services

As a specialist service, the core services are as follows:

- Comprehensive assessment and treatment service for people who fall within the following criteria:
 - People with a physical dependency on alcohol
 - People with problematic alcohol use requiring specialist intervention (pharmacotherapy or psychotherapy). The criteria for this group include pregnancy, co-existing serious mental illness or physical health problems. The evidence based psychotherapies are motivational enhancement therapy, cognitive behavioural therapy, behavioural self-control therapy and couple/family therapy
 - People with a physical dependency on drugs with complex needs. The criteria for this group include pregnancy, co-existing serious mental illness or physical health problems.
 - People with complex poly-substance use e.g. opiates in combination with alcohol and benzodiazepines, opiates and cocaine
 - People on Drug Treatment and Testing Orders
- A dual diagnosis service to the Joint Mental Health Service in Dumfries and Galloway
- Partner in the Cresswell multi-agency clinic providing antenatal care for women with alcohol and/or drug problems
- A liaison service to DGRI providing assessment, advice re management of alcohol or drug withdrawal symptoms, training for staff
- Specialist training for, and support/supervision of intermediate specialists and generalist GPs
- Needle and syringe exchange through outreach workers
- A gateway to residential treatment and rehabilitation services
- Development of care plans with goals and timescales for evaluation/review agreed with client
- Network/Partnership working with relevant agencies
- Targeted training for statutory and voluntary sector agencies
- Clinical Audit/Research

i. Therapeutic interventions

A range of interventions, based on a comprehensive individual bio-psycho-social assessment, are offered:

Pharmacotherapy

- Substitute prescribing for opiate dependence - methadone, subutex (buprenorphine), lofexidine
- Naltrexone for opiate relapse prevention
- Disulfiram and acamprosate for alcohol relapse prevention
- Chlordiazepoxide and vitamin supplementation (oral and parenteral) for alcohol detoxification
- Psychotropic medication, including antidepressant and anti-psychotic drugs for co-existing mental health problems

Psychotherapy

- cognitive behavioural therapy
- motivational interviewing

- relapse prevention and management
- anxiety management
- drug and alcohol counselling
- BBV pre and post test counselling

These therapeutic elements are delivered within a system of clinical supervision, adhering to nationally and locally defined standards of good clinical practice.

Community Nursing - Health Visiting and Primary Care Services

The District Nursing and Health Visiting teams are currently located at Nithbank in separate rooms elsewhere on the site rather than being co-located with the practice they serve.

Integrated Substance Service – Children and Young People

The ISS (Integrated Substance Service) – Children and Young People are currently operating out of temporary accommodation in Lockerbie and initial discussions have identified some potential benefits of co-location with the Adult Specialist Drug and Alcohol Service

2.7 Business Needs – Current and Future

The Scottish Government set out its strategic vision for NHS Scotland in 'Better Health Care' (December 2007) One of the main features of the strategy is the provision of local services embedded in local communities.

In order to address these issues the Board requires to provide a more appropriate and comprehensive range of clinical services which are accessible to patients in their local communities. The Primary Care Centre at Lochfield Road will:

- Increase capacity for existing services
- Continue to provide good access for patients and or improve access for patients
- Increase the range of services available to patients
- Reinstate training of GP registrars at Charlotte Street Surgery and provide space for a second GP registrar at Cairn Valley Medical Practice Branch Surgery
- Provide fit for purpose facilities that are DDA compliant, for use by patients and staff
- Be able to attract and retain high quality staff
- Provide Pharmacy Services

Wholly inadequate premises currently used for all services – Charlotte Street Practice accommodation was created literally in a matter of days following the fire. Co-location of GPs with community teams supports better communication and co-ordinated working and support innovative patient focussed practice. Taken in conjunction with other previous developments, this development will in due course be seen as a very local, accessible service, developing as response to local needs.

Service capacity will be improved by ability to hold more frequent clinics and clinics not currently provided. Access will be improved due to closeness to residential areas. Also, co-location of ADAS, ISS and primary care services will improve integrated working.

a. Current Capacity & Facility Constraints

Charlotte Street Surgery

The existing surgery has provided services to the people of Dumfries since the 1880s. The services are currently being provided from Nithbank. However due to the increasing demands and expectations of patients the building is no longer fit for purpose, due to its size, the inability to extend the premises and its non compliance with current DDA regulations.

The current facility exhibits the following problems:

- The fabric of the building is extremely poor with lack of soundproofing, thus affecting patient confidentiality.
- The main surgery access to the first floor is not suitable for disabled and infirm patients.
- The reception area and most of the clinical accommodation is located on the first floor of the building thus denying access to disabled and infirm patients.
- Facilities are inadequate for patients and carers.
- There is an insufficient number of consulting rooms for the current complement of doctors and nurses.
- Historically the Practice has been a training Practice, which is important for the Practice's development as well as in attracting GPs to work in the Dumfries area. Training was suspended due to lack of consulting space, however the Practice wish to become training Practice again as soon as the move into new premises and have the space to do so.
- There is insufficient space for admin staff and for the admin function to perform effectively.
- There is no accommodation for the Practice's attached community nursing team.
- There is no accommodation for Primary Care Services which therefore have to be located in other parts of Dumfries.

Cairn Valley Medical Practice

The Cairn Valley Branch Surgery in Dumfries operates from the ground floor of premises in Buccleuch Street:

- The premises are very small and the accommodation is limited to a very small reception, records & admin area, a single consulting room, and an upstairs WC.
- Part of the entrance hallway has been converted into a small cramped patient waiting area; as a result patient confidentiality is compromised.
- There is only one WC and it is located halfway up a flight of stairs, providing no access for the infirm or the disabled.
- The Practice would like to increase their patient list size and also increase the hours they consult in Dumfries, however with only one consulting room this is not currently possible.

In addition to this Cairn Valley is a training Practice, and in 2008 a second GP registrar in training post was created. The Practice aim to base one registrar in the Dumfries branch surgery, when there is sufficient space. The training of GPs is important for the Practice's development as well as in attracting GPs to work in the Dumfries area.

Adult Specialist Drug and Alcohol Service

The Adult Specialist Drug & Alcohol Service is based within 3 buildings, Cameron House circa 1830 and annexes circa 1950 and 1970. Cameron House houses client facilities including reception, case records, client waiting room, Counselling rooms and a clinical room, it also provides some administration and office accommodation. The annexes provide further office accommodation, storage space and a counselling room / Occupational therapy work room.

Some of the problems in Cameron House include:

- The corridors and stairs within the building are very narrow, client rooms and facilities are located on the ground floor and the first and second floors, as a result the building is not DDA compliant. It could be adapted to a certain extent for accessibility purposes. The costs would be considerable and it would not result in full accessibility or a functionally suitable building
- The narrow corridors and stairs are also a potential problem if staff have to deal with incidents of violence and aggression
- There are no separate WCs for service users and staff
- The group room is too small to accommodate regular team meetings, often staff have to stand during meetings. Larger service operational and development meetings have to take place out with Cameron House
- The reception, case records and general office area is cramped and too small. There is no separate storage facility for case records, stationary, photocopier, laminator etc. Lack of storage space for client case records has meant that case
- Records for clients who have been discharged are stored in filing cabinets in the client waiting room
- The clinical room is cramped with insufficient space for storage of consumables and supplies. The clinical room also accommodates the refrigerator – often staff have to interrupt consultations to gain access to the refrigerator as they are treating a client elsewhere in the building
- The ground floor has problems with damp
- The heating system is very difficult to control; the building can be very cold in the winter and very warm in summer months
- The current telephone system has only 2 lines coming into the building, as a result lines are often engaged, and there are also problems for admin staff trying to contact staff based in the annex building. This has been resolved in the short term by providing all clinical staff with mobile phones
- There are no staff changing or staff rest facilities and no secure locker space for staff to keep valuables
- The entry phone system is problematic, Cameron House is located very close the main road and it is often difficult for service users to hear staff above the traffic noise

The main problems in the annex building include:

- There are significant backlog maintenance issues including the heating system which is very difficult to regulate and in addition there is a significant proportion of the windows cannot be opened as the frames are rotten

- The layout of the annex means the majority of staff are located in the large main office, staff numbers make it a very noisy environment and it is often difficult to concentrate on work and when making telephone calls

Community Nursing - Health Visiting and Primary Care Services

The current complement of Community Nursing for Charlotte Street totals 14 people, consisting of 5.3 wte staff in the District Nursing team and 4.29 wte in the Health Visiting team and Podiatry 2.0wte

Currently, the two teams are located at Nithbank in separate rooms, constraints include the teams not being able to work as closely with the GPs as they would like, although this is better now that they are at least on the same site.

There is also very little accommodation available for Health Visiting Clinics.

Pharmacy Services

There are currently no Pharmacy Services available which co-locate with the existing GP Practices.

Recruitment and Retention of Staff

It is envisaged that by bringing together services under one roof and providing first class accommodation it will become easier to recruit retain high quality skilled staff, there will be improved communication and co-operation between clinical services and improved training and development opportunities for staff.

The Charlotte Street Surgery are keen to recruit additional staff and reinstate their GP training programme, whilst also offering placements to final year medical students. In addition to this two of the Practices senior partners are due to retire in the short term. Providing a significantly improved working environment can only improve the Practices ability to recruit and retain high quality skilled staff and encourage staff trained in Dumfries to work here in future.

2.8 Desired Scope and Services Requirements

The Primary Care Centre will provide a range of services including:

- Charlotte Street Surgery
- Cairn Valley Medical Practice Branch Surgery
- A base for Community Nursing and Health Visiting
- In addition to the services above, the short listed options set out in section four, consider providing further services within the centre including:
 - Pharmacy Services
 - A range of Primary Care services incorporating:
 - Chiropody / Podiatry

- Physiotherapy Assessment
- SALT
- Psychology – self help programme
- Psychiatry including CPNs
- Counselling
- Family Planning / Sexual Health – Well Woman Clinics
- Continence Services
- Outpatient Sessions
- Access could be made available to Community Groups, the Benefits Agency and Voluntary Organisations.
- Adult Specialist Drug and Alcohol Service
- An outreach base for Integrated Substance Service (ISS) - Children and Young People.

a. Pharmacy Services

It is proposed that a pharmacy facility is built as part of this development.

The close proximity of a community pharmacy to a GP practice has obvious geographical convenience for patients of the practice. On the basis of our local experience, this leads to a closer working relationship between the GPs and the community pharmacist. With the impending introduction of the Chronic Medication Service (CMS), as part of the new community pharmacy contract, this closer working relationship is essential to achieve the benefits of the CMS, of improved pharmaceutical care for patients and reduced medicines waste.

The added dimension of a pharmacy presence close to the substance misuse service has additional potential benefits. Already we have a pharmacist led methadone clinic, with a pharmacist in Dumfries operating as a supplementary prescriber. This could be further developed from this unit. The potential also exists for other pharmacist led supplementary or independent prescribing clinics being developed in association with the GP practice.

The co-location of GPs and community pharmacies has the potential risk of reducing access to community pharmacy services in the 'high street'. However the current distribution of pharmacies in Dumfries is such that even with this development, ready access to the full range of pharmaceutical services will still exist for the general population.

The development would add value to the project both in terms of service delivery, and also in creating a revenue stream at commercial rates to the NHS Board.

In the event of there being no commercial interest in establishing a pharmacy, or that the NHS Board fails to grant a licence, an alternative function is proposed.

This would be to establish a Health Improvement Centre on the site. This would provide a base for health improvement staff currently based on the Nithbank site, and would provide a visible interface between the Health Improvement Team and the community, offering a range of health and well-being services, open to the public, as well as accessible to statutory and voluntary sector staff.

- An interface providing easy access to local community groups and residents
- A local facility for satellite specialist health promotion work e.g. smoking cessation, oral health, child healthy weight

Key facilities would include:

- Training facility
- Office space
- Resource library
- Health promotion activity area
- Public space/reception

In the event of the Pharmacy not proceeding and the area being fitted out as a Health Improvement Centre, there would be an additional capital cost in the region of £71,500 plus VAT, professional fees and equipment; an estimated total cost of £105,000.

b. Activity & Capacity

Table 2.8.1 below provides an overview of the activity by GP Practice in 2009/10 and Table 2.8.2 provides a more detailed analysis of referrals made to the Adult Specialist Drug and Alcohol Service in 2009/10

Table 2.8.1: Activity by GP Practice 2009/10 Activity

	Charlotte Street Surgery	Cairn Valley Medical Practice Branch Surgery
GP Appointments	31,000	2,702
Practice Nurse Appointments	16,580	1606
Home Visits	2,034	380
Referrals to Secondary Care	3,985	n/a
Insurance / Medical Reports	640	126
To whom it may concern letters	201	n/a

In addition to the above activities the Practices also undertake blood tests, swabs, urine samples, adoption medicals, PSV/HGV medicals, employment medicals and provide travel immunisations and advice.

Table 2.8.2 provides an overview of Adult Specialist Drug and Alcohol Service sessions and attendances in 2009/10.

Table 2.8.2: Service Sessions and Attendances 2009/10

	Total	Alcohol	Drugs
Number of Clients on books at 31 March 09	608	189(31.1%)	419(68.9%)
Number of referrals	864	627(72.6%)	237(27.4%)
Number with no previous contact with Service	338(39.1%)	279(44.5%)	59(24.9%)
Number of clients taken on 1 April 09 – 31 March 10	657	395(60.1%)	262(39.9%)
Number of clients on books at 31 March 2010	609	160(26.3%)	449(73.7%)
Number of clients on waiting list at 31 March 2009	15	15	0
Number of admissions for inpatient detox/assessment	37	37	0

Number of individual sessions offered	10844
Number of individual sessions attended	7279
Number of cancelled appointments	1017(9.4%)
Number of DNA appointments	2548(23.5%)
No of drop-ins, non-client contacts	1014
Total number of contacts	8292
Initial Assessments offered and not taken up	101

c. ISS – Children and Young People

The ISS – Children and Young People service has capacity for up to 100 service users in the Lockerbie base with 5 mental health / substance misuse workers. In response to the intensity of the involvement with our young people, the service is aiming to reduce the maximum caseload for each worker to 15 in the future.

The Scottish Government places a strong emphasis on the assessment and support needs of children whose parents have substance misuse problems (including alcohol). It supports the good Practice guidelines set out in the “Getting our Priorities Right” and the recommendations in the “Hidden Harm” documents. In response the protocols currently due to be launched by Dumfries & Galloway the service anticipates an increase in service demand – some direct and some indirect, in partnership with adult substance misuse services and social work, to families impacted upon by substance misuse.

It is proposed that ISS would access to appropriate accommodation within the new Primary Care Centre. Staff from ISS would not be based within the building but would provide a regular outreach service from the Primary Care Centre.

d. Proposed Workforce Requirements

The table below provide a summary of the current wte by staff group for each service.

As Primary Care Services and ISS – Children and Young People are providing visiting services we have not included their staff numbers in the table above.

Table 2.8.3: Current Workforce

Staff Group	Charlotte Street Surgery	Cairn Valley Medical Practice Branch Surgery	Community Nursing & Health Visitors	Adult Specialist Drug & Alcohol Service
Clinical Staff	9.86	3.00		10.8
Community Based Clinical Staff	n/a	n/a	8.72	6.80
Managerial & Administrative	11.42	1.00		6..55
Total Number of Staff	21.28	3.00	8.72	24.15

2.9 Benefit Criteria

a. Overview

A key component of any formal option appraisal is the assessment of the non-financial benefits that are likely to accrue from the options under consideration. NHS Dumfries and Galloway have elected to carry out the benefits appraisal in an open and transparent environment.

The benefits appraisal process had three main stages:

- Identification of the benefits criteria
- Weighting of the benefits criteria, and
- Scoring the short listed options against the benefits criteria.

Although comparison of the relative non-financial benefits of the options presented allows comparisons to be made in this area the outcome is critical in assessing the overall value for money presented by each of the options. This is most commonly measured by the Net Present Cost (NPC) per unit of benefit delivered.

The following sections provide a detailed description of the process used to assess the potential benefits of the short listed options, along with the outcomes of the exercise.

This exercise was carried out by the appointed Project Team which includes a number of representatives from the services which could potentially be relocated.

b. The Workshop Format

A benefits appraisal scoring workshop was held to assess the relative level of benefits delivered by each of the four short listed options. It was attended by members of the Project Team outlined below:

The key aims of the workshop were to:

- establish a common understanding and agreed approach to the benefits appraisal process;
- review and describe the list of options evaluated;
- develop the list of criteria against which each of the short listed options would be evaluated;
 - rank and weight the criteria using established mechanisms;
 - score the options against agreed criteria using the assigned weightings.

Table 2.9.1: Workshop Attendees

	Role
Stuart Oliphant	LHP General Manager
Stephen Howie	Project Manager, NHS Dumfries & Galloway
Nitin Desai	GP Cairn Valley Medical Practice
Jim Parker	Lead Officer – Substance Abuse
Annie McMahon	Service Manager, Children & Young People's Integrated Substance Misuse Service
Linda Bunney	Head of Primary Care Development
Ron McGrouther	GP Charlotte Street Surgery
John Clyde	GP Charlotte Street Surgery
Moirra Cossar	Service Manager, Specialist Drug & Alcohol Service
Katy Lewis	Deputy Director of Finance
John Burns	Chief Executive

The role of the group was as follows:

- oversee the benefits appraisal process;
- ensure the benefits appraisal is conducted rigorously and fairly;
- agree short listing criteria;
- scoring the options.

c. The Benefit Criteria

The role of benefit criteria in the non-financial appraisal are to provide a basis against which each of the options can be evaluated in terms of their potential for meeting the objectives of the proposed capital investment.

Individual criteria will, generally speaking, have different degrees of importance in determining the preferred solution to emerge from the benefits appraisal. As a result it is necessary to rank the criteria in order of importance and then allocate a weighting, which reflects the degree to which each criterion will affect the outcome of the options scoring exercise.

The benefit criteria were developed by members of the Project Team and are shown below:

Table 2.9.2: Benefit Criteria Reference

	Criteria
1	Accessibility <ul style="list-style-type: none"> Is Accessible geographically for patients, clients and staff Is DDA Compliant
2	Capacity & Flexibility <ul style="list-style-type: none"> Ability to meet current and future service demand Provides capacity for future expansion Ability to respond to changes in how services are delivered and potential growth in services Offers opportunities to utilise staff resources and skills effectively and productively Offers a degree of flexibility, where appropriate, in how rooms are used and by whom
3	Operational & Environmental Suitability <ul style="list-style-type: none"> Provides facilities for patients, clients and staff with appropriate functional content , layout and suitability Provides a modern, safe, clean environment and facilities compliant with statutory requirements Complies with all current and foreseeable guidelines and good practice in terms of layout and room sizes
4	Strategic Fit <ul style="list-style-type: none"> Supports the Board's Service and Property Development Strategy e.g. Ability to offer integrated service provision for patients-access to a wider range of services from a more convenient setting Enables the Board to vacate the Nithbank Site
5	Staff Recruitment, Training & Development <ul style="list-style-type: none"> Improves ability to recruit and retain staff Improves communication and co-operation between clinical services Provides improved training and development opportunities for staff

d. Ranking the Benefit Criteria

As some criterion will have greater bearing on the outcome of the benefits appraisal it is necessary to rank them in order of importance.

The ranking of the benefit criteria was undertaken by the group. The criterion deemed to be the most important is ranked number 1 with the least important ranked number 5.

Table 2.9.3: Results of the Ranking Exercise Reference

	Heading	Rank
A1	Accessibility	3
A2	Capacity & Flexibility	1
A3	Operational & Environmental Suitability	2
A4	Strategic Fit	4
A5	Staff Recruitment, Training & Development	5

e. Weighting the Criteria

Having ranked the criteria in order of importance, prior to scoring the option it is necessary to assess the relative standing or weighting of each criterion.

The benefit criteria were weighted using the 'weighted pairs' approach. This technique is recognised as 'best Practice' in assigning relative importance to the criteria.

Weighting works on the premise that it is easier to compare one criterion with another than several criteria together. Having ranked the criteria in order of priority the second most important criterion is weighted against the first, the third against the second, and so on. For each pair, the more important criterion scores 100 and the other criterion is given a relative score.

Although this can be a complex technique the methodology was explained to the group and a number of issues were clarified prior to undertaking the weightings.

This exercise was undertaken as a group using a consensus approach; the result of which are shown below.

The scores for each criterion were converted to percentages to give the following weightings:

Table 2.9.4: Weighted Pairs Exercise Criterion

	1v2	2v3	3v4	4v5	Score
Capacity & Flexibility	100				100.0
Operational & Environmental Suitability	90	100			90.0
Accessibility		75	100		67.5
Strategic Fit			85	100	57.4
Staff Recruitment, Training & Development				85	48.8

Table 2.9.5: Weighted Benefit Criteria Criterion

	Weighting
Capacity and Flexibility	27.5
Operational & Environmental Suitability	24.7
Accessibility	18.6
Strategic Fit	15.8
Staff Recruitment, Training & Development	13.4
Total	100.0

In comparative terms, the top ranked Capacity & Flexibility will have over double the bearing on the final outcome of the scoring exercise when compared to the lowest ranked criterion staff recruitment, training and development.

f. Scoring the Options Process

The scoring of the options against the benefit criteria is designed to assess the extent to which the potential solutions meet the objectives of the proposed investment.

Scoring provides a means to assess how much of the options compares both in relation to the optimal position (i.e. meeting all of the criteria in their totality) as well as with other options.

The benefit scores, when contrasted with the lifetime cost (derived from the Economic Appraisal) provide a means by which the overall value of money delivered by the shortlisted options can be addressed.

g. Scoring

Scoring was undertaken on a group basis, three groups were formed; the GP Practices formed one group, the Health Board another and Substance Misuse Services formed a third group, each group collectively scored the options.

The application of a relatively wide scoring scale allows for significant scope to differentiate the options against each of the criteria, as such the resultant output should provide a more robust overall assessment of the options.

The group members were tasked with assessing the extent to which each of the options met the criteria using the scoring scale detailed below:

Table 2.9.6: Option Scoring Scale Score

	Evaluation
10	Could hardly do better
9	Excellently
8	Very well
7	Well
6	Quite well
5	Adequately
4	Somewhat inadequately
3	Badly
2	Very badly
1	Extremely badly
0	Could hardly be worse

The application of a relatively wide scoring scale allows for significant scope to differentiate the options against each of the criteria, as such the resultant output should provide a more

robust overall assessment of the options. Having scored the options, the outputs were aggregated and averaged. Subsequently the weighting developed using the weighted pairs exercise was applied to the scores to provide a total weighted result for each option.

h. Sensitivity Testing

In order to test the robustness of the results of the benefits appraisal it is necessary to assess the sensitivity of the ranking of the scores to changes in key variables and assumptions.

This provides an indication as to the elements of the evaluation that are critical in influencing the outcome. As such it is often of benefit to cross reference these features to the key project risks and to the development of the related management strategy.

Further work has been undertaken by way of sensitivity analysis to evaluate what the ranking might be if some of the weights and / or scores were changed. A range of sensitivities were applied to the benefits scores, namely:

- Equal weighting applied to all criteria
- Excluding benefit scores for top ranked criteria (Capacity & Flexibility)
- Altering the scores of the criterion with the greatest scoring range (Operational & Environmental Suitability) so that all options score the highest value or lowest.

2.10 Strategic Risks

As part of the Option Appraisal process each of the short listed options were also risk assessed. The results of this process are also shown in the table below:

Table 2.10.1 Results of Risk Assessment Risk Grouping

	Option 1 Do Minimum – Co-locate Charlotte St Surgery, Cairn Valley Branch Surgery & base for Community Nursing/Health Visitors	Option 2 As Option 1 and provide facilities for a range of Primary Care Services	Option 3 As Option 2 and co-location of the Adult Specialist Drug and Alcohol Service	Option 4 As Option 3 and ISS -Children and Young People
Design and Construction Risks	21	21	27	27
Capacity and Demand for Services	58	45	30	17
Staffing Risks	16	16	8	8
Reputational/Stakeholder/Service Users Risks	13	13	17	17
Financial Risks	4	4	2	2
Total	112	99	84	71
Rank	4	3	2	1

Following appointment of the PSCP in June 2010, a Joint Risk Register has been developed and reviewed numerous times. As a result a range of risks were identified and these are shown in Appendix 5.

A more detailed description of the three highest scoring risks in the Register are shown below

a. BREEAM Excellence

The original design Requirement was to meet the Enco2de standard current at that time. However the Project Team is aware of the latest guidance contained in the Scottish Capital Investment Manual in terms of BREEAM attainment for new projects. It is recognised that new projects that have had their design inception since the new guidance must be designed to BREEAM “excellent” standards if new-build. Any derogation from the new guidance is a risk in terms of the project being severely delayed.

A pre-assessment of the developed design had been conducted during the preparation of the Outline Business Case. Since appointing the PSCP in June 2010, BREEAM has been kept under constant review with several workshops being held and responsibility for credits allocated between NHS and the PSCP. It is anticipated that BREEAM Excellent will be achieved and the latest review indicates an anticipated score of 71.77% and a targeted score 78.37% subject to the cost implications being considered. The full pre-assessment report is shown in Appendix 8

b. Delay in Acquiring the Lochfield Road Site

As a result of the appraisal process set in the Economic Case the Preferred Site for the Primary Care Centre in North West Dumfries was identified as Lochfield Road, Dumfries. The site is owned by the Dumfries and Galloway Housing Partnership. Missives have been progressed and completion is imminent. (**Update: Purchase of site completed on 30 March 2011**).

c. Scottish Government does not approve the Full Business Case

There is a risk that the Board Affordability limit for the project may be challenged in terms of Capital and Revenue Funding. The Capital funding issues can be mitigated by conducting a value engineering exercise on the design aimed at reducing the Capital Cost and a Cash Releasing Efficiency Savings Programme to identify areas of revenue savings.

2.11 Constraints and Dependencies

The Project Constraints and Dependencies have been agreed as follows:

Table 2.11.1: Project Constraints and Dependencies

Issue	Constraint	Dependency
Options should provide sufficient flexibility for future expansion of the service	√	
Options must be compatible with existing service and estates strategies	√	
There should be sufficient financial resources available to complete the investment		√
The intent to relocate all services to a single facility on a new site is dependent on the availability of a suitable site		√
The implementation of service relocation is dependent upon stakeholder engagement and support		√

a. Constraints

Future expansion of the Service

Many of the services on offer in the Primary Care Resource Centre are currently being provided in buildings and in locations which have not only hindered development of these services but also restricted access for patients. Therefore any option which does not address these fundamental issues will not be accorded a high priority.

The co-location of General Medical, General Practitioner and Specialist Services on one site within a modern fit for purpose facility provides opportunities to improve access and the environment within which services are provided and also NHS Dumfries and Galloway's ability to attract and retain suitably qualified and experienced staff. This is key component of the expansion of the services.

Compatibility with Service and Estates Strategies

NHS Dumfries and Galloway recognises , the principle of supporting people, for as long as appropriately possible, in their own homes and communities, building layers of increasingly intensive and specialist input through community based services, to community hospitals and ultimately acute services. Establishing fit for purpose and integrated primary care services and facilities is central to these aims and accordingly any option under consideration must support and complement these aims.

NHS Dumfries and Galloway's Dumfries Property Strategy categorises the Charlotte St Surgery, a major stakeholder in this development, as band 4 requiring "major review of possible options to establish a long term solution. The Adult Specialist Drug and Alcohol Service, District Nursing, Health Visiting, Podiatry and other Primary Care services are based in Nithbank. A key element of NHS Dumfries and Galloway's Dumfries Property Strategy is the redevelopment of the Crichton campus to accommodate services currently housed at Nithbank. Any option under consideration must support and facilitate the implementation of NHS Dumfries and Galloway's Dumfries Property Strategy and the Boards emerging Property Asset Management Strategy.

b. Dependencies

Sufficient Financial Resources

Clearly the development of the project is dependent on the availability of financial resources. This dependency is explained further in the Strategic Risks shown Section 2.9 above and in the Joint Risk Register, shown in Appendix 5

Availability of a suitable site

A key component of the project is the co-location of a range of services one site. This site must be nearer to the people of North West Dumfries and be capable of accommodating a building which is designed to reflect stakeholder's requirements. This issue is reflected in the Site Appraisal detailed in Section 3.2 below and is explained further in the Strategic Risks shown Section 2.9 above and in the Joint Risk Register shown in , Appendix 5

Stakeholder Engagement and Support

The success of any development which involves the relocation of services from a number of sites to a single site is clearly dependent on the support of patients and service providers. A comprehensive process of informing, engaging and consulting was undertaken as a key part of the proposed Primary Care Centre Development. The aim was to engage with as wide a range of the public as possible commencing with a public launch at the end of February 2008 and continuing via a number of drop-in sessions throughout March, as well as publicity in the local press and extensive leafleting. Meetings and leaflets included an invitation for individuals to join a Public Reference Group which would be involved in the future design and planning process. Initial meeting of this group took place in June 2008 with a follow-on meeting in September with JM Architects. Since then the group has been on hold pending outcome of negotiations. In April 2009 an AEDET Workshop was held and was attended by patient's representatives. When negotiations over the Lochfield Road acquisition appeared to have stalled, progress with the project all but halted apart from exploring possible alternative sites. When discussions with the site owners began to make progress again in spring 2010, engagement with stakeholders resumed and on 13 September 2010 an AEDET Review Workshop was held with stakeholders, public representation and NHS project officers. While the results of the first workshop produced a lowest score of 3.0 and an average of 4.2, the results of the recent review had improved to a lowest score of 4.0 and an average of 4.64, reflecting the group's increasing satisfaction with the design proposals.

3.0 The Economic Case

3.1 Critical Success Factors

One of the main components of a clinical service and capital investment strategy is a range of issues which represent a measure of how effective the investment has been. In addition these critical success factors are an important yardstick for judging the various options under consideration. These factors can also be augmented by the Board's Health improvement, Efficiency, Access and Treatment (HEAT) Targets as set out in Better Health Better Care.

In the case of the Primary Care Centre the following factors can be used:

- Increase capacity for existing services
- Due to the increasing demand for primary care services it is important that any investment proposal can demonstrate an increase in the level of services being offered to patients
- Improved access for patients. A key feature of the development of modern health care is how long patients have to wait for treatment. There a number of factors which impact on how quickly patients are treated e.g. how efficiently patients can be assessed, the clinical priority accorded to a patient's condition and availability of resources both staffing and facilities. All of these measures should be enhanced through the provision of a Primary Care Centre

a. Local services for local people

The essence of Primary Care Services is the provision of services which not only meet the needs of the local community but also are available as close to the local population as possible. Clearly a strategic perspective must be applied which will inform the decision making process and a balance must be struck between the over centralisation of services and the dispersal of services to the extent that their clinical effectiveness is diminished. However there must be a clear transition of the location of services to local communities.

b. Recruitment, retention and training of staff

As a minimum the Primary Care Centre should be the catalyst for the reinstatement of the training of GP registrars at Charlotte Street Surgery and provide space for a second GP registrar at Cairn Valley Medical Practice Branch Surgery. However the recruitment and retention of all categories of staff should also be improved.

c. Compliant and 'fit for purpose' facilities

Many of the present buildings do not comply with the Disability Discrimination Act (DDA). It is essential that the Primary Care Centre is fully compliant with not only this legislation but with all legislation and guidelines which apply to Health Buildings. These provisions can be incorporated, through the procurement strategy, into the specifications.

3.2 Main Business Options

a. Option Identification

The following sections of the OBC will provide details of the development of options considered, the benefits, costs and risks associated with the short listed options and the rationale for the selection of the preferred option.

The option identification and appraisal process adopted for this project is in line with that recommended within the Scottish Capital Investment Manual (SCIM).

There were two elements to the option appraisal process as follows:

- An option appraisal considering a range of services that could be provided in the new facility
- A site analysis to determine the optimal site for the reprovision of services

b. Service Provision

The four short-listed options in terms of the range of services which could be provided in the new facility were as follows:

Table 3.2.1: Short List of Options

	Description
1	Do Minimum – Co-locate Charlotte Street Surgery, Cairn Valley Medical Practice Branch Surgery and provide a base for Community Nursing/Health Visitors
2	Co-locate: Charlotte Street Surgery, Cairn Valley Medical Practice Branch Surgery, provide a base for Community Nursing/Health Visitors and provide facilities for a range of Primary Care Services
3	Co-locate: Charlotte Street Surgery, Cairn Valley Medical Practice Branch Surgery, provide a base for Community Nursing/Health Visitors, provide facilities for a range of Primary Care Services and the Adult Specialist Drug and Alcohol Service
4	Co-locate: Charlotte Street Surgery, Cairn Valley Medical Practice Branch Surgery, provide a base for Community Nursing/Health Visitors, provide facilities for a range of Primary Care Services, the Adult Specialist Drug and Alcohol Service and provide an outreach base for the Integrated Substance Service – Children and Young People.

c. Site Appraisal

NHS Dumfries and Galloway carried out a site appraisal to determine the most suitable site location for the Charlotte Street Practice. A long list of 17 sites, as set out in the Outline Business Case was considered.

In order to short list the sites the long list of options were tested against three initial broad criteria:

d. Promotes modern primary care services

- will provide services that utilise modern technologies and clinical Practices;
- will comply with all current and foreseeable good Practice guidelines for general practitioner and related services;
- will meet regulatory requirements and good Practice guidelines for health buildings and services.

e. Flexibility

- offers opportunity to meet expected demand for Primary Care to good Practice standards;
- offers opportunity to extend the range of services available;
- offers opportunities to respond to changes in clinical Practice, user requirements, service changes and developments.

f. Site size

- site is suitable size for project development.

Of the 17 identified sites, 14 did not meet the initial criteria and were not short listed; only three met the initial broad criteria and were subsequently short listed.

The three remaining site options were:

- Site 17 Glasgow Street
- Site 5 Lochfield Road / Summerville Crescent
- Site 16 Former Tesco Site

The short listed sites were then measured against defined benefit criteria, which were weighted as follows:

The sites were then scored by the group and the weighting outlined above was applied to the scores to give a total weighted result for each site option. The results were as follows:

- Site 17 Glasgow Street – 830
- Site 5 Lochfield / Summerville Crescent – 600
- Site 16 Former Tesco Site – 490

Table 3.2.2: Benefit Criteria for Site Appraisal

	Definition	Weight
Practical Solution	Will deliver a solution that is practical and can be delivered in an acceptable timescale Will provide space needed to manage Primary Care services to acceptable standards Unit can be developed acceptably in location available Unit can meet and comply with planning and infrastructure criteria.	35
Accessible	Locates care acceptably close to related services. Offers ease of access for patients and carers	40
Promotes positive view of GP Services	Offers opportunities to meet the needs of service providers and users in acceptable ways Offers opportunities to provide a unit that enhances the view patients and others have of the quality of Primary Care services locally	10
Attracts, Retains & Utilises Staff	Offers opportunities to attract and retain high quality staff Offers opportunities to utilise staff resources and skills effectively and productively	15
Total		100

The Glasgow Street site scored the highest with 830 points out of a possible 1000. However during the design development process it became clear the site was relatively tight fit for the facility, and there were significant issues with planning approval.

Given the issues associated with the Glasgow street site and the fact that a wider review of primary care services by the Health Board was underway, the decision was made not to pursue the Glasgow Street Site any further.

3.3 Short Listed Options

In order to develop a short list of options for the Full Business Case option appraisal process, the long list of options identified has been to be subjected to a range of criteria (project objectives and constraints). The key project objectives are set out below.

Table 3.3.1: Project Objectives

Objective	Description
1	To facilitate the provision of services in a high quality environment which is "fit for purpose" for staff, patients and visitors.
2	To provide facilities/services that: <ul style="list-style-type: none"> Have the necessary flexibility to meet the known current service requirements Have scope for any future change or expansion of services Are DDA compliant

	<ul style="list-style-type: none"> Comply with all current and foreseeable guidelines and good Practice in terms of layout and room sizing's
3	To improve service capacity and patient access to General Medical Services and other Primary Care Services.
4	To support the Board's future Dumfries Property Strategy

a. Option Appraisal

The option appraisal process adopted for this Full Business Case is in line with that recommended in the Scottish Capital Investment Manual (SCIM) and involved assessing for each of the options:-

- Benefits (scored against criteria)
- Costs (Financial Appraisal)
- Value for Money (Economic Appraisal)
- Risks

Table 3.3.2: Benefits Appraisal Weighted Scores

Option	Description	Weighted Score	Rank	% of maximum Possible Score
1	Do Minimum – Co-locate Charlotte Street Surgery, Cairn Valley Medical Practice Branch Surgery and provide a base for Community Nursing/Health Visitors.	441.3	4	44%
2	Co-locate: Charlotte Street Surgery, Cairn Valley Medical Practice Branch Surgery, provide a base for Community Nursing/Health Visitors and provide facilities for a range of Primary Care Services	537.9	3	54%
3	Co-locate: Charlotte Street Surgery, Cairn Valley Medical Practice Branch Surgery, provide a base for Community Nursing/Health Visitors, provide facilities for a range of Primary Care Services and the Adult Specialist Drug and Alcohol Service	624.0	2	62%
4	Co-locate: Charlotte Street Surgery, Cairn Valley Medical Practice Branch Surgery, provide a base for Community Nursing/Health Visitors, provide facilities for a range of Primary Care Services, the Adult Specialist Drug and Alcohol Service and provide an outreach base for the Integrated Substance Service – Children and Young People.	783.0	1	77%

The following table summarises the results of the benefits appraisal, financial appraisal economic appraisal and risk assessment.

Table 3.3.3: Option Appraisal Results

	Option 1	Option 2	Option 3	Option 4
Benefit Points	441.3	537.9	624	783
Initial Capital Cost (£'000) (including Optimism Bias)	4,286	4,460	5,987	6,071
Annual Revenue Cost (£'000)	212	222	295	291
Non-Recurring Costs (£'000)	100	100	140	140
Net Present Cost (NPC £'000)	30,696	31,028	33,791	33,858
Equivalent Annual Cost (EAC £'000)	1670	1688	1838	1842
NPC per Benefit Point (£'000)	70	58	54	43

The following matrix provides a qualitative analysis key pros and cons of the short listed options.

Table 3.3.4: Key Features of Short listed Options

Option	Pros	Cons
Option 1 – Do Minimum – Co-locate Charlotte St Surgery, Cairn Valley Branch Surgery & base for Community Nursing/Health Visitors	Addresses the space constraints and functional suitability issues at Charlotte St Surgery and Cairn Valley's Branch Practice Provides both GP Practices to plan for the future and provides opportunity to recruit staff and expand services Complies with DDA and current and foreseeable guidance in terms of layout and rooms sizes Fits with the Board's Property strategy through the vacation of the Charlotte Street Practice on the Nithbank Site	Does not provide a base for other Primary Care Services including Chiropody / Podiatry, Psychology (self help programme), Psychiatry including CPNs etc (see earlier slide) Does not address the current space constraints and facility/ environmental issues and DDA compliance of the Adult Specialist Drug and Alcohol Service or the ISS – Children and Young People.

Option	Pros	Cons
<p>Option 2 – As Option 1 and provide</p> <p>facilities for a range of Primary Care Services</p>	<p>Addresses the space constraints and functional suitability issues at Charlotte</p> <p>St Surgery and Cairn Valley's Branch Practice provides a base for other Primary Care Services including Chiropody / Podiatry, Psychology (self help programme), Psychiatry including CPNs etc (see earlier slide) which provides an improved range of services to patients in a more convenient local setting</p> <p>Provides both GP Practices to plan for the future and provides opportunity to recruit staff and expand services</p> <p>Complies with DDA and current and foreseeable guidance in terms of layout and room size</p> <p>Fits with the Board's Property strategy through the vacation of the Charlotte Street Practice on the Nithbank Site</p>	<p>Does not address the current space constraints and facility/</p> <p>environmental issues of the Adult Specialist Drug and Alcohol Service or the ISS – Children and Young People.</p>

Option	Pros	Cons
<p>Option 3 – As option 2 and co-location of the Adult Specialist Drug and Alcohol Service</p>	<p>Addresses the space constraints and functional suitability issues at Charlotte St Surgery, Cairn Valley's Branch Practice and at Cameron House</p> <p>Provides a base for other primary care services including chiropody/podiatry, psychology (self help programme), psychiatry including CPNs etc (see earlier slide) which provides an improved range of services to patients in a more convenient local setting</p> <p>Provides both GP Practices to plan for the future and provides opportunity to recruit staff and expand services</p> <p>Complies with DDA and current and foreseeable guidance in terms of layout and rooms sizes</p> <p>Fits with Board's Property Strategy through the vacation of the Charlotte St practice on the Nithbank site</p> <p>Enables Cameron House to provide services to clients in a more appropriate setting</p> <p>A significant proportion of Cameron House clients live close to Lochfield Road</p> <p>Improved opportunities for face to face communication between GPs and the substance misuse service, on site access to advice/support re substance use, opportunities for joint training, improved integrated approach to treatment for people with alcohol and or drug problems</p> <p>Provides opportunity to share appropriate facilities with the building e.g. key staff facilities</p>	<p>Does not address the facility issues and constraints faced by ISS – Children and Young People</p> <p>There is a missed opportunity for ISS –Children and Young People to share appropriate areas with Adult Specialist Drug and Alcohol Service</p>

Option	Pros	Cons
Option 4 – as Option 3 and ISS – Children and Young People	<p>Addresses the space constraints and functional suitability issues at Charlotte St Surgery, Cairn Valley's branch practice and at Cameron House</p> <p>Provides a base for other primary care services including chiropody/podiatry, psychology (self help programme), psychiatry including CPNs etc (see earlier slide) which provides an improved range of services to patients in a more convenient local setting</p> <p>Provides both GP Practices to plan for the future and provides opportunity to recruit staff and expand services</p> <p>Complies with DDA and current and foreseeable guidance in terms of layout and rooms sizes</p> <p>Fits with Board's Dumfries Property Strategy through the vacation of the Charlotte St practice and Cameron House staff on the Nithbank site</p> <p>Allows the Boards Dumfries Property to be completed leading to Capital receipts and Revenue savings</p> <p>Enables Cameron House to provide services to clients in a more appropriate setting</p> <p>A significant proportion of Cameron House clients live close to Lochfield Road</p> <p>Improved opportunities for face to face communication between GPs and the substance misuse service, on site access to advice/support re substance use, opportunities for joint training, improved integrated approach to treatment for people with alcohol and or drug problems</p> <p>Provides opportunity to share appropriate facilities with the building e.g. key staff facilities</p> <p>Enables the Adult Specialist Drug and Alcohol Service to share certain appropriate facilities with the children's and Young People's Integrated Substance Misuse Service</p> <p>Could support joint working for service users aged 17-18 years in transition to adult services</p> <p>Enhanced opportunities for joint training/development sessions in substance misuse</p> <p>Provides opportunity for all services to interact and co-operate more effectively</p>	<p>Increases the potential risk of younger service users being introduced to a wider drug using network – however this could be managed by separating the patient/client movement for these services</p>

3.4 NPC/NPV Findings

a. Review of Economic Appraisal

At the OBC stage an economic appraisal was carried out as part of the option appraisal process to assess, from an economic and financial perspective, the relative merits of the different options. This appraisal has been retested in the Full Business Case and this updated appraisal is summarised below.

A discounted cash flow for each of the options has been undertaken over 25 years (plus initial construction period) using a discount rate of 3.5% which is in line with Treasury Green Book guidance. The key elements used for the appraisal are detailed below:

Capital outlay for each option exclusive of VAT

Lifecycle costs of building and engineering works

Optimism bias adjustment to initial capital costs

Total revenue costs for each option excluding capital charges net of income

Bridging or other non recurring costs

b. Economic Appraisal Key Assumptions

The key assumptions for the economic appraisal are detailed below:

- The base period for the economic appraisal is 2010/11. (Year 0)
- All cash flows are at 2010/11 outturn prices.
- The appraisal period is 25 years, plus construction period.
- Capital costs have been phased based on a model provided by technical advisers.
- Optimism bias has been applied to all capital costs at a value of £190k.
- The first full year for additional revenue costs for property and staffing is assumed to start in 2012/13.

c. Summary of Results

The outcome of the economic appraisal is summarised below, it has been assumed that the schemes have the same lifetimes. The table below summarises the results of the economic evaluation and compares the results to the benefits appraisal outcome and also the financial appraisal.

This confirms that option 4 remains the preferred option when considering the cost per benefit point. As the four options have different levels of service provision this is the best comparator of best value for this project.

Table 3.4.1 Economic Cost per Benefit Point

	Option 1 – Do Minimum – Co-locate Charlotte St. Surgery, Cairn Valley Branch & provide a base for CN/HV	Option 2 – As Option 2 + provide a primary care facilities	Option 3 – As option 2 + Adult Specialist Drug & Alcohol Service	Option 4 – As option 3 + ISS – Children & Young People
Net Present Cost (NPC) - £000	30,685	31,017	33,776	33,843
Benefit Points	441	538	624	783
Cost per Benefit Point - £000	70	58	54	43
Ranking	4	3	2	1

Using switching techniques to assess sensitivity it would require capital costs to increase by significantly to affect the option appraisal ranking. Project costs have not changed significantly from the OBC which is why you would expect the outcome of the economic appraisal to have a similar outcome.

3.5 Benefits Appraisal

Table 3.5.1: Benefits Appraisal Weighted Scores

Option	Description of Option	Weighted Score	Rank	% of maximum Possible Score
1	Do Minimum – Co-locate Charlotte Street Surgery, Cairn Valley Medical Practice Branch Surgery and provide a base for Community Nursing/Health Visitors	441.3	4	44%
Option	Description of Option	Weighted Score	Rank	% of maximum Possible Score
2	Co-locate: Charlotte Street Surgery, Cairn Valley Medical Practice Branch Surgery, provide a base for Community Nursing/Health Visitors and provide facilities for a range of Primary Care Services	537.9	3	54%
3	Co-locate: Charlotte Street Surgery, Cairn Valley Medical Practice Branch Surgery, provide a base for Community Nursing/Health Visitors, provide facilities for a range of Primary Care Services and the Adult Specialist Drug and Alcohol Service	624.0	2	62%

4	Co-locate: Charlotte Street Surgery, Cairn Valley Medical Practice Branch Surgery, provide a base for Community Nursing/Health Visitors, provide facilities for a range of Primary Care Services, the Adult Specialist Drug and Alcohol Service and provide an Outreach base for the Integrated Substance Service – Children and Young People.	783.0	1	78%
---	--	-------	---	-----

3.6 Risk Assessment

a. Overview

The risk assessment is intended to identify the key qualitative risks associated with the short listed options. The key risks are developed and assessed to determine the extent to which these relate to the options. Subsequently a risk management strategy is developed to determine how to best manage the risks.

b. Methodology

The methodology used to assess risk is outlined below. Risk quantification and management is required only in relation to the preferred option and therefore does not play a part in the qualitative assessment. It is however a critical part of overall risk assessment process.

Further details of each stage in the risk assessment and management process are provided in the following section.

The process of risk assessment is fourfold:

- **Risk Identification** – develop a Risk Register covering key risk areas and individual risks within these areas.
- **Risk Assessment** – each of the options must be assessed against the risk register, assessing the impact, probability and exposure using a simple scale of 1 (low) to 5 (high). The overall exposure to risk is then a product of the impact of risks and likelihood of them occurring.
- **Risk Quantification** – putting a value to each of the risks using estimates of probability, impact and timing. Generally for the preferred option only.
- **Developing a Risk Management Plan** – a plan to manage all the risks identified in the risk register for the preferred option, including responsible persons and monitoring mechanism.

c. Key Risk Areas

Five broad areas of risk have been identified:

- **Design and Construction Risks** - the requirements of design and construction has an adverse impact on the effectiveness, timescales and costs for the development.

- **Capacity and Demand for Service Risks** – proposed solutions cannot support the likely changes in clinical / service demands and related output and therefore have a detrimental impact on flexibility, service delivery and achievement of key targets.
- **Staffing Risks** -proposed solutions result in staffing risks
- **Reputational / Stakeholder / Service Users Risks** – failure to deliver or adequately justify the objectives of the project result in damage to the reputation of key stakeholders.
- **Financial Risks** – additional costs are incurred by the Board.

d. Development of the Risk Register

A detailed Risk Register, compiled under the above risk headings, was developed as the basis for assessing the individual project risks. This was compiled in conjunction with the Project Team. The details are shown in Appendices 4 and 5

e. Risk Assessment Process

The risk register items were assessed via a dedicated workshop attended by members of the Project Team. Following an overview of the process and a review of the Risk Register, the group scored the project risks.

Initially the potential impact of each area was assessed and this was assumed to be constant across the range of short-listed options. Differential risk exposure was assessed through assigning probabilities to events. The probability of each of the above risks occurring and the impact should it occur were assessed using the following scale:-

- 1 - Low
- 2 - Low/Medium
- 3 - Medium
- 4 - Medium/High
- 5 - High

The product (by multiplying together) of the assessment of the potential impact and the probability of occurrence gives rise to an overall analysis of the risk e.g. low to high as detailed below.

This provides a useful indicator in determining the areas requiring the greatest degree of risk management effort.

	Probability				
	Low (1)	Low/Med (2)	Medium (3)	Med / High (4)	High (5)
Low (1)	1	2	3	4	5
Low / Med (2)	2	4	6	8	10
Medium (3)	3	6	9	12	15
Med / High (4)	4	8	12	16	20
High (5)	5	10	15	20	25

Key:		Low Risk (1-3)		Moderate Risk (4-9)		Significant Risk (10-14)		High Risk (15-25)
------	--	-------------------	--	------------------------	--	-----------------------------	--	----------------------

Results of the Assessment

3.7 Sensitivity Analysis

a. Sensitivity Testing

In order to test the robustness of the results of the benefits appraisal it is necessary to assess the sensitivity of the ranking of the scores to changes in key variables and assumptions.

This provides an indication as to the elements of the evaluation that are critical in influencing the outcome. As such it is often of benefit to cross reference these features to the key project risks and to the development of the related management strategy.

Further work has been undertaken by way of sensitivity analysis to evaluate what the ranking might be if some of the weights and / or scores were changed. A range of sensitivities were applied to the benefits scores, namely:

- Equal weighting applied to all criteria
- Excluding benefit scores for top ranked criteria (Capacity & Flexibility)
- Altering the scores of the criterion with the greatest scoring range (Operational & Environmental Suitability) so that all options score the highest value or lowest.

The sensitivity tests detailed above have been applied to the baseline benefit scores outlined above; the results of which are shown below:

From the analysis above indicates that none of the sensitivity tests applied alter the overall ranking of options from the baseline position demonstrating the robustness of the results.

Table 3.8.1: Results of Sensitivity Analysis

Sensitivity Test	Option 1	Option 2	Option 3	Option 4
Baseline scores	441.3	537.9	624.0	783.0
Rank	4	3	2	1
Equal weighted applied to all criteria	440.0	540.0	626.7	780.0
Rank	4	3	2	1
Excluding benefit scores for top ranked criteria	322.1	391.3	459.0	563.0
Rank	4	3	2	1
Altering the scores of criterion with greatest range – max scores	540.3	603.9	665.3	832.5
Rank	4	3	2	1
Altering the scores of criterion with greatest range – min scores	342.3	455.4	591.0	708.8
Rank	4	3	2	1

3.8 Preferred Option

Following a robust option appraisal process involving a wide range of stakeholders, the NHS Board has determined that its preferred option is:

Co-location of: Charlotte Street Surgery, Cairn Valley Medical Practice Branch Surgery, provide a base for Community Nursing/Health Visitors, provide facilities for a range of Primary Care Services, the Adult Specialist Drug and Alcohol Service and provide an outreach base for the Integrated Substance Service – Children and Young People.

The preferred option delivers a widest range of benefits for both patients and staff.

This section describes the preferred option and explains the key factors from the appraisal process that supports its selection. The key features and benefits of the preferred option are highlighted and plans for realising anticipated benefits outlined along with an assessment of the overall affordability.

a. Selection of Preferred Option

Table 3.4.1 above summarises the results of the benefits appraisal, financial appraisal, economic appraisal and risk assessment. A comparison of Net Present Cost and Equivalent Annual Cost per benefit point is also included.

The following matrix provides a qualitative analysis of key pros and cons of the short listed options:

Table 3.8.1: Key Features of the Short listed Options

Option	Pros	Cons
Option 1 – Do Minimum – Co-locate Charlotte St Surgery, Cairn Valley Branch Surgery & base for Community Nursing/Health Visitors	<p>Addresses the space constraints and functional suitability issues at Charlotte St Surgery and Cairn Valley's Branch Practice Provides both GP Practices to plan for the future and provides opportunity to recruit staff and expand services Complies with DDA and current and foreseeable guidance in terms of layout and rooms sizes</p> <p>Fits with the Board's Property strategy through the vacation of the Charlotte Street Practice on the Nithbank Site</p>	<p>Does not provide a base for other Primary Care Services including Chiropody / Podiatry, Psychology (self help programme), Psychiatry including CPNs etc (see earlier slide) Does not address the current space constraints and facility/ environmental issues and DDA compliance of the Adult Specialist Drug and Alcohol Service or the ISS – Children and Young People.</p>
Option 2 – As Option 1 and provide facilities for a range of Primary Care Services	<p>Addresses the space constraints and functional suitability issues at Charlotte St Surgery and Cairn Valley's Branch Practice provides a base for other Primary Care Services including Chiropody / Podiatry, Psychology (self help programme), Psychiatry including CPNs etc (see earlier slide) which provides an improved range of services to patients in a more convenient local setting</p>	<p>Does not address the current space constraints and facility/ environmental issues of the Adult Specialist Drug and Alcohol Service or the ISS – Children and Young People.</p>
	<p>Provides both GP Practices to plan for the future and provides opportunity to recruit staff and expand services</p> <p>Complies with DDA and current and foreseeable guidance in terms of layout and rooms sizes</p> <p>Fits with the Board's Property strategy through the vacation of the Charlotte Street Practice on the Nithbank Site</p>	

Option	Pros	Cons
Option 3 – As option 2 and co-location of the Adult Specialist Drug and Alcohol Service	<p>Addresses the space constraints and functional suitability issues at Charlotte St Surgery, Cairn Valley's Branch Practice and at Cameron House</p> <p>Provides a base for other primary care services including chiropody/podiatry, psychology (self help programme), psychiatry including CPNs etc (see earlier slide) which provides an improved range of services to patients in a more convenient local setting</p> <p>Provides both GP Practices to plan for the future and provides opportunity to recruit staff and expand services</p> <p>Complies with DDA and current and foreseeable guidance in terms of layout and rooms sizes</p> <p>Fits with Board's Property Strategy through the vacation of the Charlotte St practice on the Nithbank site</p> <p>Enables Cameron House to provide services to clients in a more appropriate setting</p> <p>A significant proportion of Cameron House clients live close to Lochfield Road</p> <p>Improved opportunities for face to face communication between GPs and the substance misuse service, on site access to advice/support re substance use, opportunities for joint training, improved integrated approach to treatment for people with alcohol and or drug problems</p> <p>Provides opportunity to share appropriate facilities with the building e.g. key staff facilities</p>	<p>Does not address the facility issues and constraints faced by ISS – Children and Young People</p> <p>There is a missed opportunity for ISS –Children and Young People to share appropriate areas with Adult Specialist Drug and Alcohol Service</p>

Option	Pros	Cons
Option 4 – as Option 3 and ISS – Children and Young People	<p>Addresses the space constraints and functional suitability issues at Charlotte St Surgery, Cairn Valley's branch practice and at Cameron House</p> <p>Provides a base for other primary care services including chiropody/podiatry, psychology (self help programme), psychiatry including CPNs etc (see earlier slide) which provides an improved range of services to patients in a more convenient local setting</p> <p>Provides both GP Practices to plan for the future and provides opportunity to recruit staff and expand services</p> <p>Complies with DDA and current and foreseeable guidance in terms of layout and rooms sizes</p> <p>Fits with Board's Property Strategy through the vacation of the Charlotte St practice on the Nithbank site</p> <p>Enables Cameron House to provide services to clients in a more appropriate setting</p> <p>A significant proportion of Cameron House clients live close to Lochfield Road</p> <p>Improved opportunities for face to face communication between GPs and the substance misuse service, on site access to advice/support re substance use, opportunities for joint training, improved integrated approach to treatment for people with alcohol and or drug problems</p> <p>Provides opportunity to share appropriate facilities with the building e.g. key staff facilities</p> <p>Enables the Adult Specialist Drug and Alcohol Service to share certain appropriate facilities with the children's and Young People's Integrated Substance Misuse Service</p> <p>Could support joint working for service users aged 17-18 years in transition to adult services</p> <p>Enhanced opportunities for joint training/development sessions in substance misuse</p> <p>Provides opportunity for all services to interact and co-operate more effectively</p>	<p>Increases the potential risk of younger service users being introduced to a wider drug using network – however this could be managed by separating the patient/client movement for these services</p>

As demonstrated above, each option offers a different range of features, both positive and negative however, the option appraisal undertaken as part of the business case measures and contrasts these in quantifiable terms.

The rankings of each option against the four components of the option appraisal are shown in the following table:

Table 3.8.2: Option Appraisal Rankings

Option Appraisal Component	Option 1	Option 2	Option 3	Option 4
Benefits Appraisal	4	3	2	1
Financial Appraisal (Additional Annual Revenue Impact)	1	2	3	4
VFM (NPC per Benefit Point)	4	3	2	1
Risk Assessment	4	3	2	1

N.B. 1 = Highest benefits, lowest revenue impact, lowest NPC per benefit point, lowest risks

As can be seen from the above tables, the option that clearly offers the best overall value for money, as demonstrated by the lowest NPC per benefit point, is Option 4, with Option 1 the Do Minimum –offering the poorest overall value for money.

Option 1 – the Do Minimum can be deselected at this juncture. It is essentially the reference position against which the other short listed options can be measured. Although its revenue impact is lower than the other options, this arises primarily from the reduced scope of services offered.

Option 4 therefore is the preferred option. Option 4 provides the largest scope of services, and provides the best overall value for money, as demonstrated by the lowest NPC per benefit point.

b. Description of Preferred Option

Under option 4 the following range of services will be provided within the new Primary Care premises at Lochfield Road:

- Charlotte Street Surgery,
- Cairn Valley Medical Practice Branch Surgery,
- A base for Community Nursing/Health Visitors,
- Facilities for a range of Primary Care Services,
- The Adult Specialist Drug and Alcohol Service

- Outreach service for the Integrated Substance Service – Children and Young People.

Key features and anticipated benefits of the preferred option are summarised below:

c. Key Features of the Preferred Option

- Improved patient access to GMS services
- Improved patient access to a wider range of Primary Care Services in a more local setting
- Improved disabled access, promotes clinical governance and provide a high quality clinical working environment
- Addresses the space constraints and functional suitability issues at Charlotte St Surgery, Cairn Valley's Branch Practice and at Cameron House
- Capital Investment of £6.1m in new primary care premises
- Provide modern fit for purpose facilities for the use of patients and visitors
- Improve reception and waiting areas in a child friendly environment
- Provide GP training within the Charlotte Street Surgery
- Fits with the Board's Property strategy through the vacation of the Charlotte Street Practice on the Nithbank Site
- Enables Cameron house to provide services to clients in a more appropriate setting

d. Key Benefits of the Preferred Option

- Improved communication between all Practice staff and the wider primary care team
- Improve prospects for recruitment and retention of clinical personnel and enhanced opportunities for continued professional development
- Improved medical training facilities
- Improved working environment for all staff and the potential to enhance organisational effectiveness in a purpose built environment
- On site access to advice and support regarding substance misuse for colleagues working in primary care
- Improved opportunities for face to face communication between GPs and the Substance misuse service, on site access to advice / support re substance use, opportunities for joint training, improved integrated approach to treatment for people with alcohol and or drug problems
- Provides opportunity to share appropriate facilities within the building e.g. key staff facilities
- Enables the Adult Specialist Drug and Alcohol Service to share certain appropriate facilities with the children's and Young People's Integrated Substance Misuse service
- Could support joint working for service users aged 17-18 years in transition to adult services
- Enhanced opportunities for joint training/ development sessions in Substance Misuse
- Improved security and general health and safety

4.0 The Commercial Case

4.1 Agreed Scope and Services

The new Primary Care Centre will provide the following core services:

- Charlotte Street Surgery
- Cairn Valley Medical Practice Dumfries Branch Surgery
- A base for Community Nursing and Health Visiting

In addition to the services above, the short listed options set out in section three, consider providing further services within the centre including:

- A range of Primary Care services incorporating:
 - Chiropody / Podiatry
 - Physiotherapy Assessment
 - SALT
 - Psychology – self help programme
 - Psychiatry including CPNs
 - Counselling
 - Family Planning / Sexual Health – Well Woman Clinics
 - Continence Services
 - Outpatient Sessions
 - Access could be made available to Community Groups, the Benefits Agency and Voluntary Organisations.
- Adult Specialist Drug and Alcohol Service services
- An outreach base for Integrated Substance Service (ISS) - Children and Young People

Subsequently the inclusion of a Pharmacy facility has been considered. The reasoning behind this is detailed below:

a. Pharmacy Services

It is proposed that a pharmacy facility is built as part of this development.

The close proximity of a community pharmacy to a GP practice has obvious geographical convenience for patients of the practice. On the basis of our local experience this leads to a closer working relationship between the GPs and the community pharmacist. With the impending introduction of the Chronic Medication Service (CMS), as part of the new community pharmacy contract, this closer working relationship is essential to achieve the benefits of the CMS, of improved pharmaceutical care for patients and reduced medicines waste.

The added dimension of a pharmacy presence close to the substance misuse service has additional potential benefits. Already we have a pharmacist led methadone clinic, with a pharmacist in Dumfries operating as a supplementary prescriber. This could be further developed from this unit. The potential also exists for other pharmacist led supplementary or independent prescribing clinics being developed in association with the GP practice.

The co-location of GPs and community pharmacies has the potential risk of reducing access to community pharmacy services in the 'high street'. However the current distribution of pharmacies in Dumfries is such that even with this development, ready access to the full range of pharmaceutical services will still exist for the general population.

The development would add value to the project both in terms of service delivery, and also in creating a revenue stream at commercial rates to the NHS Board.

In the unlikely event of there being no commercial interest in establishing a pharmacy, or that the NHS Board fails to grant a licence, an alternative function is proposed.

This would be to establish a Health Improvement centre on the site. This would provide a base for health improvement staff currently based on the Nithbank site, and would provide a visible interface between the Health Improvement Team and the community, offering a range of health and well-being services, open to the public, as well as accessible to statutory and voluntary sector staff. In addition, an interface with easy access for local community groups and residents will be provided and a local facility for satellite specialist health promotion work e.g. smoking cessation, oral health, child healthy weight.

In the event of the Pharmacy not proceeding and the area being fitted out as a Health Improvement Centre, there would be an additional capital cost in the region of £71,500 plus VAT, professional fees and equipment; an estimated total cost of £105,000.

Key facilities would include:

- Training facility
- Office space
- Resource library
- Health promotion activity area
- Public space/reception

b. Activity & Capacity

Table 4.1.1 below provides an overview of the activity by GP Practice in 2009/10:

Table 4.1.1: Activity by GP Practice 2009/10 Activity

	Charlotte Street Surgery	Cairn Valley Medical Practice Branch Surgery
GP Appointments	31,000	2,702
Practice Nurse Appointments	16,580	1,606
Home Visits	2,034	380

	Charlotte Street Surgery	Cairn Valley Medical Practice Branch Surgery
Referrals to Secondary Care	3,985	n/a
Insurance / Medical Reports	640	126
To whom it may concern letters	201	n/a

In addition to the above activities the Practices also undertake blood tests, swabs, urine samples, adoption medicals, PSV/HGV medicals, employment medicals and provide travel immunisations and advice.

Table 4.1.2: Referrals to Adult Specialist Drug and Alcohol Service by Category 2009/10 Referral Category

	Total	Alcohol	Drugs
Number of Clients on books at 31 March 09	608	189(31.1%)	419(68.9%)
Number of referrals	864	627(72.6%)	237(27.4%)
Number with no previous contact with Service	338(39.1%)	279(44.5%)	59(24.9%)
Number of clients taken on 1 April 09 – 31 March 10	657	395(60.1%)	262(39.9%)
Number of clients on books at 31 March 2010	609	160(26.3%)	449(73.7%)
Number of clients on waiting list at 31 March 2009	15	15	0
Number of admissions for inpatient detox/assessment	37	37	0
Number of individual sessions offered	10844		
Number of individual sessions attended	7279		
Number of cancelled appointments	1017(9.4%)		
Number of DNA appointments	2548(23.5%)		
No of drop-ins, non-client contacts	1014		
Total number of contacts	8292		
Initial Assessments offered and not taken up	101		

c. ISS – Children and Young People

The ISS – Children and Young People service has capacity for up to 100 service users in the Lockerbie base with 5 mental health / substance misuse workers. In response to the intensity of the involvement with our young people, the service is aiming to reduce the maximum caseload for each worker to 15 in the future.

The Scottish Government places a strong emphasis on the assessment and support needs of children whose parents have substance misuse problems (including alcohol). It supports the good Practice guidelines set out in the “Getting our Priorities Right” and the recommendations in the “Hidden Harm” documents. In response the protocols currently due to be launched by Dumfries & Galloway the service anticipates an increase in service demand – some direct and some indirect, in partnership with adult substance misuse services and social work, to families impacted upon by substance misuse.

It is proposed that ISS would have a small amount of dedicated accommodation within the new facility, sharing a reception with Primary Care Services and sharing appropriate accommodation with the Adult Specialist Drug and Alcohol Service. Staff from ISS would not be based within the building but would visit and provide a regular outreach service from a mixture of dedicated and shared accommodation.

d. Proposed Workforce Requirements

The table below provide a summary of the current wte by staff group for each service.

As Primary Care Services and ISS – Children and Young People are providing visiting services we have not included their staff numbers in the table above.

Table 4.1.3: Current Workforce

Staff Group	Charlotte Street Surgery	Cairn Valley Medical Practice Branch Surgery	Community Nursing & Health Visitors	Adult Specialist Drug & Alcohol Service
Clinical Staff	9.86	2.00		12.8
Community Based Clinical Staff	n/a	n/a	8.72	6.80
Managerial & Administrative	11.42	1.00		7.55
Total Number of Staff	21.28	3.00	8.72	27.15

4.2 Risk Allocation

All risk areas were assessed across all options and the results presented. A summary of these is provided in the table below. These details are also shown in the Non Financial Risks and Benefits shown in Appendix 4.

Table 4.2.1 Risk allocation

Results of the Risk Assessment Risk Grouping	Option 1	Option 2	Option 3	Option 4
Design and Construction Risks	21	21	27	27
Capacity and Demand for Services	58	45	30	17
Staffing Risks	16	16	8	8
Reputational/Stakeholder/Service Users Risks	13	13	17	17
Financial Risks	4	4	2	2
Total	112	99	84	71
Rank	4	3	2	1

a. Analysis of Results

From the data presented it is clear that the overall results are highly sensitive to the following features:-

- Capacity and Demand for Services
- Staffing Risks

Option 1 presents the highest risk profile of all the options. Looking at the risk scores in more detail, over 50% of the risk score is attributed to the capacity and demand for services risk category. This risk category considered the following risks:

- Insufficient space and capacity
- Unused facilities and capacity
- Facilities not flexible enough to respond to changes in service & demand
- Inadequate patient environment
- Failure to deliver required levels of performance

Option 1 had the highest risk score for capacity and demand for services, this is because under option 1, no space is available for the delivery of primary care services, the Adult Specialist Drug and Alcohol Service and the Children and Young People's Integrated Substance misuse service would remain in their current premises which are not fit for purpose and already have insufficient space and capacity.

Option 1 also had the highest score in terms of staffing risks. This is due to the fact that under option 1 it would be more difficult for both the Adult Specialist Drug and Alcohol Service and the Children and Young People's Integrated Substance misuse service to recruit and retain high quality staff as they would remain isolated from each other in their current locations and in relatively poor accommodation.

4.3 Agreed Charging Mechanisms

In accordance with the GMS contract the Board will reimburse the GP practices rent and rates charges and it is proposed that a formal agreement is established between all parties for the occupation of the building prior to entering into a Stage 4 Contract with the PSCP

All other revenue costs associated with the premises will be shared between the occupants on a proportionate basis, most likely the percentage occupancy of the building.

4.4 Agreed Key Contractual Arrangements

The existing contractual arrangements will remain unchanged as a result of the development of this project.

4.5 Agreed Personnel Arrangements

All staff presently involved in providing services in the current locations will transfer to the Primary Care Centre. It is not envisaged that there will be any substantive changes to staff's Terms and Conditions of Service. If however any proposed changes do emerge these will be discussed in partnership with staff and recognised representatives.

4.6 Implementation Timescales

A detailed project plan will be produced following approval of the Outline Business Case and agreement of the procurement strategy. At this stage, the Board is aiming to achieve the following milestones, assuming a traditionally funded route:

Project Timetable Stage	Target Date
Full Business Case approval by the Board	6 December 2010
Full Business Case submitted to Capital Investment Group	10 December 2010
Full Business Case considered by Capital Investment Group	25 January 2011
Land Purchased	30 March 2011
Capital Investment Group Approval received	6 July 2011
Stage 4 Contract Signed	29 August 2011
Construction commences	3 October 2011
Construction completed	September 2012
Cleaning and Migration	October 2012
Commencement of Services	November 2012
Post Project Evaluation	January 2013
Post Occupancy Evaluation	January 2014

4.7 Agreed Accountancy Treatment

The Accounting Treatment for this project is in accordance with the rules relating to all of NHS Dumfries & Galloway's assets as governed through the Scottish Government Capital Accounting Manual.

5.0 Financial Appraisal and Affordability

5.1 Introduction

This section sets out the current position in terms of costs, financial and economic appraisal and affordability in respect of the Preferred Solution and covers: -

- Capital Costs and any movements since OBC
- Revenue Costs Implications
- VFM analysis
- Affordability

5.2 Capital Costs

The reported capital cost for the Preferred Solution, a New Build with all services on one site (Lochfield Road, Dumfries) (Option 4 from OBC), was **£6,071,000**.

5.2.1 The Cost of the Preferred Option at OBC

At OBC stage, the costs for the Preferred Option were reported as noted below. The reported capital cost for the Preferred Solution was for a New Build co-locating the following:

- Charlotte Street Surgery
- Cairn Valley Medical Practice Branch Surgery
- Community Nursing/Health Visitors
- Facilities for a range of Primary Care Services
- The Adult Specialist Drug and Alcohol Service
- An outreach base for the Integrated Substance Service – Children and Young People.

a. Key Capital Assumptions

- Costs stated at midpoint of construction which is end Q2 2011
- Includes land costs (based on estimate of £150k), construction costs and preliminaries
- Equipment costs (include IM&T) have been estimated - both capital and one-off revenue
- Contractor (PSCP) and Professional Advisors (PSCs) fees included based on estimated rates for a Frameworks Scotland project
- Premises will be designed to ensure a BREEAM excellent rating is achieved an allowance for associated costs has been included
- Construction contingency estimate of 5% has been included
- VAT is added at 17.5% with the following elements of cost being classed as recoverable:
 - PSCP Design Team fees
 - PSCP Overhead & Profit
 - PSC Cost Advisor, Supervisor and CDM
 - Survey Fees
- Allowance has been made for redirection of the electricity supply
- Minimal site costs have been included, as no abnormalities known. No ground investigations have been carried out
- No allowance for dealing with any contaminated ground

These were prepared at March 2010 and assumed project completion by March 2012.

5.2.2 The Cost of the Preferred Option at FBC

In the time between submission of the OBC and submission of this FBC a review of the accommodation and the site have been undertaken which have had a minor impact on the GIFA and the construction cost but always with the objective of protecting the stated capital cost.

The current Schedule of Accommodation is appended at **Appendix 10** of this FBC. This functional accommodation schedule and the associated ancillary space give a GIFA for the facility of **1,898 sqm**. This compares to an OBC GIFA of 1,881 sqm and represents a slight overall increase of 17 sqm in the build.

The current cost of the scheme is based on a maximum target price for the development as agreed with the PSCP BAM, whilst further work is required to finalise the detailed Stage 4 contractual position (which will be concluded by August 2011), the figures quoted below represent the maximum target price for the scheme.

The total estimated project cost of the preferred option is £5,836k which, with an allowance of £211k for Optimism Bias applied at this stage, gives a total project cost at of £6,047k.

Total project cost includes revenue items relating to transitional costs of £5k and prior year costs relating to fees and survey costs of £108k. These are retained in the overall project total to enable comparison with the OBC values.

5.2.3 Capital Cost and Assumptions at FBC

The Board and its appointed cost advisors in conjunction with BAM, the Principal Supply Chain Partners (PSCP), have prepared the capital costs based on a review of the capital requirements. The following assumptions have been applied:

- Construction cost based on Maximum Target Price as advised by PSCP is based on 95% tendered work packages and a schedule of estimated costs for preliminaries
- PSCP overhead and profit has been calculated based on a percentage of 7.1% as agreed under the Framework
- The risk allowance and contingency of £75k within the maximum target price is the probability assessed figure agreed at Project Risk workshop for those items agreed to be managed by PSCP
- Phasing of the capital costs is based on the current project plan which shows a 50 week construction period from October 2011 to September 2012
- It has been assumed that where possible existing equipment will transfer from current premises and an allowance for new equipment including IM&T and telephony requirements has been build into the budget cost
- Fee estimates have been built up based on best advice from PSCP and board Cost Advisor of likely requirement. These include the costs to develop the FBC and therefore a significant percentage has already been incurred at this stage. All fees are assumed to be VAT recoverable under the contracted out services recovery
- Land and building purchase relates to the cost of acquiring the land at Lochfield Road, Dumfries
- VAT has been included at 17.5% to the end of FBC stage with an increase to 20% for the construction stage
- Client Risk has been based on the valued Joint Risk Register indicates a value of £190k. However, Optimism bias has been assessed producing a rate of 3.57%, valued at £211k which has been included.

The table below provides a comparison of the OBC and FBC costs:

Capital Cost Summary - £000

	Option 4		
	FBC	OBC	Change
	Sqr Mtr	Sqr Mtr	Sqr Mtr
<i>Gross Internal Floor Area</i>	1,898	1,881	17
	£000	£000	£000
Construction Costs			
Building Works Packages	3,334	3,352	(18)
Preliminaries	466	324	142
Works Cost	3,800	3,676	124
PSCP Overhead and Profit	275	294	(19)
Risk Allowance/ Contingency	70	199	(129)
Total Works Cost	4,145	4,169	(24)
Design Fees and Surveys	366	413	(47)
MAXIMUM TARGET PRICE	4,511	4,582	(71)
VAT on Works Cost (Incl. Risk)	774	676	98
Equipment (Incl VAT)	100	73	27
Land and Building Purchase & Sale	150	150	0
Other Board Fees and Costs	301	231	70
TOTAL CAPITAL COST	5,836	5,712	124
Optimism Bias (3.57%)	211	359	(148)
Capital Costs inc Client Risk	6,047	6,071	(24)

The sections below provide more detail on some elements of the capital costs.

5.2.4 Equipment / IM&T Costs

An initial equipment list has been provided by Scottish Healthcare Supplies which along with IT and telephony requirements has been used to estimate the equipment cost. The total estimated cost is £191k (£100k capital, £91k revenue), however it is envisaged that further scrutiny and review will reduce this budget and this is therefore the maximum sum envisaged that is required for furniture, fittings and equipment. The OBC included a sum of £213k (£73k capital, £140k revenue), and therefore this represents a decrease to the indicative budget identified at that stage.

5.2.5 Client Risk and Optimism Bias

At the risk workshop, valuation of the Joint Risk Register produced a Client Risk of £190k. Optimism Bias has been reviewed in line with Treasury Guidance and produces a rate of 3.57% which equates to £211k which has been included. The Joint Risk Register and Optimism Bias calculations are shown at **Appendix 5 and 1** respectively.

5.2.6 Target Price

In line with the Framework Scotland procurement process described in the Management Case (Section 6), NHS Dumfries and Galloway has progressed with BAM (PSCP) the development of a target price for the project. A maximum target price of £4,511k has been agreed and this is reflected in the capital costs in table above. This price represents a fixed ceiling to the target price which can only be reduced in discussions to finalise contractual discussions which will be concluded during the next eight weeks. These ongoing discussions are to value engineer the specification within the tendered cost packages and review other costs. This will produce an agreed price which is acceptable to all parties and form the basis of the phase 4 contract.

Further details of the capital cost break down and the tendered packages can be found in the Project Cost and Full Business Case Forms, attached at Appendix 3 and 14 respectively).

5.3 Revenue Costs

When taking account of the total revenue impact of the options (revenue costs including capital charges) there is an ongoing revenue impact for NHS Dumfries & Galloway through the life of the new facility.

The current baseline costs for the services transferring to the new premises including all existing property costs (rates, energy, maintenance, cleaning and catering), are estimated at £1,183k including capital charges and based at 2009/10 price base. These are detailed in the table below:

BASELINE COSTS 2009-10 BUDGETS - £000

	Charlotte Street Practice	Cairn Valley Medical Practice – Dumfries Branch	Adult Specialist Drug & Alcohol Service	Children and Young People's Integrated Substance Misuse Service	Total
Pay		34	562	257	853
Non-Pay	3	1	260	22	286
Property Costs	30	2	5	4	41
Capital Charges			3		3
Gross Costs	33	37	830	283	1,183

The additional costs of the development are estimated at £342k increasing the ongoing recurring revenue cost of the development to £1,525k in the first full year of operation of the building which is expected to be 2013/14. This is detailed in the table below:

5.3.1 Revenue Cost Assumptions

The pay and non pay costs have been calculated using the following assumptions:

- Costs are stated at 2009/10 price levels
- Pay costs are based on current guidance and are inclusive of on costs
- The recurring change in revenue costs will occur on completion of the development under the current programme
- The phasing of the costs is based on the current programme

- Capital charges have been calculated in accordance with the current capital accounting guidance assuming a 40 year asset life for the building
- Domestic costs have been reviewed in line with the Schedule of Accommodation and cleaning specifications
- Rates based on District Valuer assessment
- Energy costs based on estimated usage in kWhr from Hulley and Kirkwood with current contract rates applied for electricity and gas for premises with similar volumes
- Maintenance costs based on £25 per sqm
- Costs for GP practices exclude any GMS contract payments.

The table below details the revenue impact within the FBC and OBC and associated change:

Summary Revenue Impact - £000

	Option 4		
	FBC £000	OBC £000	Change £000
Future Costs			
Capital Charges	156	157	(1)
Property Costs	205	143	62
Revenue Costs Change (IT)	21	31	(10)
Total Future Costs	382	331	51
Current Costs			
Capital Charges	3	3	0
Property costs	37	37	0
Current Costs	40	40	0
Net Impact	342	291	51

5.3.2 Capital Charges

Current guidance requires capital charges to be applied on an ongoing revenue basis. These have been calculated using a standard equated 40 year life for the building element and a 7 year life for IM&T and equipment.

An element of the equipment which is assumed to be purchased from the revenue budget has been excluded from this calculation.

Capital charges are incurred in the quarter following completion and therefore a full year's capital charges are assumed incurred in 2012/13.

5.3.3 Property and Facilities Costs

There is a requirement for additional staffing for cleaning which has been calculated using domestic time measurement model. This assumes NHS employed domestic staff clean the building which is still under discussion with the GP practices. Additional property costs associated with maintenance, energy costs and rates liability have also been included in the overall estimated increased revenue requirement for this building. There continue to be ongoing discussions to ensure that these services can be delivered as efficiently as possible. These costs have been calculated using the same assumptions as the OBC around release of property costs savings.

5.3.4 Other Costs

There is a recurring increase in the IM&T and telephony costs of £21k which has been identified by the eHealth team as part of the new infrastructure in the development which has been reflected in the ongoing cost requirement. This is reduction of £10k from that estimated within the OBC.

5.4 Accounting Treatment

The Accounting Treatment for this project is in accordance with the rules relating to all of NHS Dumfries & Galloway's assets as governed through the Scottish Government Capital Accounting Manual.

5.5 Financial and Economic Appraisal

The financial case considers the affordability analysis for the preferred option based on the overall capital and revenue costs of the preferred option. It also presents the anticipated impact of the proposals on the Board's Income and Expenditure and Balance Sheet. The analysis ties in with the Board's Local Delivery Plan and confirms the affordability of this scheme.

A review of the option appraisal is included in Section 3 – The Economic Case which also refreshes the economic appraisal. This confirms the ongoing support of option 4 as the preferred option from both an economic and benefits perspective.

5.5.1 Capital Affordability

A summary of the total capital costs for each year of investment is shown below:

Capital Cost Phasing -£000

	Option 4 FBC £000
2010-11	527
2011-12	2,400
2012-13	3,007
Capital Requirement	5,934

Appendix 2 (**revised**) details the Board's 5 year capital programme and confirms that the capital cost of this scheme can be contained within the overall funding available assuming prior year banked funds can be utilised over the main contract period from October 2011 to September 2012 which represents the construction period. In addition it is anticipated that capital receipts from the sale of property vacated as a result of this development can contribute to the overall capital requirement to the sum of £0.19m.

This scheme was previously identified as a Board priority against Primary Care Modernisation funding and in January 2009 £2.01m was allocated to NHS Dumfries and Galloway for this project. This forms part of the overall capital funding identified for the scheme, this will be supplemented by the Board's formula allocation.

5.5.2 Revenue Affordability

In general, there will be no impact on the pay costs associated or non pay costs except for those relating to capital charges, property costs and recurring costs from the new IT infrastructure.

The overall revenue impact is set out below and has been phased over the project period. This confirms that from year 2013/14 the additional revenue requirement will be £342k per annum which is an increase of £51k over the OBC. This increase can be attributed to the increase in cleaning costs of £62k offset by a reduction of £10k in IT costs.

Revenue Costs Phasing - £000

	2010-11	2011-12	2012-13	2013-14
Capital Charges Increase			38	153
Property Costs Increase			70	168
Revenue Costs Increase			9	21
Equipment - revenue			91	
ADDITIONAL REVENUE COST REQUIREMENT	0	0	208	342

5.5.3 Allocation of Revenue Costs to Stakeholders

The property costs associated with the premises will be allocated to the stakeholders based on the relevant areas of occupancy. Details of room allocation are detailed in the Schedule of Accommodation at Appendix 10. These are summarised in percentage terms in the following table: (ISS is included in the apportionment Common and Circulation)

Spatial Requirements by Organisation

	Option 4 FBC %
Charlotte Street Surgery	46.91%
Cairn Valley Branch Surgery	7.78%
NHS D&G CN/HV & Primary Care space	8.93%
NHS D&G Adult Specialist Drug & Alcohol Service	28.5%
Pharmacy	6.18%
Integrated Sub Service	1.94%
	100.0%

Applying the ratios above to the increase in costs results in the following allocation:

Apportionment of Revenue Costs

		Option 4
		FBC
		£000
Property Costs: Excluding Rates & Capital Charges		Cost
Charlotte Street Surgery	Proposed	82
	Current	7
	Impact	75
Cairn Valley Branch Surgery	Proposed	15
	Current	2
	Impact	13
NHS D&G	Proposed	70
	Current	6
	Impact	64
Rates, Capital Charges & IM&T		
NHS D&G	Proposed	216
	Current	26
	Impact	189
Overall NHS D&G Total	Proposed	285
	Current	32
	Impact	253
Overall Impact	Proposed	382
	Current	41
	Impact	342

5.5.4 Impact on the Balance Sheet

The overall balance sheet will increase by £5,723k (excluded the impact of indexation and in year depreciation) over the project period. The table below shows the asset movements over the project period.

Projected Balance Sheet - £000

	31-Mar-10	31-Mar-11	31-Mar-12	31-Mar-13
Existing Land and Building Value	110	107	104	101
In year capital expenditure	0	527	2,400	3,007
Assets Under Construction	0	0	527	2,927
Asset disposals	0	0	0	(190)
Total Relevant Assets	110	634	3,031	5,845

6.0 The Management Case

6.1 Procurement Strategy

This chapter sets out the process which the Board followed in securing a preferred 'Principal Supply Chain Partner' (PSCP) under Framework Scotland to demonstrate the rigour employed by the Project Team.

This chapter will also describe the extensive involvement of stakeholders, during all stages of the project and provide a description of the on-going interaction with the PSCP.

Following the Framework Scotland process ensures that the project has been procured under all relevant rules of the European Union and copies of all documents issued to bidders followed the established format for the Framework.

a. PPP/PFI

The projected costs for this development are below £20m. Consequently the PPP/PFI procurement route has not been pursued.

b. Background to the Procurement Route

Current NHS Scotland Guidance contained in PROCODE Version 2 is supportive of long term collaborative framework arrangements and recognises that strategic or term contracting has proved successful in the UK and overseas and that this approach reflects the best practice advocated under recent procurement initiatives. This is reinforced in the Guide to Contract Procedures.

Subsequent guidance on procurement in support of PROCODE advocates the strengthening of team working, innovation and partnership where possible and provides guidance on partnering and framework approaches.

Frameworks Scotland uses this approach to contracting.

c. Advertising the Project

The Board issued a letter and High Level Information Pack (HLIP) 30 April 2010 in accordance with the project timetable to all five Principal Supply Chain Partners (PSCP) included within the Frameworks Scotland Procurement.

d. Open Day for PSCPs

An Open Day was held on 12 May 2010

e. Expression of Interest

Following the Open Day process, each a Principal Supply Chain Partner (PSCP) was invited to submit an Expression of Interest (Eoi) for the project.

An Eoi was submitted by each of the PSCPs, in accordance with the project timetable, addressing the evaluation criteria issued with the HLIP. The PSCPs were advised that this was an opportunity to supplement their presentation with any relevant additional information.

f. Appointment of Cost Advisor

Interviews to appoint a Cost Advisor were held on 2 June 2010 in accordance with the project timetable with each of the Cost Advisors being asked to give a presentation followed by a 30 minute question and answer session. The interview panel included the Project Director, Finance Staff and Estates Staff. A representative from Health Facilities Scotland was also in attendance.

The Evaluation Criteria used were as follows

Criteria	Weighted Score
1) Proposed personnel for the scheme	30%
2) Experience relevant to the scheme	30%
3) Approach to Scheme	20%
4) Applicable Fees and Rates	20%

Following the interviews Davis Langdon were appointed on 4 June 2010

g. Appointment of Principal Supply Chain Partner

Interviews to appoint a PSCP were held on 8 June 2010 in accordance with the project timetable with each of the PSCPs being asked to give a presentation followed by a 30 minute question and answer session.

The interview panel included Board staff representation from Clinical services, capital planning, finance, Estates and the appointed PM. A representative from Health Facilities Scotland was also in attendance.

The criteria for the selection of the PSCP may be as follows:

Criteria	Weighted Score
1) Proposed personnel for the scheme	20%
2) Experience relevant to the scheme	10%
3) Proposed supply chain for the scheme	10%
4) Programme	20%
5) Approach to the Scheme	20%
6) Applicable Fees and Rates	20%

Following the interviews, the Board appointed BAM as Principal Supply Chain Partner on 10 June 2010.

h. Involvement of Stakeholders

During all stages of the project there has been extensive involvement of NHS and non NHS staff.

The participation of users has been and will continue to be led by the Project Team. A number of presentations and workshops involving multi-disciplinary clinical and non-clinical staff including Local Authority staff, Providers and local forums representing patients, relatives and carers have been held.

The involvement of staff and users from within the Board and other key stakeholders has ensured that GPs, clinicians and non clinicians have been at the heart of design development. This has ensured the designs have taken account of existing and emerging clinical models.

i. Interaction with the Principal Supply Chain Partner

Following the appointment of the Principal Supply Chain Partner a Stage Contract together with Project documentation was developed in partnership.

The objective of these documents is to create a planned environment going forward and establishes the key project management arrangements to be adopted throughout the procurement including:

- Project details including roles and responsibilities of the stakeholders;
- Communication;
- Meetings, including meetings schedule;
- Third party approvals
- Progress reporting
- Risk management procedures;
- Design Development and Change Control Management;
- Health and Safety;
- Dispute Management; and
- Programme to Target Price

6.2 Procurement Management

Robust project management arrangements have been implemented to ensure the project is delivered on time and to budget. Following the approval of the OBC, the Project Sponsor appointed a Director to manage the project and ensure resources are made available. A Project Manager was also appointed to take responsibility for day to day project support and to act as NEC 3 named Project Manager responsible for the delivery of the Project.

a. Project Timetable

A detailed project plan was produced following approval of the Outline Business Case and agreement of the procurement strategy. At this stage, NHS Dumfries and Galloway are aiming to achieve the following milestones, assuming a traditionally funded route:

Table 6.2.1: Project Timetable

Project Timetable Stage	Target Date
Full Business Case approval by the Board	6 December 2010
Full Business Case submitted to Capital Investment Group	10 December 2010
Full Business Case considered by Capital Investment Group	25 January 2011
Land Purchased	30 March 2011
Capital Investment Group Approval received	6 July 2011
Stage 4 Contract Signed	29 August 2011
Construction commences	3 October 2011
Construction completed	September 2012
Cleaning and Migration	October 2012
Commencement of Services	November 2012
Post Project Evaluation	January 2013
Post Occupancy Evaluation	January 2014

The proposed project management arrangements are outlined below, which shows roles and relationships together with reporting processes. Potential roles and responsibilities within the suggested project management arrangements for this scheme are outlined below.

b. Project Roles

Each of the key project roles is defined below identifying responsibilities, and reporting mechanisms. It is likely that in its role of delivering the development of the Primary Care Centre the present Project Planning Team will retain overall decision-making authority in the

medium term, however, some or all of these activities may be subsumed by the Project Board. Their role will include:

- Appoint Project Advisors as necessary
- Approval of FBC (prior to going to full NHS Board)
- Establishment of arrangements for continuing project management

The **Project Sponsor** will be Jeff Ace Chief Operating Officer. His role will be to:

- Appoint a designated Project Director to manage the project
- Ensure adequate resources are made available to the project
- Facilitate and resolve difficult issues
- Provide overall internal and external leadership for the project

The role of the **Project Board** will be to:

- Take responsibility for decision making, strategic vision and leadership
- Approve the project initiation document and project plans
- Monitor and approve any changes to the programme
- Exercise delegated authority on behalf of the NHS D&G Board to ensure that the scheme delivers:
 - the long term clinical benefits detailed in the FBC
 - a scheme financing which satisfies audit, is robust and offers good public VFM and meets the required risk transfer and accounting criteria
 - a contract agreement which offers the best way for the scheme objectives to proceed to a project conclusion
 - a legal framework, which ensures the protection of the Boards' positions and long term futures
- Take lead responsibility for internal and external communications
- Monitor project costs

The prime responsibility of the **Project Director** will be to oversee the project as a whole and realise the intended benefits. Specific tasks include:

- Manage stakeholders' interests in the project, providing decisions and direction on their behalf, embracing direction from the Project Board
- Chair the Project Steering Group
- Appoint consultants and contractors to undertake the work within the project budget
- Act as point of contact to all external organisations as a direct link to the Board Chief Executive, Project Board and respective organisations
- Appoint a Project Manager to take responsibility for the day to day support and to act as NEC 3 named Project Manager responsible for the delivery of the Project

The role of the **Project Stakeholder Steering Group** will be to:

- Deliver the project to the objectives set by the Project Board
- Undertake a quality assurance role
- Review and approve operational policies, outline requirements, output specifications and outline design
- Agree the detailed design
- Present summary reports to the Project Board at key points during the project and make a recommendation as to the preferred option

The **Project Manager's** role will encompass setting up the project in a controlled environment, implementing a regime of sound project management and advising the Project Director as to progress on time, cost and quality.

Specific tasks include:

- Prepare Project Initiation document (PID)
- Prepare Project Plan
- Report progress to Project Director
- Advise Project Steering Group of progress
- Monitor against project execution plan and ensure corrective action is taken if needed
- Agree project monitoring procedures and documentation
- Named Project Manager under the NEC 3 Contract

6.3 Change Management

In order that patients, staff and other key stakeholders can experience the maximum benefit from the service improvements associated with the Primary Care Centre the process of Change should be managed in a co-ordinated, coherent and transparent manner.

The concept of Change encapsulates a number of different areas.

a. Services

This is a key aspect of the change. The creation of the Primary Care Centre will result in changes to not only the range of services provided but will crucially impact on how some existing services will be provided. New models of care will be required to respond to the needs and expectations of patients and staff.

b. Operational Policies

A full range of new policies and procedures will be required to reflect the new services and physical environment.

c. Staff Development

Staff will be required to obtain new skills and competencies. In order individual and group training and development programmes will be put in place to facilitate this aspect of the change process.

d. Organisational Development

The concept of the Primary Care Centre as an organisation must also be recognised by all key stakeholders. This element of the Change process presents a significant challenge particularly to the staff involved. The aim would be to remove the demarcation lines between services, although this is not without its difficulties and challenges. However if achieved the benefits can be considerable.

The implementation of change is an all inclusive development. However in order to ensure that the processes are co-ordinated it is necessary to identify Change Champions who will embrace the changes and provide a motivational focus for all staff.

6.4 Benefits Realisation

The workshop held by the Board identified a range of benefit criteria. The main features are as follows:

a. Accessibility

- The Primary Care Centre should be accessible geographically for patients and visitors and be DDA compliant

b. Capacity & Flexibility

- Able to meet current and future demands for services
- Provides flexibility for future expansion
- Ability to respond to changes in how services are delivered and potential growth in services
- Offers opportunities to utilise staff resources and skills effectively and productively
- Offers a degree of flexibility, where appropriate in how rooms are used and by whom

c. Operational & Environmental Suitability

- Provides facilities for patients/clients and staff with appropriate functional content, layout and suitability
- Providing a modern, clean safe environment and facilities compliant with statutory requirements(e.g. Health and Safety)
- Complies with all current and foreseeable guidelines and good Practice in terms of layout and room sizes

d. Strategic Fit

- Supports the Board's Clinical Service Strategy and Dumfries Property Strategy e.g. is able to offer integrated service provision for patients and access to a wider range of services from a more convenient local setting

e. Staff Recruitment, Training & Development

- Improves the ability to recruit and retain staff
- Improves communication and co-operation between clinical services
- Provides improved training and development opportunities for staff

If all key stakeholders are to benefit from the investment a Benefits Realisation Plan should be formulated. This plan should be based key milestones and measurable outcomes. A key member of staff will be allocated responsibility for developing and implementing the plan and should provide regular progress reports.

6.5 Risk Management

a. Risk Management Process and Strategy

Having assessed the risk profile of the short listed options it is necessary to develop a risk management plan to mitigate the potential exposure to these risks. This recognises that even the lowest risk option is not a risk-free solution.

A detailed risk action plan will be developed in relation to the preferred option and should detail, as a minimum:

- a description of each key risk
- the timeframe over which the risk is present
- the early warning signs that a problem is occurring
- mechanisms for spotting the early warning signs
- the person responsible for taking corrective action

In summary, whilst there are a number of significant risks involved with each of the options, there are means to mitigate and manage them all. This process needs to be built in to the overall Project Management as the preferred option is taken forward.

6.6 Post Project Evaluation

The purpose of Post-Project Evaluation (PPE) is to improve project briefing, design management and implementation for future projects. An evaluation report will be produced and approved for issue by the Project Director. The Project Board will ensure that appropriate resources are in place to ensure that the Post-Project Evaluation is carried out.

It is envisaged that PPE process will be divided into three stages, summarised below.

Stage 1 - Planning

The initial planning of the PPE process, involving identifying the scope, timing and costing of the exercise, beginning during the full business case stage and finishing following its approval in order that any terms and conditions of the various approvals may be properly addressed.

Stage 2 - Building Completion and Service Outcomes

Towards the end of the construction process an initial evaluation of the building will be undertaken against the design brief and other relevant data. The building will be reviewed, with special reference to project performance of materials, energy usage, space utilisation, design-in-use evaluation, once they have been in use for a period of time. The project will be subject to regular progress reporting.

When the project has been completed, its construction record and functional suitability can be reviewed through an evaluation workshop involving a cross-section of stakeholders. The major areas likely to be addressed at this stage include:

- Project performance in terms of time, cost, planning benefits realisation and quality
- compliance with D&G requirements
- functional suitability
- energy performance
- design-in-use performance

Planning and procurement process

- added value areas, including identification of those not previously anticipated

Evaluation of the service provisions and will concentrate on service delivery patterns and their implications once they have been operational for an appropriate period.

At this stage, a more wide-ranging evaluation of the costs and benefits of the project, in service delivery terms, can be undertaken. It will involve reviewing the performance of the project in terms of the project objectives and monitoring actual operating costs against projected costs to assess revenue performance.

Stage 3 - Overall Conclusion

This will bring together and update the evaluations undertaken at stages 2 and 3 and include a review of the project with reference to the likely outcomes had the Project not been undertaken. Details of the lessons to be learnt from the experience will be included in both full and summary form.