



DEPARTMENT OF HEALTH

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EL(89)MB/199

Regional General Managers) For
 Regional Directors of Finance) action
 District General Managers)
 FPC General Managers) For information
 Medical Schools)
 Medical Research Council)

Warrington Health Authority	
29 NOV 1989	
D. G. M.	16 November 1989
D. P. H.	
C. N. O.	
D. P. A.	
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D. F.	
W.E.M.	

*Copy
 Chairman
 + WMB*

(Handwritten initials)

SERVICE INCREMENT FOR TEACHING*-SIFT

I am writing to inform you of an increase in SIFT money for 1990-91 and to give further advice on principles which should guide RHAs when allocating it.

Increase

SIFT will be increased to meet 100% (previously 75%) of the median excess service costs per student in hospitals supporting undergraduate medical education, in line with the recommendation of the NHSMBs review of RAWP in 1988. Thus, in addition to the previous provision made towards the excess service costs of undergraduate medical and dental education, the excess service costs of research will now be explicitly provided for. In the absence of any currently available and reliable indicator of research, the distribution to Regions will continue, now and in the short-term future, to be proportional to undergraduate student numbers.

The Review of RAWP also recalculated the median additional cost of teaching hospitals per student (which had until then merely been updated annually since SIFT was established). The combined effect of accepting both these recommendations is that the amount per medical student will rise from £29,903 to £30,492 (at 1989-90 prices). The Steering Group on Undergraduate Medical and Dental Education agreed that the existing basis of SIFT should be reviewed in 1992.

* also covering research in undergraduate teaching hospitals.

Dental SIFT will also be increased, at 1989-90 prices, from £9,572 per student to £12,156.

Distribution

I wrote to you on 6 June - EL(89)MB/109 - informing you of the progress made by the Steering Group on Undergraduate Medical and Dental Education and its initial recommendations on the distribution of SIFT. I said that the Steering Group had also recognised that factors other than simple student numbers should affect the distribution of SIFT sub-regionally. It has now made further recommendations to guide RHAs when distributing SIFT within their Regions.

The fundamental principle to be observed is that SIFT is intended to meet the additional service costs of undergraduate medical and dental education and research in hospitals which support teaching, and should be clearly directed to that end.

In distributing SIFT sub-regionally, Regions should, in consultation with medical and dental schools, and other research interests as appropriate, take account of the impact of teaching and research on service costs, having regard to the following factors;

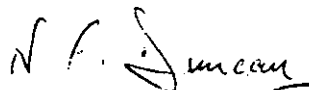
- the quantity and intensity of teaching activity
- the extent of non-commercially funded research activity
- the higher infrastructural costs of hospitals where a concentration of specialised expertise and facilities are needed to support, and have developed in response to, teaching and research
- the extent to which teaching and research requires higher numbers of complex cases, and more complex treatment of straightforward cases.

Insofar as these principles result in changes to the current distribution of SIFT - and in some Regions the parties involved may consider that distribution already meets the above criteria - these changes must be made carefully to avoid disruption to services. Potential NHS Trusts (self-governing hospitals) will require an early indication of the sum they will receive through SIFT, to enable them to produce their business plans.

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These principles, and those in my earlier letter, stress the need for effective consultation between Regions and medical schools, and others as appropriate, when deciding on SIFT allocations. This emphasis is likely to draw current consultation mechanisms into sharper focus. Managers will therefore need to examine their current - or in the case of NHS Trusts, proposed - organisational arrangements to ensure that they allow the degree of consultation necessary.

Any enquiry about SIFT should be addressed to: Mr P Atkinson, Room 605, Richmond House, Whitehall, London SW1 0AA. Telephone 01-210 5503.



N F DUNCAN
Assistant Secretary
Medical Manpower and Education
Division

This letter will be cancelled and deleted from the current communications index on 1 November 1992.

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