



Llywodraeth Cymru
Welsh Government

Health and Social Care Integration and Rebalancing Capital Fund

GUIDANCE 2022–25

Health and Social Care Integration and Rebalancing Capital Fund Guidance 2022-25

Introduction and background

The Health and Social Care Integration and Rebalancing Capital Fund (IRCF) is a new programme set up to directly support the Programme for Government (PfG) commitments of developing 50 integrated health and social care hubs and to support rebalancing the residential care market.

It has been established to

a) support a coherent approach to planning the co-location and integration of health and social care services within the community across Wales

It is also recognised that there are further opportunities to actively support individual wellbeing through the co-location and integration of wider services such as early years, housing, childcare, education and community support services. Joint planning arrangements will need to be established both within Welsh Government and externally with delivery partners, including health boards, local authorities, the third sector and service providers, including Registered Social Landlords in order to achieve a coherent response that maximises opportunities offering a more joined up holistic service experience for people.

b) support the rebalancing of adult residential care provision by increasing delivery from within the not-for-profit sector.

This guidance outlines how the investment will be targeted towards the public and not for profit sectors to enable them to grow. However, in relation to adult care, small independent providers may also be able to benefit from investment if the Regional Partnership Board determines that growing or enhancing their service offer is of strategic importance for the region and that sufficient capacity cannot be achieved through the public sector.”

c) support the elimination of profit from the provision of children’s residential care.

In line with the Programme for Government commitment to eliminate profit from the care of children looked after the fund could be used to support the growth of not-for-profit children’s residential care provision.

Further detail on the types of projects that can apply for funding can be found further on in this guidance document.

The Role of the Regional Partnership Board (RPB)

Regional Partnership Boards (RPBs) have been identified as critical vehicles to lead the development of a joined-up approach to planning health, social care and housing capital investment that can enable seamless service delivery closer to home.

Specifically, they will have a key role in taking forward the development of integrated health and social care hubs as well as rebalancing the market.

RPBs were established under the Social Services and Wellbeing (Wales) Act 2014 (SSWBA) to facilitate the strategic partnership arrangements between a local health board and one or more local authorities. A Healthier Wales, the Welsh Government's Long-term Plan for Health and Social Care, positions RPBs in a key leadership role to drive forward health and social care integration.

In addition to health and social care partners, RPB membership includes representatives from housing, education, the third sector, independent providers, citizens and carer representatives to take forward the effective delivery of seamless services in Wales. Their purpose is to improve the outcomes and well-being of adults and children with care and support needs, and carers who need support. RPBs work as a partnership to strategically plan, manage, and develop effective care and support services required to best meet the needs of their respective populations.

It is the distinct functions and makeup of the RPBs which ideally places them to oversee the strategic investment of the IRCF.

As part of this new programme, RPBs will have developed and submitted to the Welsh Government for agreement a regional planning and governance architecture which will further enable better alignment between various revenue and capital programmes and ensure engagement of wider partners and stakeholders with the necessary expertise to support the development of integrated hubs and accommodation-based solutions.

This architecture will ensure a joined-up approach across key partners in health, social care, early years, housing and education creating capacity to maximise resources, skills and opportunities.

Capital Budget

The three-year IRCF programme budget is as follows:

£50m – 2022/23

£60m – 2023/24

£70m – 2024/25

The fund will focus on delivering three priorities:

1. The delivery of Integrated Health and Social Care Hubs
2. Rebalancing the adult residential social care market
3. Eliminating profit from the provision of children's residential care.

This guidance provides additional information around the expectations of delivering against these priorities and further detail on the funding process.

Revenue Budget

Alongside this Capital funding, Welsh Government is also making specific revenue funds available for RPBs to aid programme delivery. Those funds must be used to: -

- Resource RPBs to develop and implement a 10-year Strategic capital plan (£200,000 per RPB per annum for 3 years).
- Co-ordinate and facilitate the development of seamless, integrated delivery of services through health and social care hubs, including feasibility studies (£500,000 per RPB per annum for 3 years).

In addition to the revenue funding being directly provided to RPBs, funding has also been agreed to facilitate the development of a national 'blueprint' for integrated health and social care hubs. This will provide additional capability at a national level to undertake the mapping of existing hubs across Wales to determine our current baseline, to support the development of an Integrated Health and Social Care Hub definition / blueprint and work with the Community Based Care Community of Practice to achieve a consistent approach to integrating services and provide seamless care and support services via Hubs. RPBs will be expected to connect with and support this national work to develop a 'blueprint' and engage with the associated communities of practice.

Wider Strategic context

This capital fund must not be viewed in isolation of wider policy or resources available to support the integration and co-location of services. Aligned with other key programmes of work and resources it will support the delivery of several policy agendas and commitments, some of which are listed below.

The Programme for Government

This fund will support delivery of a wide range of PfG commitments including: -

- Reform primary care, bringing together GP services with pharmacy, therapy, housing, social care, mental health, community and third sector.
- Prioritise service redesign to improve prevention, tackle stigma and promote a 'no wrong door' approach to mental health support.
- Introduce an all-Wales framework to roll out social prescribing to tackle isolation
- Support innovative housing development to meet care needs.
- Eliminate private profit from the care of looked after children during the next Senedd term.
- Fund regional residential services to ensure children with complex needs have their needs met as close to home as possible and in Wales wherever practicable.
- Invest in the learning environment of community schools, co-locating key services, and securing stronger engagement with parents and carers outside traditional hours.

- Explore where services and contracts can sustainably and affordably be brought back into a strengthened public sector.
- Invest in a new generation of integrated health and social care centres across Wales
- Legislate to deliver better integrated care and health, paying attention to the responses to our white paper on Rebalancing Care and Support
- Develop more than 50 local community hubs to co-locate front-line health and social care and other services

Primary Care Model for Wales

Projects under priority 1 must be fully aligned to the principles of the Primary Care Model for Wales and A Healthier Wales: Long Term Plan for Health and Social Care (2019), in providing a whole system approach that demonstrates integration of health, social care, local authority and voluntary sector services, and has facilitated collaboration and consultation to reach a consensus on the type of primary care provision that patients and staff would like to see that gives the best support to people, gives easy access to local services for care when needed and technological solutions to improve access to support self-care.

The principles seek to explain how the direction of travel for primary and community care services in Wales should be provided at a range of primary care facilities. The outputs have been designed following feedback from multiple clinical, professional and public services stakeholders in order to understand and review the actual need in the context of best practice design principles. The principles are not intended to be prescriptive, but rather they should be interpreted in a local context.

The vision is focused on flexible functions and adaptable design that supports changing service provision. Feedback from engagement activities has highlighted the following key principles that are important elements of the future development of the primary care estate in Wales:

- The importance of establishing new facilities as a focus for the wider community.
- The need to move away from single partner pure General Medical Services models, in favour of more sustainable, collaborative, co-located multi-disciplinary services
- The need to optimise the use of the wider public estate (e.g., libraries and community halls).
- Recognition that separation of unscheduled / urgent primary and community care pathways may require different facilities.
- No one size fits all design approach, must be flexible and able to respond to local needs.
- The importance of equity for all patients in terms of access, service offer, and environment is of critical importance.

Further detail on the principles and the types and scale of Integrated Health and Social Care Centres are included below at Annex 1.

The Strategic Programme for Primary care has introduced an Accelerated Cluster Development (ACD) Programme to ensure more rapid implementation of the Primary Care Model for Wales and to address system barriers.

The Programme includes the introduction of Professional Collaboratives and Pan Cluster Planning Groups to broaden and strengthen clinical engagement and to increase the influence from the community to RPB decisions.

ACD is about reinforcing and improving a suite of mechanisms and infrastructure that are already, in most cases, in place. It is about a clear line of sight from the local front-line health and care services through to the RPB in terms of understanding the needs of the local population and being able to translate such knowledge into meaningful strategic priorities at an RPB / cluster level.

Regional Integration Fund

The Regional Integration Fund (RIF)¹ is a revenue fund which will be delivered over 5 years (2022-27). It builds on key successes and learning from the Integrated Care Fund and the Transformation Fund and aligns several funding streams into a streamlined, focused investment programme. All activity funded by the RIF must directly support the development and delivery of the six national models of integrated care, and it is expected that any investment issued through the IRCF will consider the wider regional strategic vision around these models of care.

- Community based care – prevention and community coordination
- Community based care – complex care closer to home
- Promoting good emotional health and well-being
- Supporting families to stay together safely, and therapeutic support for care experienced children
- Home from hospital services
- Accommodation based solutions

Some aspects of these integrated models of care can or should be co-located and/or delivered through health and social care hubs/centres or through integrated accommodation and residential based solutions. Regional Partnership Boards will be required to ensure that both capital and revenue investment plans are aligned to provide an optimal opportunity to strategically target investment in creating genuine system change to deliver seamless services.

The Housing with Care Fund

The Housing with Care Fund² (HCF) is a housing capital fund whose objectives are to increase the stock of housing to meet the needs of people with care and support needs and provide temporary accommodation with care and intermediate care

¹ <https://gov.wales/health-and-social-care-regional-integration-fund>

² https://gov.wales/sites/default/files/publications/2022-05/housing-with-care-fund-hcf-guidance-2022-2023_0.pdf

settings in the community. This complements the investment delivered through the RIF and the IRCF.

It is important that investment plans for IRCF and the HCF fund are considered alongside each other to ensure strategic alignment and to maximise benefits to Wales.

Sustainable Communities for Learning

The Sustainable Communities for Learning Programme³ is delivered by the Welsh Government in partnership with local authorities, further education institutions and dioceses.

This Programme will see a further £2.3 billion investment in school and college infrastructure utilising both public capital and revenue. In order to support the deliverability and affordability of delivery partners' individual programmes, the Welsh Government grant intervention rate for capital schemes is now 65% of their cost. The revenue funded arm of the programme is funded 81% by Welsh Government with associated capital costs of revenue funded schemes funded at 65%.

Flying Start

Flying Start⁴ is the Welsh Government's targeted Early Years programme for families with children under 4 years of age who live in some of the most disadvantaged areas of Wales. Flying Start aims to make a decisive difference to the life chances of children by mitigating the impact of poverty, which is linked to poor life outcomes in early childhood, including health outcomes. It currently serves 36,000 children under four and their families. The Programme comprises of four entitlements which provide:

- funded, quality, part-time childcare for 2-3 year olds;
- an enhanced health visiting service;
- access to parenting support; and
- support for speech, language and communication development.

The programme is expanding from September 2022⁵ to reach a further 2,500 children under four as the first part of a phased expansion. Co-located services and multi-agency working are at the core of the programme. Strategic join-up is essential and should be factored into the planning for and delivery of Integrated Health and Social Care Hubs. Where possible learning should be drawn from the Early Years Transformation Programme on multi-agency approaches and ways of working across the Health Board footprint.

³ [sustainable-communities-for-learning-business-case-guidance-2022.pdf \(gov. wales\)](#)

⁴ [Flying Start: guidance | GOV.WALES](#)

⁵ [Flying Start expanded in Wales | GOV.WALES](#)

Capital funding for Flying Start and childcare sits within the wider Sustainable Communities for Learning programme. A budget of £70m is available for investment in these services over this budget period, with a desire to see greater co-location of services including with wider early years and family services such as Families First.

Early Years Transformation Programme

The Early Years Transformation Programme is delivered by Public Service Boards (PSBs) working on a Health Board footprint. It is funded by Welsh Government (£6m in 2022/23 and 23/24). The programme is enabling PSBs to take a strategic approach to planning and delivering Early Years services, working in partnership with multiple agencies. Each PSB is testing approaches to meet the needs of children in the early years (0-7) and their families drawing on 'what works' in programmes like Flying Start, Families First and the Healthy Child Wales Programme. They are also testing the core components of an early years system as a means of delivering services in a more co-ordinated and joined up way. The learning from the work being undertaken by the PSBs will help inform the development of a national framework to support the transformation of early years services in Wales. RPBs should draw on learning at a local / regional level to support an integrated approach to service provision

Regeneration and Town Centre first

Future Wales (the National Development Framework) requires that significant new commercial, retail, education, health, leisure, and public service facilities must be located within town and city centres. They should have good access by active and public transport to and from the whole town or city and, where appropriate, the wider region. A sequential approach must be used to inform the identification of the best location for these developments, and they should be identified in strategic plans. Town centres first principles should be considered as a priority by RPBs and if the preferred solution is not aligned then Welsh Government will require clear rationale as part of any business case.

Strategic Capital Plan (SCP)

Each RPB is required to develop a 10-year Strategic Capital Plan (SCP) that brings together health, social care, housing, third sector, education and regeneration partners to develop integrated service delivery facilities and integrated accommodation-based solutions.

The plans will take the form of a Programme Business Case as set out in [Guide to developing the Programme Business Case \(gov.wales\)](#)

RPBs will be required to develop their SCP and submit a first draft to Welsh Government by 30th April 2023 alongside their 5-year strategic Area Plan. The final document will be submitted to the Welsh Government by 31st July 2023. This is a new expectation on RPBs and so revenue funding has been made available from 2022-23 for three years to support RPBs to build staff capacity and expertise to develop these plans. We are, however, cognisant that this is a significant new area

of expertise and so would expect plans submitted by April 2023 to be as a minimum, outline plans for the short and medium term, to align with the 5-year Area plans, on the understanding that longer term planning and priorities will follow.

To further support RPBs, Welsh Government have commissioned Local Partnerships to develop more detailed guidance and advice on the Strategic Capital Planning process with the aim of issuing the final guidance by the end of September 2022 followed by workshops to be held during the autumn.

However, in order to support early planning and action, it is expected that as a minimum, strategic capital plans will include the following: -

1 – Description of your regional strategic context in relation to your area plan priorities (supported by your PNA and MSR) and your approach to establishing the six national models of care:-

- Community based care – prevention and community coordination
- Community based care – complex care closer to home
- Promoting good emotional health and well-being
- Supporting families to stay together safely, and therapeutic support for care experienced children
- Home from hospital services
- Accommodation based solutions

2 –An overview of strengths and weaknesses of current capital infrastructure in the region for delivering integrated health and care services in the community including: -

- Frontline service delivery for health and social care services
- Integrated Hubs and centres
- Accommodation based solutions

3 –Your strategic Priorities for investment (as supported by PNA, MSR and Area Plan) over

- Short term – 1-3 years
- Medium term 3 – 5 years
- Longer term 5 – 10 years

4 – An outline of your shared governance arrangements to support effective planning and delivery

5 – An overview of your service user, carer and stakeholder engagement in planning, design and delivery processes

6 – Your approach to building skills and capacity to assure delivery

7 – Your commitment and approach to decarbonisation

8 – Appendix 1 – your capital project portfolio – this will be a live document for ongoing project tracking

Types of projects which can be funded under IRCF

The IRCF has three distinct priority areas of investment to support implementation of A Healthier Wales and Programme for Government commitments. The three-year budget profile set out earlier in this document does not indicate the split between the priorities of the fund. Instead, decisions will be based on a robust and rigorous assessment process, described later in this guidance. A description of each priority is outlined below:

- **Priority 1 – Development of integrated health and social care hubs and centres**

The PfG commitment to develop integrated health and social care community hubs and centres provides an opportunity to support the delivery of seamless services through creating local single points of access and co-location of staff and services delivering integrated care pathways. These hubs could also provide the opportunity to combine residential care facilities or housing developments such as extra care with open community spaces to provide outreach into communities or assist people with living independently in their own homes longer.

All proposals for funding under this priority must adhere to the following key principles that will underpin the investment:

- **Co-location of services to enable seamless delivery.** RPBs should look across the range of community facilities and assets available to them (including those beyond the health and social care estate, for example early years facilities, schools, leisure centres, shop fronts) to seek opportunities to co-locate services that could realise greater benefits for service users by being physically located in the same space. However, it is vital to recognise that co-location alone will not secure seamless service delivery and plans will need to be established to support governance, cultural and practice change (including data and information sharing) to facilitate seamless service delivery from co-location sites. As far as is reasonably practicable, these plans should seek to eliminate charging different parts of the system for use of community facilities, to encourage co-location and seamless working.
- **A ‘Hub and Spoke’ network of integrated facilities.** This principle is built on the recognition that not every hub will have every service in it but that facilities should be clearly networked to ensure they make a coherent integrated health and social care service offer across a locality.
- **A ‘no wrong door’ principle.** The networking of hubs and spokes should be underpinned by a no wrong door principle meaning that no one is ever turned away because a service or the support they need is not available on that site. Individuals should be actively supported to access the services they need

wherever they first enter the door. Increasing the number of direct access services, that do not require 'referral through different points of the system will add value and reduce unnecessary use of appointments or contacts.

- **A graduated response.** This principle recognises that support delivered through hubs can range from information, advice and assistance (IAA) on key important life matters (such as parenting, housing, managing debt, employment, activities to prevent loneliness and isolation, foodbanks) through to more complex health and social care services (such as GP services, social work teams, occupational therapy, podiatry, physiotherapy, mental health practitioners, substance misuse, district nursing, domiciliary care, homeless health services, speech, language and communication. It is important that the hub and spoke network developed is able to cover a wide range of integrated services covering this spectrum.
- **Town Centre first.** In line with the Welsh Government regeneration policy on developing town centres, hub and spoke developments should strongly consider whether town centre sites could provide suitable locations for the delivery of integrated services and as detailed above, if the preferred solution is not aligned then Welsh Government will require a clear rationale as part of any business case.
- **Proportionate and planned investment.** It is anticipated that some activity under this priority will require significant investment for redevelopment and some new build while other activity will require smaller investment to refurbish and repurpose existing community-based settings, including premises in town centres. It is important that RPBs carefully plan their investment priorities to secure and demonstrate best value and impact.
- **Decarbonisation.** RPB's Strategic Capital Plans and project business cases must evidence how the investment will support a Net Zero Wales, by demonstrating areas such as low carbon energy use and energy efficiency measures, in both the built environment and service delivery.

RPBs have already been guided to align their revenue and capital investment plans and revenue resources to support the development and operation of co-located services through these integrated hubs which should come from core statutory partners' resources and discretionary funds through the RPBs such as the RIF⁶.

- **Priority 2 - Rebalancing the adult residential care market**

The White Paper 'Rebalancing Care and Support' sets out Ministerial ambitions to rebalance the social care sector away from cost to quality, from outputs to outcomes and from profit towards social value. Capital investment is available to support local

⁶ Page 12 of RIF guidance <https://gov.wales/sites/default/files/publications/2022-02/health-and-social-care-regional-integration-fund-revenue-guidance-2022-2027.pdf>

authorities and not for profit organisations, including housing associations to make this shift in the following ways: -

- Investing in community settings/residential/nursing care premises to ensure they can meet individuals more complex needs closer to home i.e., nursing, allied health professional and intermediate care capacity. This could include increasing access to NHS services, (such as community therapy, rehabilitation/ reablement and podiatry) for residents, recognising they remain members of the health board population
- Supporting and incentivising local authorities and not for profit providers to grow in house provision - which could include expansion of in-house care homes (additional beds), upgrades to facilities to bring them in line with regulation to enable them to be re-registered as a not-for-profit provision.
- Support for local authorities to bring failing provision back under local government management.
- Increasing residential and nursing care capacity where there are identified gaps/shortages of provision.
- Support for smaller independent care homes to access resources for investment (on a case-by-case basis - further advice to follow).
- **Priority 3 – Eliminating profit from the provision of children’s residential care.**

Our Programme for Government contains a number of commitments that set out our vision for children’s services in Wales. Our ambition is for whole system change and, at its heart, we want to see more children and young people being enabled to live with their families and in their home neighbourhoods with many fewer needing to enter care. We also want to ensure the period that young people are in care is as short as possible.

We are committed to keeping families together. Our vision is to redesign how we look after children and young people so we can do the best for our young people, their families and communities by providing services that are locally based, locally designed and locally accountable.

As part of the Co-operation Agreement between the Welsh Government and Plaid Cymru, there is a clear commitment to ‘eliminate private profit from the care of children looked after’ as a key component of this radical agenda, including children’s residential care.

Feedback from children and young people suggests they have strong feelings about being cared for by privately owned organisations that make a profit from their experience of being in care. The Welsh Government does not believe there should be a market for care for children, or that profits should be made from caring for children facing particular challenges in their lives and intends to bring forward legislation to end this. This means the future care of children that are looked after in Wales will be provided by public sector, charitable or not-for-profit organisations.

Our aim is to ensure that public money invested in the care of children looked after does not profit individuals or corporate entities, but instead is spent on children's services to deliver better experiences and outcomes for children and young people, addressing service development and improvement and further professional development for staff.

Alongside the IRCF, the Housing with Care Fund is also available to support investment in developing and/or growing not for profit residential care provision for children and young people.

RPBs should consider how both of these funds can work to support and develop capacity in not for profit residential care services for children and young people, including provision run by local authorities. To assist with decision making in relation to which fund to signpost applications to the following guide has been developed;

- For **both the IRCF and HCF** any applications for funding for children's residential care must come via the Regional Partnership Board.
- Applications for children's residential care funding **can only be** for a not for profit provider or for a provider with a clear commitment to changing to a not for profit delivery model (would become a condition of funding)
- **The Housing with Care fund** will focus on increasing, expanding and/or enhancing not for profit children's residential care provision. This could include;
 - the development of new not for profit residential care provision in line with local and regional needs assessments and market stability reports.
 - the expansion of existing not-for-profit provision (additional beds),
 - upgrades to facilities to bring them in line with regulation to enable them to be registered as a not-for-profit provision.
- The Integration and Rebalancing Capital Fund can provide incentives to support a change of business model in children's residential care towards a not for profit model. This could include;
 - support for local authorities to bring existing for profit provision of children's residential care under local government management,
 - supporting and incentivising the not-for-profit sector to grow provision of children's residential care

Pathfinder Phase – April 2022

Work started in April 2022 with the commencement of the IRCF pathfinder phase of the fund to ensure that RPBs can submit expressions of interest for projects that meet the priorities and principles of the IRCF fund to ensure timely grant allocation.

RPBs were invited to complete a checklist for projects they deemed suitable for a cross-Governmental panel to assess the suitability at 3 stages in April, May and June 2022.

The pathfinder phase will have no effect on further funding through the IRCF in subsequent years as money is issued on a bidding basis rather than by set allocations.

Through the pathfinder phase, proposals were submitted under both priority 1 and 2 and included proposals for Community Wellbeing Hubs, integrated care hubs and bed based intermediate care. By committing to projects within the pathfinder phase, the Welsh Government are not committing to further funding projects over subsequent years, this would be subject to further business cases or additional required paperwork which will be discussed on a case-by-case basis with RPBs.

The pathfinder phase has allowed the Welsh Government to undertake a lesson learned exercise to develop this guidance for the formal introduction of the IRCF to ensure necessary improvements are made to the process going forward.

Financial Management

Funding will not be allocated upfront on a regional basis nor against any of the three priorities. Instead, investment will be based on submission of RPB approved proposals that will be considered by a cross government group of Welsh Government officials who will in turn make recommendations to Ministers for their approval.

All schemes in receipt of IRCF funding with a contract value in excess of £2 million will be required to open a Project Bank Account (PBA). This is a key policy objective of Welsh Government to ensure prompt payment through the construction supply chain. Evidence that a PBA has been opened will be a requirement of the construction grant payment stage.

Further information on PBA policy can be found [here](#) and guidance on the deployment of PBAs can be found [here](#).

Queries in relation to Welsh Government's PBA policy can be directed to Welsh Government's Procurement Policy team on the following email address:

CommercialPolicy@gov.wales

Application and Approval Process

Regional Partnership Boards have been identified as the lead bodies to co-ordinate and manage this capital programme given their unique positioning as a multi-agency partnership forum. Partners (including health, housing, social care, education,

housing, regeneration and the third sector) should work through the RPB to feed in their own service specific information, resources and opportunities to support the development of the strategic capital plan that will identify capital investment priorities to support integrated service delivery. The guidance and advice highlighted above on the Strategic Capital Planning process due to be issued to RPBs by the end of September 2022 will help RPBs recognise the different processes between lead organisations in developing integrated plans.

The Strategic capital plan and project applications will be submitted to Welsh Government for approval.

The IRCF and the HCF will each have their own assessment panels made up of cross government officials including representatives from health, social care, education, housing and regeneration. Programme Directors for both the IRCF and the HCF will sit on both assessment panels and will work closely together to ensure applications are allocated to the most appropriate fund and that opportunities for wider alignment are recognised and developed.

Assessment panels may come back to RPBs for further information to support applications if necessary.

Once approved by the assessment panel applications will be submitted to Ministers for final approval.

Figure 2 below shows the planning and assessment process for the HCF and the IRCF.

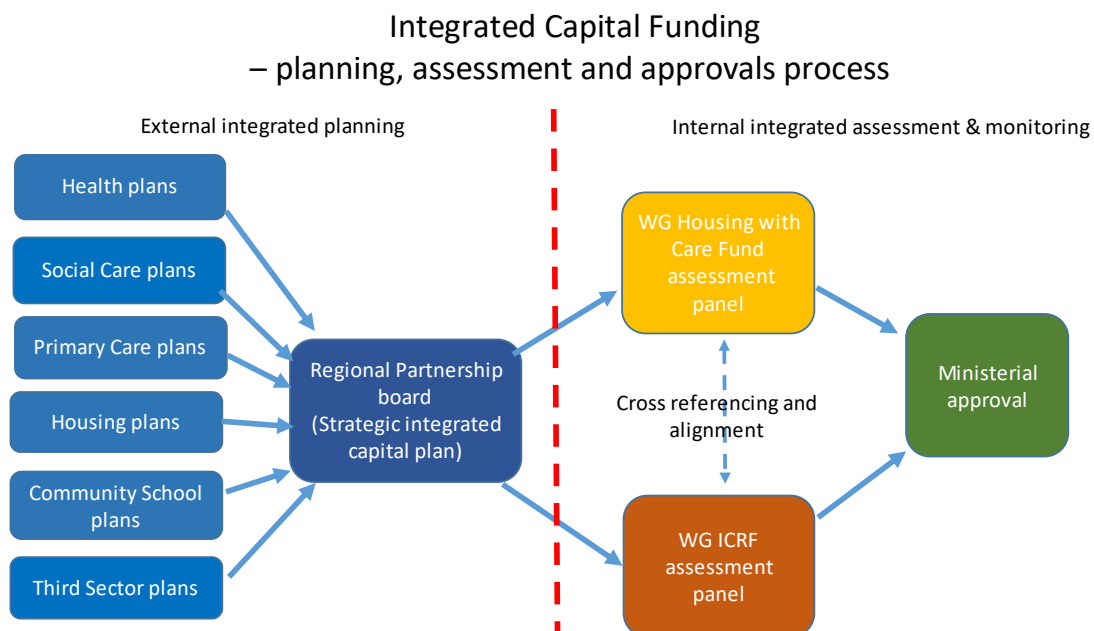


Fig 2

As highlighted above, RPBs will need to develop and maintain a Strategic Capital Plan and a supporting project portfolio which will clearly identify the strategic need for any project submitted under the IRCF. Only applications included within the SCP will be accepted through IRCF. However, noting the longer-term nature of the strategic plan it is expected that this be managed as a live document so that it can be updated to meet changing needs or new opportunities that may arise over time. Similarly, the project portfolio should be regularly updated and used to track progress of delivery.

Projects submitted under IRCF will be subject to a multi staged application and approval process; the number of stages is determined by the scale and risks of the project, for example larger, more complex investments, outline and full business cases (OBC/FBC) would be required.

RPBs should put in place their own internal processes to appraise and approve projects before these are submitted to the Welsh Government. RPB approval should be recorded on the application form.

The cross-government panel will meet bi-monthly to appraise the applications that have been received.

Applications received within 10 working days of the panel date will be appraised at the next panel to allow sufficient time for paperwork to be assessed and distributed ahead of the panel.

Step 1 – Initial application

The first stage application sets out the principles, description, and estimated costs of the project, as set out in the application form. If agreed, the Welsh Government will issue an ‘in principle’ endorsement for the scheme at this stage, and, where appropriate, funding of fees to achieve the next stage of the process.

Step 2 – Business Case Development

Optimising public value is the primary aim of public sector spending. The Better Business Case approach, using the Five Case Model, is the Welsh Government’s best practice for planning and cost justifying infrastructure investment proposals and enabling effective funding allocation decisions.

The Better Business Case approach is a requirement for all schemes seeking investment from the IRCF programme and based on best practice set out in the HMT Green Book⁷.

All submitted Business Cases are underpinned by a Programme Business Case (PBC (formerly known as Strategic Outline Programme (SOP)), which provides an overarching view of the project/programme. Your Strategic Capital Plan will serve as the Programme Business Case.

7

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1063330/Green_Book_2022.pdf

Individual projects can then be approved subject to receipt of a satisfactory Business Case.

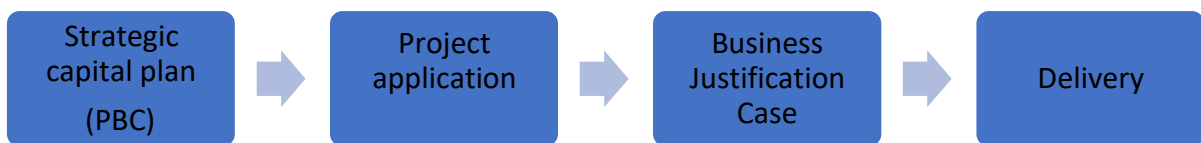
For projects over £5 million, Business Cases are to be submitted in two stages:

- Strategic Outline Case (SOC) and Outline Business Case (OBC) – following approval of the PBC the SOC and OBC can be submitted at the same time
- Full Business Case (FBC)

For smaller projects less than £5 million in value the SOC, OBC and FBC are replaced by a single document, the Business Justification Case (BJC).

This process is highlighted in the diagram below in fig 1:

For projects less than £5m:



For projects £5m and over:

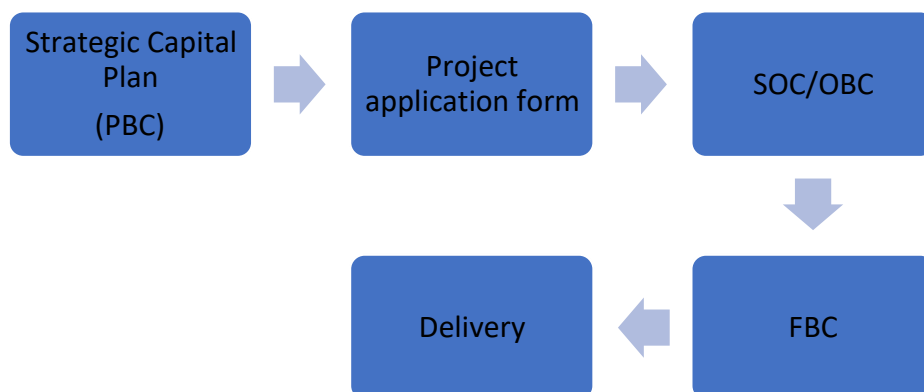


Fig 1

An independent land or property valuation is required **before approval** for any acquisition is granted. Evidence of title is required before any funding is paid. We do not require original signed documents to be submitted but these should be retained for future reference.

Evidence of detailed planning permission and a signed construction contract is required before FBC (or BJC) approval will be granted.

When a project application is approved, the Welsh Government will issue a grant award letter in favour of the RPB's nominated lead organisation. An RPB is not a body corporate so cannot hold funds or employ people. The lead organisation is the recipient of the grant award letter and is subject to the legal responsibilities and obligations conferred by the letter.

Claims

When Welsh Government funding is awarded to an external body it is important that public funding is protected and used for the purposes for which it was allocated.

Where health boards are the lead organisation, the funding will be through the Capital Resource Limit Schedule as is the case for all funding allocations for health boards, this will be detailed within the grant award letter issued.

Where the lead organisation is not health board led, the lead organisation may claim quarterly in arrears based on costs incurred for the delivery of the project. A claim proforma will be made available to use and an example is at Annex [TBC].

Claims may be submitted quarterly except in the final quarter, when claims must be received by 28/29 February or the last working day of the month if the 28 or 29 falls on a weekend.

All claims will require confirmation based around the following requirements: -

- Details are correct and no other Welsh Government grant or external contributions have been or will be made towards the expenditure detailed in the claim unless agreed.
- the funding claimed is for agreed purposes, for eligible expenditure and is within expenditure limits approved.
- The organisation is operating in all respects in accordance with its constitution; and
- The organisation declares that if any part of the funding is used to provide a grant or to procure any goods or services from third parties, then the appropriate financial and control systems are in place.

The grant award letter issued will provide further detail on the claims process for IRCF.

Legal Charges and Restrictions

Schemes in receipt of more than £100,000 of IRCF funding are subject to legal charges and/or restrictions. The form of legal charge and restriction will be appended to Grant Award Letters.

If IRCF funding is paid to the Local Health Board, and kept by the Local Health Board, there are no legal charge and/or restriction requirements. Please note that Local Health Boards require Ministerial approval to acquire or dispose of land or property.

If IRCF funding is paid to the Local Health Board who pay it onwards to a delivery organisation, such as an RSL or a local authority, a legal charge and/or restriction in favour of the Local Health Board must be placed on the property.

If IRCF funding is paid directly to a local authority, a restriction must be registered against the land or property in favour of the Welsh Ministers. If funding is between £50,000 and £250,000 this will remain in place for 5 years, if over £250,000 then the restriction remains in place for 10 years.

If IRCF funding is paid directly to an RSL or any other third sector or independent provider, a legal charge and restriction must be placed on the land or property purchased at acquisition stage in favour of the Welsh Ministers. If the property is already owned by the applicant, the legal charge and restriction must be placed on the property at construction stage.

Programme Delivery

The programme delivery process may include some or all the following stages depending on the size and scope of the project:

- Technical scrutiny at concept stage and pre-planning stage
- Project approval and award
- Grant payment
- Technical scrutiny post completion review

Roles and Responsibilities

Welsh Government

The IRCF team will administer funding for Priority 1,2 and 3 projects, with appraisal and panel support from key policy leads within Welsh Government. The Welsh Government's role includes:

- Reviewing applications and liaising/ working with RPBs.

- Liaising with the key policy areas required such as Housing, Education, Regeneration, Early Years and poverty as well as Health & Social Services teams and other policy areas within Welsh Government.
- Checking and processing scheme approval applications and grant claims.
- Liaising with applicants where applications are incomplete or appear incorrect.
- Determining the proportions of IRCF and RIF funding for each scheme.
- Issuing scheme approvals by grant award letter and paying grant.
- Where applicable, putting in place any legal charges or restrictions
- Undertaking spot checks of documentation held on the review files.
- Monitoring SCPs and applications to ensure all grant is paid when due.
- Monitoring scheme completions to ensure outputs and benefits are recorded and post completion review reports are received.

All project approval applications and grant claims relating to IRCF funded schemes should be sent electronically to the Partnership and Integration mailbox: partnershipandintegration@gov.wales.

RPBs, local health boards, local authorities RSLs and other third sector or independent providers are asked to clearly state the name of the scheme in the title of the e-mail and the type of correspondence.

Regional Partnership Boards

RPBs are responsible for:

- Managing and maintaining the regional Strategic Capital Plan, and wider strategic regional capital planning to maximise the synergies between HCF and RIF.
- Approving schemes prior to applications being submitted to Welsh Government.
- Maintaining a Decisions Log to record decisions by the RPB.
- Submitting applications for approval and claims for funding.
- Liaising with Welsh Government, delivery organisations, stakeholders and service users.
- Ensuring IRCF capital schemes are sustainable and supported by appropriate revenue funded services.
- Ensuring legal charge and restriction obligations are discharged and recorded promptly.
- Recording, monitoring and escalating risks.
- Monitoring value for money and reporting outputs and benefits.

- Ensuring cross cutting priorities such as decarbonisation, active travel routes and Welsh language have been considered.

Delivery organisations

Local authorities, Health boards, RSLs and other third sector or independent providers (“delivery organisations”) delivering Priority 1, 2 or 3 projects are responsible for:

- Liaising with RPBs, Welsh Government and others, as appropriate.
- Securing written RPB agreement to commit IRCF funding.
- Submitting applications for approval and claims for grant, providing all supporting evidence required.
- Putting in place appropriate legal charges and/or restrictions.
- Monitoring, recording and escalating risks.
- Monitoring schemes continuously for Value for Money.

Procurement

All delivery organisations should ensure the procurement of both specialist design services and appropriate delivery agents are undertaken in line with the organisation’s standard procurement policies and procedures.

Procurement should also be aligned with the [Wales Procurement Policy Statement](#).

The use of existing framework agreements is acceptable provided they were awarded appropriately and are compliant with current public procurement regulations.

The Welsh public sector is the largest user of services and goods from the private and voluntary sectors in Wales. The Welsh Government actively seeks to derive benefits for the local community from procurement activity through the application of Community Benefits policy approach. This approach is further endorsed by Principle 4 of the Wales Procurement Policy Statement, which makes delivery of social, economic and environmental benefit through effective application of Community Benefits policy must be an integral consideration in procurement.

The approach covers:

- Apprenticeship opportunities – creating new opportunities or providing hands-on training weeks for current apprentices
- Job opportunities for economically inactive people
- Training opportunities for economically inactive people
- Retention and training opportunities for the existing workforce
- Promotion of open and accessible supply chains that provide opportunities for SMEs to bid for work; and promote social enterprises and supported businesses
- Code of Practice Ethical employment in supply chains
- Fair payment
- Contribution to education in Wales through engagement with school, college and university curriculums

- Contributions to community initiatives that support tackling poverty across Wales and leave a lasting legacy within the community
- Opportunities to minimise the environmental impact of the contract and to promote environmental benefits.

All projects financed through the IRCF are required to apply Community benefits to 'all' procurement irrespective of value, reporting using the Community Benefits Measurement Toolkit⁸ on contracts over £2 million 'where such benefits can be realised'. Use of the toolkit enables the capture of the full range of Community Benefits outcomes, including jobs, educational support initiatives and training, and provides a consistent way of measuring such benefits.

The Welsh Government has laid out expectations of what type of community benefits should be targeted and have also included benchmarks for these targets. Some of the data is required for information only and is not set as a hard target.

The targets that form part of the contract should be included in the Full Business Case/Business Justification Case and will also be included in the grant award letter when the application for funding is approved.

Building Research Establishment Environmental Assessment Method (BREEAM)

All Welsh Government funded projects (non-domestic) with a capital cost over £2 million (i.e., comprising works, fees, non-works, contingency etc. and VAT) and over 1,000m² in floor area are required to commit to the appropriate standard as defined below from scheme commencement.

New Build Schemes – EXCELLENT rating (assessed against BREEAM New Construction)

Major Refurbishment Schemes – VERY GOOD rating (assessed against BREEAM Non-Domestic refurbishment and fit-out)

It is accepted that there may be some exceptional circumstances where due to the nature and complexity of the works it is not realistic to achieve the required target level. In these circumstances it should be identified at the earliest opportunity and the issue highlighted to WG who will review the evidence and work with the project team to identify an appropriate target level which ensures that the best possible outcome is achieved.

Further information can be found at <https://gov.wales/sustainable-building-standards>

Working Towards Whole Life Net Zero Carbon

The Welsh Government is committed to a carbon neutral public sector by 2030 and a 100% reduction in emission of greenhouse gases in Wales by 2050.

All new-build projects requesting funding support through the IRCF, that have not yet reached OBC stage, will be required to demonstrate delivery of Net Zero Carbon in operation plus a 20% reduction on the amount of embodied carbon – that is the carbon emitted through construction materials and the construction process. For projects already under development or refurbishments, we appreciate that there may

⁸ <https://gov.wales/procurement-community-benefits-measurement-tool-v9>

need to be a transition phase, but it is expected that all projects will strive to work towards being energy efficient and meeting best practice energy performance standards, supporting the target of net-zero carbon by 2030, ensuring buildings are fit for purpose for the future and achieve the highest environmental standards.

The change required to do this should not be underestimated; there are many technical, material, developmental and operational challenges in achieving 'true' carbon neutrality. However, the desire to change is emerging throughout the supply chain. There is an element of competitiveness clearly emerging in design teams, contractors and material manufacturers.

The IRCF programme presents a unique opportunity, right at the very heart of our communities, to make significant advancements towards a net zero whole life carbon health and social care infrastructure in Wales.

Business cases will be scrutinised through the usual process with additional scrutiny of the Net Zero Carbon element. Projects will also be required to regularly monitor and review the building's performance over a five-year period reporting any lessons learned during the process to the Programme team.

Further advice, including targets to be achieved, is currently being developed and will be provided by October 2023.

Programme monitoring

Effective monitoring and evaluation arrangements are important to provide assurances that IRCF capital funding is being fully utilised in the support of the aim of the fund to achieve the Programme for Government (PfG) commitments of developing 50 integrated health and social care hubs and rebalancing the residential care market.

RPBs must ensure they have robust monitoring arrangements in place to ensure schemes funded via IRCF deliver their intended outcomes on time and within budget.

The Welsh Government will hold bi-monthly monitoring meetings with each RPB to review progress and financial performance. More frequent meetings will be held as required, particularly in the second half of the financial year. RPB Leads will be the main point of contact to ensure a strategic view is maintained across each region, however leads can nominate suitable colleagues to engage with the Welsh Government if required

Welsh Government requires RPBs to submit bi-monthly monitoring reports, including:

- Financial assumptions
- Delivery of project – timeframes to include targets as well as any identified slippage against spend profile.
- Programme risks and RAG status of scheme and project progression
- Outputs and outcomes – by set dates e.g., by 30 September and 31 March.
- Benefits realisation.

Other than risks, reporting must be cumulative and summarise the overall position at the relevant point of the financial year.

RPBs should include progress updates on their capital activity as part of their annual report. Welsh Government may publish periodic report to illustrate the activity.

A template which includes the criteria set out above for the quarterly reports is attached at Annex [TBC].

Communications and branding

To enable stakeholders and citizens to understand how the IRCF is making a difference, RPBs will be asked to share their communication plans for the IRCF in context to wider regional planning.

RPBs must acknowledge Welsh Government support on all publicity, press releases and marketing materials produced in relation to the funding and associated projects. Such acknowledgement must comply with the approved Welsh Government's [branding guidelines](#).

The Welsh Government logo or acknowledgement logo must be displayed on signage or plaques when projects have received funding from the Welsh Government in line with the [guidance-on-using-the-welsh-government-logo-capital-projects.pdf](#)

Communities of Practice

Several Communities of Practice (CoPs) have been or will be established that align to the six national Models of Care. The CoPs will offer key partners and stakeholders the opportunity to share learning and experiences to help us develop our national blueprint for these Models including integrated health and social care hubs and are an essential part of this programme. The CoPs will be key the vehicle to share examples of good practice, compare learning and experiences, identify areas of focus, and create and test out resources and materials that can be shared widely across Wales. Workshops are already being held across the existing CoPs to shape topics and are being led by a commissioned facilitator who will manage the networking arrangements supported by a Welsh Government team.

The Community Based Care Community of Practice has already been established and has begun to identify emerging practice and share learning to achieve a consistent approach to integrating community-based services. This Community of Practice will focus on what is delivered through a Hub, how the inclusion of all key partners (e.g., the community, third sector, housing) can be realised, how Hubs engage people with live experiences, the role of social prescribing within a Hub arrangement and develop approaches to measure success and outcomes for Health and Social Care Hubs. Furthermore, an Accommodation Based Solutions

Community of Practice will be established, and early conversations will begin in early Autumn 2022 as to topic areas to focus on.

CoPs will be established to support the capital investment and will play an essential role in sharing learning and supporting projects and RPBs with the development of the broader national models of integrated care. Communication channels will be established between capital investment (design and build) CoPs and the Community Based Care CoPs (the functions to deliver an integrated approach) to ensure there is mutual sharing of learning, good practice, identify solutions, and the development of synergist materials that support the blueprints for the national Models of Care.

Measuring Success

It should be for the RPB to ensure that benefits register with baselines is developed so that success can be judged against this. Each individual project will have its own success criteria. Any business case developed should include benefits register. However, RPBs need to align their benefits register to the RIF Outcomes Framework and the Model of Care high level outcomes that relate to, for example community-based care and accommodation-based solutions, and to the other Models of Care outcomes where there is interface and relevance to provide the story of intended change for the priority population groups. The RIF Outcomes Framework Technical Handbook provides practical advice and suggests tools to use to gather robust and coherent evidence of what works including how to present case studies from multiple perspectives.

Contact Details for IRCF

Queries can be sent to IRCF@Gov.Wales

Annex 1 Primary Care Model for Wales

The following have been identified as important considerations in the design of models of care that may be provided at integrated primary care health and social care facilities:

- No 'one size fits all' model exists; demographics and local population needs should be assessed and reflected in areas of focus e.g., the focus could be on issues of substance misuse and unemployment, as well as services for diagnostic services or chronic conditions management.
- Value exists in exploring non-medical satellite practices, to act as an additional level of care but linked to the wider cluster of care delivery.
- Wider well-being need is heightened with a focus on non-medical community facilities (e.g., gyms, gardens etc).
- Improvements to signposting and wayfinding services to encourage patients to access early help – 'no wrong door' approach
- Additional capacity is required where new services are provided – for example: ear wax treatments, physiotherapy gyms, optometry diagnostic capacity. This needs to be factored in to space requirements
- Voluntary sector and wider community support organisations should be considered for accommodation within health and wellbeing facilities
- Consideration is needed for appropriate types of out of hour's services, as it is critical to ensure efficient space utilisation and service provision that reflects the needs of all age groups.

Type and Scale of Integrated Health and Social Care Centre

It is understood that not all facilities will need to be the large integrated centre, but that works to support and upgrade smaller satellite facilities will be needed in order to deliver a comprehensive integrated model of care.

The range and type of services delivered from the facilities will vary, the following list of services is not exhaustive and should be viewed as a foundation for local population and clinical consultation and planning.

- **Core health and social care services:**

Core GMS (potentially including extended hours / out of ours)	Dentistry	Pharmacy	Ophthalmology	Audiology (including Primary Care Earwax Service)	Podiatry
IAPT (Mild-Moderate Depression and Anxiety)	MSK Service, and Wider Physio, OT, SLT services	Virtual MDTs Older People and Active Aging	Frailty assessment and support services	Cancer Screening	Case Management, care coordination complex multi-condition cohort
Sexual Health Services including Contraception clinics	Community mental health, LD and Autism Spectrum services	CAMHS consultation / therapeutic spaces	Minor Surgery	Ambulatory urgent care and urgent treatment (in and out of hours)	Diagnostics including X-Ray, CT, Echo, ECG, Ultrasound etc
Digital consultations	Maternity, health visiting and wider family care services.	Shared prescribing hub and Medicines Management	Peer-mentoring for chronic conditions	Wound Care and minor injuries	Minor procedures- Day Case surgery

- **Wider community and wellbeing services:**

Learning through Play Areas for young people	Employment Services	Community Social, performance and Arts Spaces	Community Gardens and Kitchens	Care Navigators
Nutrition and Physical Fitness education and facilities (Gym/Pool?)	Libraries (Virtual and Actual)	Therapies Animals and Community Farms	Citizens Advice Bureau	Support for victims of Crime / Domestic Abuse
Wellbeing services and social prescribing	Health Screening, immunisation and Fit Testing	Social Hub for young people with community sports teams and activities	Wrap around childcare for low-income working households	Prevention, Immunisation and wider health improvement (smoking cessation, weight loss, Substance misuse support support)
	Third sector advisors such as Age UK, Arts, Hedway, National Autistic Society and Young Peoples charities	Charities meeting spaces to support fundraising/community engagement	Signposting and wellbeing library to support selfcare	

While not being prescriptive so as to allow for flexibility of use, it is anticipated that centres will, depending on size and service provision, include space for the following:

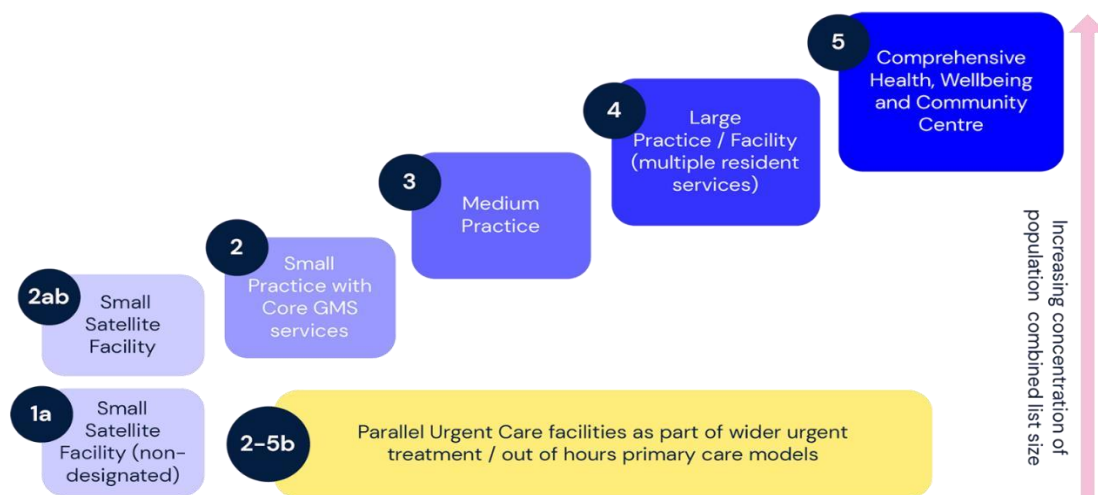
- **Core:** Services and facilities that need to be a permanent offer at the facility; requiring full time, ring fenced clinical or non-clinical spaces.
- **Sessional:** Services that are offered on a regular basis (over agreed sessions per week) either by satellite services, mobile clinical service sessions or part time practice staff; a proportion of clinical space will be allocated within each facility for each service. These sessional services may also be able to be

provided in non-practice type facilities (for example local shops, care facilities, schools) for remote communities to access services locally.

- **Periodic:** Occasional visiting services at fixed points or on an ad hoc basis throughout the year, e.g., flu vaccinations or monthly public health screening sessions; access on a flexible basis to shared bookable spaces. These periodic services may also be able to be provided in non-practice type facilities (for example local shops, care facilities, schools) for remote communities to access services locally.

- **Virtually/via remote multi-disciplinary team:** essential services are provided for patients and the public to engage remotely either via online resources or digital consultation and counselling functionality; digital consultation facilities also allocated on both bookable and drop-in basis.

The scale and range of services offered will be dependent on service design and need. A profile has been developed that identifies a range of models based on size and service provision.



Level 1a facilities are a departure from the established norms around health owned and operated premises. These facilities are focused on enabling access and enhancing community facilities in small and/or rural populations. The agreed service provision may be offered from a range of premises, which may not be a traditional General Practice, but delivered in a shared accommodation and accessible on a flexible basis over an agreed number of days per week.

Level 2a are Similar to Level 1a but this level of provision includes some limited designated clinical capacity to provide a facility both for scheduled/sessional services and a space where community teams can safely access/treat patients without asking them to travel to larger designated health facilities for all appointments

Level 2 facilities are most similar to current General Medical Services aligned, small practices. Operating either five or six days a week with smaller catchment population these facilities are likely to host two to three fixed clinical staff (GP and/or practice nurse) and periodic additional multidisciplinary services.

Level 3 will likely have between four and six fixed GPs, core nurse capacity and training status. This facility should offer all substantive General Medical Services with a wider provision for visiting complimentary services and community-initiated activities.

Level 4 facilities offer an opportunity to provide a hub for primary and community services across a wider locality and catchment population. In addition to core and enhanced community services these facilities should provide wide range of fixed community and health resources on substantive and/or sessional basis. This is a significant step change in capacity with a diverse range of both clinical and commercial capacity with the introduction of fixed Pharmacy, care navigation and wider advisory services.

Level 5 facilities should seek to provide services for 35-50,000 population and be able to combine several practices. This model may indicate a change in the provision of primary health care in that patients may not register with a specific GP or practice but would be able to access a wider range of integrated services as directed by a core team of advisory clinical navigators. The location of the facility should be planned to maximise access and generate significant consolidation benefits for the public estate.