

CABINET

Date of Meeting	Tuesday, 19 th September 2023
Report Subject	North Wales Regional Partnership Board Strategic Capital Plan
Cabinet Member	Deputy Leader of the Council and Cabinet Member for Social Services and Wellbeing
Report Author	Chief Officer (Social Services)
Type of Report	Strategic

EXECUTIVE SUMMARY

The North Wales Regional Programme Board (NWRPB), and all regions in Wales, have been tasked by Welsh Government to develop and implement a Strategic Capital Plan. The plan should reflect a ten-year view of the proposed capital investment needs of its community infrastructure for the provision of social care and primary and community healthcare. The plan is the only mechanism to release external capital funding to the Council.

This report provides an update on the development of a ten-year Strategic Capital Plan (SCP) by the North Wales Regional Partnership Board, in collaboration with all local authorities, health teams and other service delivery partners.

The Strategic Capital Plan relates to proposed capital development projects that are seeking Welsh Government funding from the Housing with Care Fund (HCF) or Health and Social Care Integration and Rebalancing Capital Fund (IRCF).

The report seeks to gain Cabinet approval for Flintshire County Council's participation in the plan and its strategic intent, noting that individual projects will need to be brought back to Cabinet for approval and considered in line with the Council's Medium-term Financial Strategy (MTFS) and Capital Programme.

RECOMMENDATIONS

1	Cabinet notes the requirement for a ten-year Strategic Capital Plan for North Wales and the associated prioritisation and business case processes required to secure Welsh Government funding.
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2	Cabinet approve participation in the regional programme, the proposed projects, and the plan's strategic intent.
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REPORT DETAILS

1.00	EXPLAINING THE NWRPB STRATEGIC CAPITAL PLAN
1.01	<p>The Regional Integration Fund (RIF) replaced the Integrated Care Fund (ICF) in 2022. The RIF Revenue Programme has been implemented for an initial five years up to March 2027 and supports models of preventative care. The RIF Revenue Programme provides financial support to social care, health and third sector services and projects across Flintshire.</p> <p>The RIF revenue programme is supported by two capital funding programmes to accelerate a move towards greater independent living, provision of care closer to home and as a driver to rebalance the care market.</p> <p>The Housing with Care Fund (HCF) has a primary objective to increase the stock of housing provision to meet the needs of people with care and support needs, at home or closer to home. This supports accommodation projects where there is a social rented tenancy, such as Extra Care and Supported Living. It also supports projects that increase the stock of intermediate and medium-term community-based residential care settings.</p> <p>The Health and Social Care Integration and Rebalancing Capital Fund (IRCF) supports the development of integrated health and social care community hubs and centres to create local single points of access and co-location of staff and services delivering integrated care pathways. IRCF also supports the rebalancing of the care market by investing in community settings and residential care premises.</p>

1.02	<p>The two capital funds provide an opportunity for all counties to secure funding that will support local capital investment through a match funding approach.</p> <p>HCF funding is allocated to regions and counties, but still requires regional and national approval as part of a business case process.</p> <p>IRCF provides a national funding pot, allocated through a Business Case Panel review process and Ministerial approval aligned to strategic requirements.</p> <p>The current capital funding available for North Wales is shown below:</p> <p><u>HCF</u></p> <ul style="list-style-type: none"> • North Wales allocation of £14.2m per annum (2023 to 2026) • Flintshire allocation of £2.65m per annum (2023 to 2026) • There is a requirement for 10% of the annual HCF allocation to be used for small discretionary projects that provide equipment, technology, or minor refurbishments. <p><u>IRCF</u></p> <ul style="list-style-type: none"> • All Wales allocation of £60m for 2023/24 – subject to approval of Business Case bids through a national panel process • All Wales allocation of £70m for 2024/25 – subject to approval of Business Case bids through a national panel process
1.03	<p>The NWRPB, and all regions in Wales, have been tasked by Welsh Government to develop and implement a Strategic Capital Plan. The plan should reflect a ten-year view of the capital investment needs of its community infrastructure for the provision of social care and primary and community healthcare.</p> <p>This plan is being co-developed by all service delivery partners across North Wales. This includes teams from Social Services, Education, Housing, Health Board, Registered Social Landlords and Third Sector organisations.</p> <p>The SCP seeks to provide a planned and co-ordinated response at the regional level to deliver on the strategic service priorities and key challenges in relation to priorities defined in the North Wales Population Needs Assessment and Market Stability Report.</p> <p>The NWRPB is developing a capital plan that delivers a range of solutions to promote independence, wellbeing and care closer to home for our communities in a manner that aligns with Welsh Government strategic priorities and the drive to achieve Net Zero on the Decarbonisation agenda.</p> <p>The plan will also include projects that may choose to augment their capital outlays by accessing other relevant and targeted Welsh Government funding schemes, internal organisational investment capital, as well as public-private partnerships with the third sector or wider.</p>

1.04	<p>The SCP is being developed using a prioritisation process to ensure that local and regional governance is undertaken on all prospective capital projects before they proceed to the Welsh Government's business case processes.</p> <p>The SCP is structured into three-year funding cycles, beginning with 2023-2026 for projects that are ready to proceed to a business case process. Future projects will be added to the SCP for subsequent funding cycles once they have attained local governance approval. The long-term ten-year SCP will be a living document that will evolve over time to reflect strategic changes at a national and local level.</p> <p>Flintshire County Council teams have contributed an initial list of projects for the SCP based on strategic priorities. This includes the projects that have been accepted into the Flintshire Capital Investment Programme. Namely, the current projects Relocation of Tri Ffordd Day Service Provision and Croes Atti Residential Care Home. In addition, the potential future scheme Llys Gwenffrwd, Holywell Care Home Review.</p> <p>The initial SCP for North Wales will be reviewed by NWRPB in September 2023 and submitted to Welsh Government in October 2023. Future capital projects will be admitted to the SCP from December 2023, subject to county and regional approval processes.</p>
1.05	<p>The NWRPB Strategic Capital Plan has been developed in alignment with a robust planning and prioritisation process for business case development and approval as follows.</p> <p>At Stage Zero the lead partner develops project proposition document, with local approval secured, including any core capital match funding requirements. RPB validates the proposition using a prioritisation tool reflecting funding requirements and strategic priorities. RPB approves or declines the project into the SCP.</p> <p>At Stage One the lead partner produces a Strategic Outline Case or Business Justification Case, for projects under £5 million in value, for review and approval by RPB and then Welsh Government funding panel.</p> <p>At Stage Two the lead partner produces an Outline Business Case for review and approval by RPB and then Welsh Government funding panel. Projects under £5 million approved at Stage One are commenced.</p> <p>At Stage Three the lead partner produces a Full Business Case for review and approval by RPB and then the Welsh Government funding panel. At Stage Four approved projects commence execution and governance.</p>

2.00	RESOURCE IMPLICATIONS
2.01	There are no additional resource implications for the development and management of the SCP.

	<p>The RIF Revenue and Capital programmes are managed and coordinated in Flintshire by a Wellbeing and Partnership Lead role which is wholly funded by Welsh Government RIF funding. This role provides a key link to the Regional Collaboration Team who oversee the development of the SCP on behalf of the RPB.</p> <p>There are lead officers in the impacted Council portfolio teams to provide input to the SCP and to develop project propositions.</p>
2.02	Capital projects on the SCP will require a level of local match funding in addition to HCF or IRCF funding from Welsh Government. This funding will require appropriate planning and governance through the Council's Core Capital Programme.
2.03	Individual projects contained in the strategic plan will be brought back to Cabinet for approval and will feed into the MTFs and Capital Programme.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	<p>Welsh Government have indicated that the HCF and IRCF programmes have provisional funding for three and two years respectively from 2023. This is subject to annual review and there is a risk that the funding may reduce in response to competing national or regional priorities.</p> <p>To mitigate this risk, the NWRPB has requested that Welsh Government provide early notice of any significant funding reviews.</p>
3.02	<p>The business case process introduced by Welsh Government for IRCF and HCF is based on a multi-stage approach which will add additional timescales to the development of capital projects and the requirement for more specialist business case writing skills.</p> <p>To mitigate this risk, the NWRPB is providing training and resources to support business case development.</p>
3.03	<p>It is anticipated that regional plans will not always reflect a proportionate allocation of the IRCF funds across all counties and population groups. Funding decisions of the Welsh government will be based purely on the merit of the individual proposed projects.</p> <p>To mitigate this risk, the local prioritisation of projects in Flintshire, based strategic service priorities, will help to provide a balanced capital programme of prospective projects.</p>

4.00	CONSULTATIONS REQUIRED / CARRIED OUT
4.01	<p>The NWRPB is the key leadership body to oversee all integration work across health and social care and to formally represent the interests of the local authorities, the Health Board, and its key stakeholders.</p> <p>The allocation of significant additional capital through the HCF and the potential to secure further capital for regional priorities through IRCF has required the NWRPB to consider how to strengthen its governance and</p>

	delivery arrangements to deliver this strategy. The SCP provides a comprehensive and collaborative approach to the prioritisation of capital funding. The NWRPB will strengthen its governance arrangements to optimise the use of capital for prioritised strategic development projects.
4.02	The strategic priorities for health and social care services in Flintshire are directly informed by engagement with local citizens and people supported by services.
4.03	All capital development projects led by Flintshire County Council will be subject to local governance processes to ensure acceptance into the MFTS and Capital Programme.

5.00	APPENDICES
5.01	None.

6.00	CONTACT OFFICER DETAILS
6.01	Contact Officer: Michael Jones Telephone: 01352 702546 E-mail: michael.jones@flintshire.gov.uk

7.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
7.01	None.

8.00	GLOSSARY OF TERMS
8.01	<p>Betsi Cadwaladr University Health Board (BCUHB) : Service delivery partner for RIF revenue and capital projects, predominantly IRCF funded 'hub' projects rather than HCF accommodation projects.</p> <p>Capital Investment Programme (CIP): The Flintshire County Council strategic investment programme for capital development.</p> <p>Health and Social Care Integration and Rebalancing Capital Fund (IRCF): Welsh Government grant fund for capital projects that deliver integrated health and social care community hubs and centres service hubs or rebalance the care market by investing in community settings and residential care premises.</p> <p>Housing with Care Fund (HCF): Welsh Government grant fund for capital projects that increase the stock of housing provision to meet the needs of people with care and support needs, at home or closer to home. This includes accommodation projects where there is a social rented tenancy,</p>

such as Extra Care and Supported Living. It also supports projects that increase the stock of intermediate and medium-term community-based residential care settings.

Medium Term Financial Strategy (MTFS): The Flintshire County Council strategic financial programme.

North Wales Market Stability Report: The North Wales Market Stability Report published in November 2022 includes information about the availability of care and support across the region. This includes care homes, home care, children's homes, fostering, adoption, advocacy, and support for unpaid carers. The report assesses how well current provision meets people's needs and recommends ways to make sure enough support is available in future.

North Wales Population Needs Assessment: The North Wales Population Needs Assessment was published in April 2022 and provides information about the care and support needs of people in North Wales and the support needs of carers.

North Wales Regional Programme Board (NWRPB): The NWRPB was established to meet Part 9 of the Social Services and Well-being (Wales) Act 2014. The Board includes representation for public service providers across the region including local authorities, the health board, emergency services, local voluntary council, third sector organisations and citizens. The Board provide overall governance and authority for the North Wales Strategic Capital Plan.

Regional Integration Fund (RIF): RIF replaced the Integrated Care Fund (ICF) in 2022. RIF provides revenue and capital funding to service delivery partners for the development and implementation of integrated health and social care services.

Registered Social Landlord (RSL): RSLs, such as First Choice Housing Association, work closely with the Council and Regional Transformation Programmes to deliver capital projects. These include supported living and extra care schemes and can bid for both Housing with Care Funding and Social Housing Grant funding.

Social Housing Grant (SHG): SHG is the main capital grant provided by Welsh Government to fund the provision of affordable housing in Wales. Housing associations and local authorities can access this funding for the provision of building new homes and the rehabilitation of existing buildings to provide homes at social and intermediate rent. SHG provides supplementary funding in conjunction with HCF for accommodation-based projects where there is a social housing tenancy.

Strategic Capital Programme (SCP): The NWRPB Strategic Capital Programme provides a ten-year view of the capital investment needs of the region for the provision of social care and primary and community healthcare. The SCP will be used to manage a prioritised business case process for HCF and IRCF funding requests.