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House of Commons  
Westminster  
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*Simon Baldry*

02 AUG 2010

Thank you for your letter of 12 July about the building of a new community hospital in Bicester.

South Central Strategic Health Authority (SHA) has been assured by Oxfordshire Primary Care Trust (PCT) that the PCT remains committed to the Bicester Community Hospital procurement.

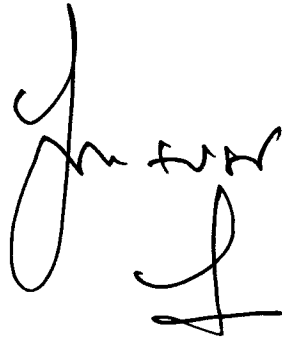
The SHA has further advised that the plans to abolish PCTs should not affect the plans to build Bicester Community Hospital. Oxfordshire PCT wants to see the project succeed and it will continue to lead this project. The project timetable indicates that work should start on the new facility in late 2011, subject to approval of the business case. Local GPs are also supportive of the plans and the PCT will be working even more closely with GP colleagues over the coming months. The PCT is working hard to ensure that a business case will be delivered on 23 September.

Our understanding is that the proposals are for a straightforward third party development, with the PCT taking out a lease on the property, which is different from a full Private Finance Initiative (PFI) project with the transfer of services to the counterparty consortium.

We will continue to consider PFI proposals and indeed have already approved some much needed NHS schemes to continue to proceed and develop traditional PFI solutions, although this is an area that the Government may look at again in due course.

However, in the NHS, PFI schemes are no longer implemented with a capital value below £20 million, a threshold which, for example, far exceeds that for the proposals for Bicester.

I hope this reply is helpful.

A handwritten signature in black ink, appearing to read 'Simon Burns', written in a cursive style.

**SIMON BURNS**