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Bwrdd Iechyd Prifysgol
Caerdydd a'r Fro
Cardiff and Vale
University Health Board

Redevelopment of Cardiff Royal Infirmary to provide a Locality Health and Wellbeing Centre



Outline Business Case

May 2022 – Final Draft v8.1



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GLOSSARY OF ACRONYMS AND ABBREVIATIONS

AAA	Abdominal Aortic Aneurysm	DTC	Design Team Consultants
ADL	Activities of Daily Living	EAC	Equivalent annual cost
AGP	Aerosol Generated Procedures	EAP	Economic Action Plan
AI	Artificial Intelligence	ECG	Electrocardiogram
AIP	Agreement in Principle	EFPMS	Estates and Facilities Performance Management System
AME	Annually Managed Expenditure	EHIA	Equality and Health Impact Assessment
BAU	Business As Usual	FBC	Full Business Case
BCG	Bacillus Calmette-Guérin	FM	Facilities Management
BJC	Business Justification Case	GDS	General Dental Services
BIM	Building Information Modelling	GMS	General Medical Services
C3SC	Cardiff Third Sector Council	GP	General Practitioner
CA	Cost Advisor	H&WC	Health and Wellbeing Centre
CAMHS	Child and Adolescent Mental Health Services	HEART	Health Enterprise Alliance for Regional Transformation
CAU	Community Addictions Team	HM	Her Majesty's
CAV	Cardiff and Vale	HR	Human Resources
CB	Clinical Board	IM&T	Information Management & Technology
CCS	Consideration Construction Strategy	IMTP	Integrated Medium Term Plan
CDS	Community Dental Service	IT	Information Technology
CD&T	Clinical Diagnostics and Therapeutics	LA	Local Authority
CHAP	Cardiff Health Access Practice	LDP	Local Development Plan
CHC	Community Health Council	LSOA	Lower Super Output Areas
CMATS	Clinical Musculoskeletal Assessment and Treatment Service	MECC	Making Every Contact Count
CMHT	Community Mental Health Team	MEP	Mechanical, Electrical and Plumbing
CRB	Cash Releasing Benefits	MH	Mental Health
CRI	Cardiff Royal Infirmary	MSK	Musculoskeletal
CRL	Capital Resource Limit	MS	Multiple Sclerosis
CSCS	Construction Skills Certification Scheme	MSM	Men's Clinic
CSF	Critical Success Factors	MTT	Musculoskeletal Triage & Treatment
CV	Curriculum Vitae	NDF	National Development Framework
CVUHB	Cardiff and Vale University Health Board	NEC	New Engineering Contract
DATT	Dispensing and Treatment Team	NEX	Needle Exchange Service
DEL	Departmental Expenditure Limit	NHS	National Health Service
DGH	District General Hospital	NPC	Net Present Cost
DOSH	Department of Sexual Health	NWSSP-SES	NHS Wales Shared Services Partnership – Specialist Estates Services
DS	Dental Services		

OBC	Outline Business Case
OECD	Organisation for Economic Co-operation and Development
OOH	Out of Hours
PBA	Project Bank Account
PBC	Programme Business Case
PCIC	Primary, Community and Intermediate Care
PER	Project Evaluation Reviews
PHW	Public Health Wales
PIR	Post Implementation Review
PM	Project Manager
PPE	Post Project Evaluation
PPW	Planning Policy Wales
PRINCE	PRojects IN Controlled Environments
PSB	Public Services Board
PSC	Professional Services Contract
QB	Quantifiable Benefits
R&D	Research and Development
RDS	Room Data Sheets
RPA	Risk Potential Assessment
RPB	Regional Partnership Board
S&E	South & East

SARC	Sexual Assault Referral Centre
SCP	Supply Chain Partner
SOC	Strategic Outline Case
SOFW	Shaping Our Future Wellbeing
SOW:IOC	Shaping Our Future Wellbeing: In Our Community Programme
SRO	Senior Responsible Owner
TBC	Tuberculosis
TUPE	Transfer of Undertakings (Protection of Employment)
UHB	University Health Board
UK	United Kingdom
VFM	Value for Money
WAO	Welsh Audit Office
WFG	Wellbeing for Future Generations (Wales) Act
WG	Welsh Government
WHC	Welsh Health Circular
WHTM	Welsh Health Technical Memorandum
WIMD	Welsh Index of Multiple Deprivation
WODT	Workforce and Organisational Development Team
WTE	Whole Time Equivalent
WWIC	Welsh Wound Innovation Centre

APPENDICES (DOCUMENT 3)

- Appendix 1 – Cluster Plan
- Appendix 2 – Service Scope
- Appendix 3 – Non Financial / Qualitative Benefits Appraisal
- Appendix 4 – Capital and Life Cycle Cost Forms
- Appendix 5 – Economic Appraisal
- Appendix 6 – Wellbeing of Future Generations Act Alignment
- Appendix 7 – Revenue Costs
- Appendix 8 - Project Board / Delivery Group Terms of Reference
- Appendix 9 - Project Team Terms of Reference
- Appendix 10 - Communications and Engagement: Timeline of Developments
- Appendix 11 - Benefits Realisation Plan
- Appendix 12 - Risk Register for the Preferred Option
- Appendix 13 - Risk Potential Assessment Form
- Appendix 14 - Equality Health Impact Assessment

Overview

1.0 OVERVIEW

This business case seeks the approval for a capital investment of £130.251m to enable the continued restoration and redevelopment of Cardiff Royal Infirmary (CRI) to create a Health and Wellbeing Centre (H&WC) that will provide a greater range of integrated and collaborative services within sustainable and fit for purpose facilities to serve the residents of the wider Cardiff South and East Locality, but also maintain a focus for the continued delivery of primary and community services for the more local population within the South East Cluster.

The Cardiff Royal Infirmary is an iconic and historic building within Cardiff and much loved by the local community providing crucial healthcare services within the heart of the city and a newly accessible Health and Wellbeing facility will deliver several benefits to the local area but fundamentally, the facility will provide excellent healthcare to meet the needs of the community both now and in the future.

The development supports the Cardiff and Vale University Health Board's (CVUHB) long term vision to bring the CRI site back into full use for primary care and community services as outlined within the *Shaping Our Future Wellbeing Strategy* (SOFW) and will be progressed as one of the first tranche of projects described in the *Shaping Our Future Wellbeing: In Our Community Strategy* (SOFW:IOC) Programme Business Case (PBC).

This project will also support the implementation of the Health Board's plan *Shaping our Future Clinical Services* to shift delivery of services, where appropriate, from acute hospitals into the community and act as a key enabler for *Shaping Our Future Communities*, delivering the community infrastructure to support the delivery of integrated services across partner organisations whilst closer to people's homes.

Due to the size and complexity of the project, the construction will be phased over a 6-7 year period and focusses on two strands of work:

- Capital safeguarding works to areas of the building that are either unoccupied or a small number of occupied areas that were not included within the Phase 1 projects;
- Fit out of above areas to provide flexible, shared, multi-functional facilities to deliver a range of collaborative services delivered by the Health Board and partner organisations to meet the identified health and wellbeing needs of residents in the Cardiff South and East Locality but that can also be adapted as needs change.

This document describes the Outline Business Case (OBC) in relation to investment for the overarching programme of works as described above in order to develop the required facilities for the future.

A series of further Full Business Cases (FBCs) will be developed in support of this OBC to describe the individual projects that will form the Locality Health and Wellbeing Centre with the first FBC detailing the necessary capital safeguarding works to areas of the CRI site that

have not yet been undertaken and development of an Energy Centre to support the entire site moving into the future.

It is important to note that there is a separate Outline Business Case for a new Sexual Assault Referral Centre (SARC) at 54 – 56 Newport Road and a Substance Misuse and Community Mental Health Centre at the Orbit Street end of the CRI site. A high-level phasing plan has been developed to coordinate both these OBCs as they are intrinsically linked with more information to be found later in this document.

Structure and Navigation of the Document

This OBC has been developed to reflect the guidance set out in HM Treasury's Green Book (a Guide to Investment Appraisal in the Public Sector) and the Infrastructure Investment Guidance for the NHS in Wales.

This OBC comprises the following sections:

- The Strategic Case section. This establishes the strategic context of the proposed investment, both in terms of national and local clinical services provided by the University Health Board (UHB). This section also sets out the case for change which summarises the business need for the investment regarding the existing situation, and the need for service improvement;
- The Economic Case section. This section identifies the long list of options and the process by which the short-listed options are then established and summarises the key findings of the economic appraisal taking into consideration the needs of the service and optimises value for money (VfM);
- The Commercial Case section. This section summarises the procurement strategy and intended contractual arrangements, it also summarises the products and services intended for use and procurement regarding the recommended option;
- The Financial Case section. This confirms the funding arrangements and overall affordability of the scheme;
- The Management Case Section. This summarises the approach to the management of the project, including the UHB governance structure, management team, programme implications and risk management demonstrating that the scheme can be successfully delivered to cost, time and quality.

Strategic Case

2.0 THE STRATEGIC CASE

2.1 Introduction

This Outline Business Case (OBC) seeks the approval for a capital investment of £130.251m to enable the continued restoration and redevelopment of Cardiff Royal Infirmary (CRI) to create a Locality Health and Wellbeing Centre (H&WC) to provide fit for purpose primary and community care facilities to serve the residents of the South and East Cardiff Locality in support of the Cardiff and Vale University Health Board's (CVUHB) vision for primary care and community services outlined within the *Shaping Our Future Wellbeing: In Our Community Strategy*.

A truly iconic and historic building within Cardiff, this project will act as a key enabler to support the implementation of the Health Board's *Shaping our Future Clinical Services* and *Shaping our Future Communities* strategies and associated clinical redesign programmes to provide the necessary infrastructure and shift delivery of services, where appropriate, from acute hospitals into the community, bringing the site back into full use providing crucial healthcare services to the people of Cardiff, within the heart of the city.

The restoration will see a unique facility, provided by CVHUB in conjunction with key stakeholders and local authority (LA) partners providing a greater range of integrated and collaborative services to meet the health and wellbeing needs of the local community whilst preserving and utilising a local landmark building.

This section of the OBC sets out the context within which the investment will be made and comprises:

- An overview of the organisation – the size and role of Cardiff and Vale University Health Board and the scale and nature of the demand in the area that it serves;
- The national, regional and local strategies that underpin this investment;
- The strategic drivers for this investment;
- A compelling case for change.

PART A: THE STRATEGIC CONTEXT

2.2 Organisational Overview

2.2.1 Profile of Cardiff and Vale University Health Board

Cardiff and Vale University Health Board (CVUHB) was established in October 2009 as part of a restructuring of NHS Wales and is one of the largest NHS organisations in the UK. It brings together the former Cardiff and Vale NHS Trust and two former Local Health Boards – Cardiff and the Vale of Glamorgan – with the core purpose of improving health and delivering integrated health services.

Since its establishment, Cardiff and Vale UHB's priority has been to provide safe, high quality and sustainable services that compare well with the best in the world, with a focus on developing centres of excellence that support the actions needed to progress and deliver the strategic mission '*Caring for People, Keeping People Well*' with a vision that a person's chance of leading a healthy life is the same wherever they live and whoever they are.

Cardiff and Vale University Health Board is responsible for planning and delivering health services for people in Cardiff and the Vale of Glamorgan, a population of around 502,000 and is the main provider of specialist services for the people of South Wales – and for some services, the whole of Wales and the wider UK. This includes health promotion and public health functions as well as the provision of local primary care services (GP practices, dentists, optometrists and community pharmacies) and the running of hospitals, health centres, community health teams and mental health services. The Health Board employs approximately 15,000 staff and has an annual budget of £1.6 billion.

As a major teaching and research organisation, there are very close links to Cardiff University playing a significant role in the Welsh economy. This is alongside other academic links with Cardiff Metropolitan University and the University of South Wales. Training the next generation of clinical and non-clinical professionals, in order to develop expertise and improve clinical outcomes, is a key priority for the Health Board.



Figure 1: Map showing area covered by Cardiff and Vale UHB

The Health Board's hospital-based services are currently provided from 4 hospital sites:

- University Hospital of Wales, which incorporates:
 - University Dental Hospital;
 - Noah's Ark Children's Hospital for Wales.
- University Hospital Llandough;
- Barry Hospital;
- St. David's Hospital.

Community health services are delivered from 28 health centres and clinics and a range of other community-based facilities including people's homes, GP practices and medical centres, schools, nursing homes and leisure centres etc.

Primary Care is delivered to residents in Cardiff and the Vale of Glamorgan through:

- 83 GP Practices including branch surgeries;
- 70 NHS Dental Practices;
- 107 Community Pharmacies;
- 66 Optometric Practices.

2.2.1.1 The Area Served and its Needs

The population served by the Health Board is:

- Growing rapidly in size, with the latest Welsh Government projections estimating an increase from 502,000 in 2021 to 521,000 in 2031, around 4%. In contrast to the previous projections published 4 years ago, the rate of growth in the Vale of

Glamorgan is predicted to exceed that of Cardiff, with growth in the Vale of Glamorgan of 5.3% over 10 years compared with 3.4% in Cardiff. Actual population growth, particularly in Cardiff, will be highly dependent on progress with large housing developments;

- Relatively young in Cardiff compared with the rest of Wales. The proportion of infants (0-4 yrs) and the young working age population (20-39 yrs) is higher than the Wales average; this reflects in part, a significant number of students who study in Cardiff;
- Ageing – The average age of people in both Cardiff and the Vale of Glamorgan is increasing steadily, with a projected increase in people aged 85 and over in the Vale of Glamorgan of 33% over the next 10 years, and 9% in Cardiff; and
- Ethnically very diverse, particularly compared with much of the rest of Wales, with a wide range of cultural backgrounds and languages spoken. Arabic, Polish, Chinese and Bengali are the four most common languages spoken after English and Welsh. Cardiff is an initial accommodation and dispersal centre for asylum seekers.

2.2.1.2 *Health Equity and Inequalities*

There is considerable variation in healthy behaviours and health outcomes in the area, with variation in smoking rates, physical activity, diet and rates of overweight and obesity. Uptake of childhood vaccinations is also lower in more disadvantaged areas, and people are more likely to experience poor air quality. Life expectancy is around ten years lower in the most deprived areas compared with the least deprived, and for healthy life expectancy the gap is more than double this.

Deprivation is higher in neighbourhoods in South Cardiff, and in the Central Vale.

The COVID-19 pandemic exposed these deep-seated inequalities, with impacts seen more heavily in the more deprived areas, and amongst Black, Asian and minority ethnic communities.

There are also an increasing number of people in across the patch with diabetes, as well as more people with dementia as the population ages. The number of people with more than one long-term illness is increasing.

The Health Board doesn't yet know the long-term health impact of the COVID-19 pandemic on the population's health but expect there to be adverse impacts on mental wellbeing which could last for many years; and impacts from "long COVID-19". The Health Board also anticipate significant negative impacts on the wider determinants of health, for example levels employment and educational attainment; however, there may also be positive changes seen, for example in community cohesion and levels of walking and cycling.

With all these factors in mind, the Health Board has further developed a number of clinical and wellbeing strategies with the ambition to progress the integrated health and social care programme to achieve joined up care based on home first, avoiding harm, waste and variation, empowering people and delivering outcomes that matter to them.

An assessment of the population health needs can be found within the Shaping Our Future Wellbeing: In Our Community Programme Business Case (PBC).

2.3 Business Strategies

This section summarises the business strategies for the Health Board and related national, regional or local strategies.

2.3.1 National Strategies

Some of the key Welsh Government policies that have shaped the Programme Business Case and therefore captured and updated within this OBC are:

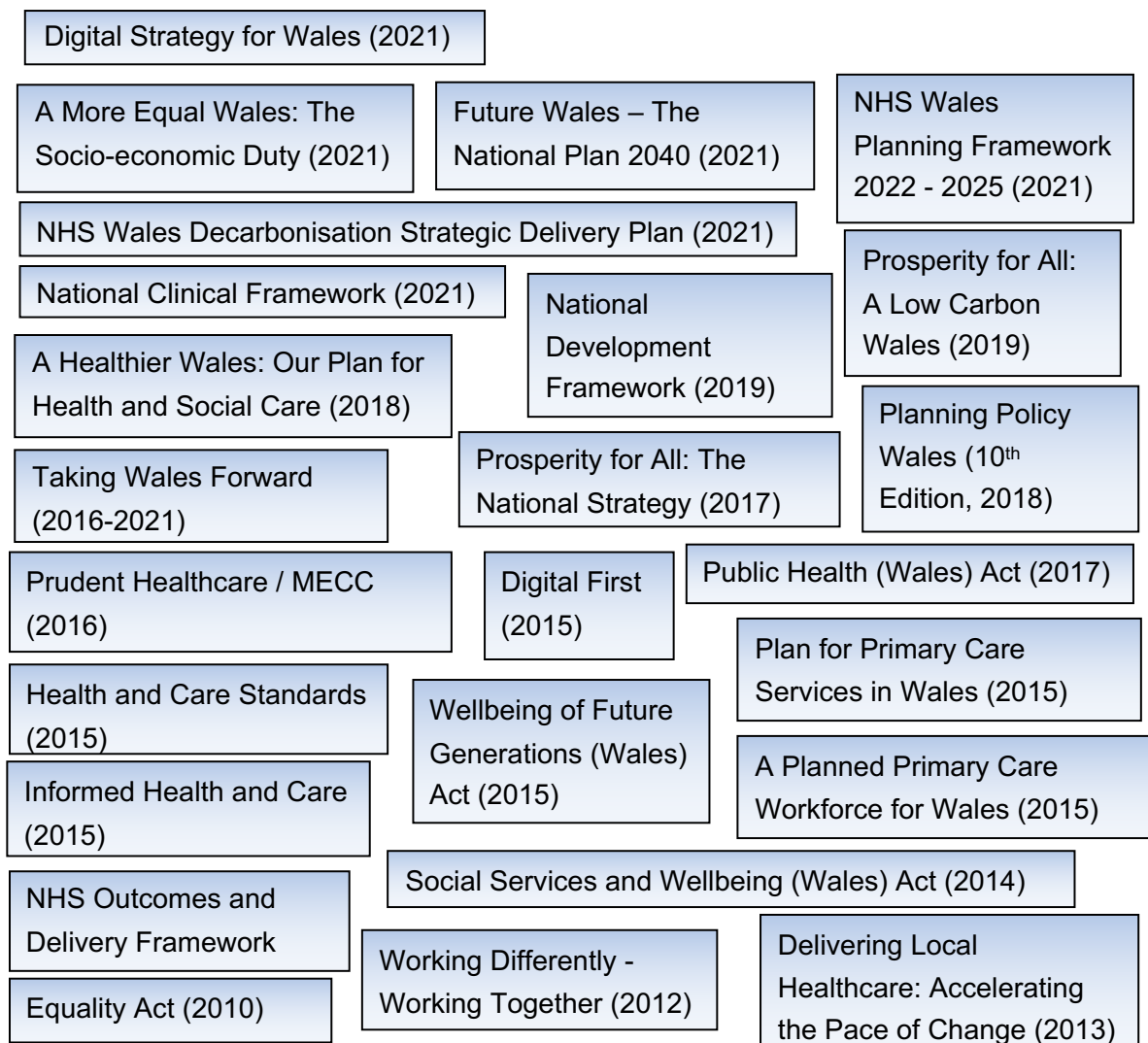


Figure 2: Overarching National Policies considered within this OBC

The above policies have a number of common themes for action, while acknowledging the need to be achieved in an environment of real term reductions in public sector funding, both

revenue and capital. The following highlights the key features for improving the health and wellbeing of the population and the way the Health Board delivers its services:

- Empowering the person, through the provision of services to support healthy behaviours:
 - Reducing unhealthy lifestyle behaviours, improve immunisation uptake in most deprived areas, preventative/self-care, pre-emptive, reactive and rehabilitative care;
 - Providing improved support for people with long term conditions and complex needs;
 - Supporting economic growth;
 - Service change effected through co-production and engagement with patients and carers.
- Home first, improving local access to services:
 - Strengthening local primary and community services available to everyone and move care out of hospital settings, closer to home where appropriate;
 - Locally led service planning and delivery based on locality networks and GP leadership;
 - Providing clinical care in facilities which are fit for purpose in the 21st century;
 - Utilising new technology and systems to advance the way services are delivered and improve access to care. Greater access from care providers to online support which includes information, consultation, communication, comparisons of quality, appointment bookings and test results.
- Outcomes that matter to people through improvement of health and wellbeing outcomes:
 - Moving towards a social model of health which promotes physical, mental and social wellbeing;
 - Better and more integrated working across professions and organisations leading to more seamless co-ordination between primary and secondary care, health and social care, mental and physical health;
 - Improving communication and share information to inform decision making;
 - Improving access to services which are easily navigated and support early intervention;
 - Narrow the health inequalities gap through targeted action in areas of greatest need – reducing unhealthy lifestyle behaviours, improve immunisation uptake in most deprived areas, preventative/self-care, pre-emptive, reactive and rehabilitative care.
- Avoid harm, waste and variation through:
 - Improving patient safety and reduce avoidable harm;
 - Modernising ways of working through new approaches to delivery of care, including enhancing and delivering clinical roles, supporting staff to work to the top of their skill set;
 - Working with partner organisations to make best use of public assets;
 - Utilising new technology and systems to improve communication between professionals, advance the way services are delivered and improve access to care.
- Deliver services in a sustainable way to improve the social, economic, environmental and cultural wellbeing of Wales for future generations. The shared goals are:

- A prosperous Wales;
- A healthier Wales;
- A resilient Wales;
- A more equal Wales;
- A Wales of cohesive communities;
- A Wales of vibrant culture and thriving Welsh language;
- A globally responsive Wales.

The more key recent publications outlined above confirm and strengthen the future direction for health and social services:

NHS Wales Planning Framework 2022 – 2025 (2021) - This Framework looks ahead to the next three years to deliver sustainable services for patients in Wales as we learn to live with Covid.

A Healthier Wales remains the overarching policy context for health and social care and drives the commitments to deliver seamless care. Integrated plans must focus on improving population health as the mechanism to deliver health equity, learning from the pandemic and address the impact of issues such as obesity and smoking on people's outcomes.

While the Covid response necessarily remains integral to NHS planning, the next three years will need a renewed focus on recovery. This must be a whole system approach and build on the learning and experiences across health and care. This must be a whole system approach and build on the learning and experiences across health and care. As per the *Digital Strategy for Wales*, digital technology and innovation has been instrumental in maintaining and evolving care and services during the pandemic. The changes must be accelerated and embedded wherever possible to revolutionise delivery of appropriate aspects of services.

In order to optimise the capacity, efficiency and effectiveness across health care settings, prudent health care principles and value based healthcare will be the basis on which services are planned and delivered. This must be supported by rigorous infection and protection control measures in hospitals and the community which keep staff and patients safe and maintain capacity.

The Framework also supports the wider Welsh Government ambitions for the NHS as part of the Foundation Economy of Wales (*Foundational Economy in Health and Social Services 2021-22*).

Health, wellbeing and the economy are bound tightly together; a healthy (physically, psychologically and socially) population results in a more economically active population therefore each organisation within NHS Wales is an 'anchor institution' working with local authorities to drive economic development and has significant spending power that can be used to achieve broader policy goals that create and distribute goods and services that people rely on for everyday life.

The *Economic Action Plan* (EAP) has set the direction for a broader and more balanced approach to economic development with a shift towards a focus on place and making communities stronger and more resilient whilst placing a greater emphasis on tackling inequality.

Examples of the foundational economy are:

- Care and health services
- Food
- Housing
- Energy
- Construction
- Tourism
- High street retailers

Future Wales – The National Plan 2040 (2021): Future Wales – the National Plan 2040 is the national development framework (NDF) building upon the 2019 NDF and sets the direction for development in Wales to 2040. It is a development plan with a strategy for addressing key national priorities through the planning system, including sustaining and developing a vibrant economy, achieving decarbonisation and climate-resilience, developing strong ecosystems and improving the health and wellbeing of communities.

Future Wales is a plan promoting development that enhances wellbeing and quality of life. It is a framework to focus on achieving big ambitions when developing and regenerating cities, towns and villages. Future Wales empowers plans at the regional and local scales to identify schemes and projects that benefit communities and help to achieve national ambitions.

NHS Wales Decarbonisation Strategic Delivery Plan (2021). This plan demonstrates how NHS Wales can play its part in the COVID-19 recovery, its commitment to the *Wellbeing of Future Generations (Wales) Act 2015* (WFG) and builds further upon the 2019 decarbonisation strategy, *Prosperity for All: A Low Carbon Wales* further stating the ambition for the public sector to be net zero by 2030, and the specific policy to reduce emissions in the health sector.

Sustainability is key to ensuring the Health Board can continue delivering healthcare outcomes that matter today and, in the future, and in support of this, the Health Board have adopted their own strategic sustainability objectives with the agenda including:

- Biodiversity;
- Energy consumption and exploration of low-energy alternatives;
- Waste reduction and recycling measures;
- Water usage reduction initiatives;
- Sustainable buildings and infrastructure;
- A commitment to Active Travel.

National Clinical Framework: a learning health and care system (2021). The National Clinical Framework sets out a coherent vision for the strategic and local development of NHS clinical services. It is grounded in the life course approach to service delivery and aligned to the burden of disease facing the population. Its intent is to improve patient outcomes and support the planning and delivery of resilient clinical services. It builds upon the findings of the Parliamentary Review and the direction set in *A Healthier Wales* and has benefited from looking at international experience and engagement with NHS colleagues. The Framework will sit at the centre of the system of planning.

The *National Clinical Framework* sets out a new model of planning and delivery for clinical services. It sets out how the NHS Executive will emerge as the central guiding hand called for by the Organisation for Economic Co-operation and Development (OECD) and Parliamentary Review. Over time the Executive will incorporate the existing national networks, programmes and support units. It will use these components to direct, support and enable the NHS in Wales to transform clinical services in line with national priorities. It will have a significant focus on ensuring that nationally agreed service innovations and holistic pathways of care that have been developed through the collaboration of NHS bodies are then implemented. The *National Clinical Framework* links the Executive to other NHS bodies through its national programmes and networks. The Framework confirms the introduction of a new suite of documents to guide the development of clinical services called 'quality statements'.

A More Equal Wales: The Socio-Economic Duty (2021) builds upon the principles of the Equality Act 2010 and the Future Generations of Wales Act 2015 however the Duty which came into force in March 2021 will be a key mechanism in planning Wales's recovery from the impact of COVID-19, making sure that the most vulnerable people in communities are supported. This enables a move towards the reconstruction of a fairer and more prosperous Wales.

National Development Framework (NDF) (October 2019). The National Development Framework (NDF) was drafted in 2019 and recently expanded and developed into *Future Wales – The National Plan 2040 (2021)*.

In summary, the main features of the 2019 NDF included:

- Significant employment and housing growth will mainly take place in three 'National Growth Areas':
 - Cardiff, Newport and the Valleys;
 - Swansea Bay and Llanelli; and
 - Wrexham and Deeside.
- A secondary role for 'Regional Growth Areas' located around Wales;
- Urban growth to be supported by public transport and active travel (walking and cycling) networks;

- 114,000 new homes needed by 2038, 47% of these to be affordable homes during the first five years;
- Three regions, each with its own Strategic Development Plan, to enable bespoke approaches in different parts of Wales;
- Each region has its own allocation for new homes by 2038:
 - North Wales, 19,400;
 - Mid and South West Wales, 23,400; and
 - South East Wales, 71,200.
- Improved transport links within Wales and cross-border with England, with support for the North Wales, Swansea Bay and South Wales Metros;
- 'Wind and Solar Energy Priority Areas' where there is a presumption in favour of development and an acceptance of landscape change;
- Mobile Action Zones to improve mobile coverage;
- More electric vehicle charging infrastructure;
- Support for District Heat Networks;
- A national forest and frameworks for enhancing biodiversity and ecosystem resilience;
- Greenbelts in North East and South East Wales;
- A Valleys Regional Park;
- Policies for specific areas – Cardiff, Swansea, Newport and the Heads of the Valleys; and
- Policies for strategic infrastructure – Port of Holyhead, Cardiff Airport, North West Wales Energy and the Haven Waterway in South Pembrokeshire.

Prosperity for All: A Low Carbon Wales (September 2019). Climate change is the globally defining challenge of our time and is a matter which transcends political and social boundaries, it is also often the most vulnerable in communities who are impacted the most. Decarbonisation offers enormous opportunities to create a vibrant and socially-just economy helping create a society in Wales that ensures wellbeing and tackles inequality.

The Prosperity for All: A Low Carbon Wales Plan sets out the Welsh Government's approach to cut emissions and increase efficiency in a way that maximises wider benefits for Wales, ensuring a fairer and healthier society. It sets out 100 policies and proposals that directly reduce emissions and support the growth of the low carbon economy. Delivering these ambitious decarbonisation targets will require significant leadership, collaboration with partners and the involvement of society as a whole and over the coming years Welsh Government will continue to refine the policies and raise ambition to accelerate action in line with the pathway towards a low carbon Wales.

The Topol Review - Preparing the healthcare workforce to deliver the digital future (February 2019). As people live longer, but also with more long-term conditions, there is an inexorable increase in the demand for healthcare. The workforce is also changing, there are new expectations, and most people seek a good work-life balance through flexible careers. The

NHS Long Term Plan identifies the need for more healthcare workers to respond to this increasing demand. Digital healthcare technologies, defined here as genomics, digital medicine, artificial intelligence (AI) and robotics, should not just be seen as increasing costs, but rather as a new means of addressing the big healthcare challenges of the 21st century. It is estimated that within 20 years, 90% of all jobs in the NHS will require some element of digital skills. Staff will need to be able to navigate a data-rich healthcare environment and all staff will need digital and genomics literacy.

The Topol Review proposes three principles to support the deployment of digital healthcare technologies throughout the NHS:

1. Patients need to be included as partners and informed about health technologies, with a particular focus on vulnerable/marginalised groups to ensure equitable access.
2. The healthcare workforce needs expertise and guidance to evaluate new technologies, using processes grounded in real-world evidence.
3. The gift of time: wherever possible the adoption of new technologies should enable staff to gain more time to care, promoting deeper interaction with patients.

Genomics, digital medicine and AI will have a major impact on patient care in the future. A number of emerging technologies, including low-cost sequencing technology, telemedicine, smartphone apps, biosensors for remote diagnosis and monitoring, speech recognition and automated image interpretation, will be particularly important for the healthcare workforce. In the future, many aspects of care will shift closer to the patient's home, while more specialised care is centralised into national or regional centres. The NHS has been working towards a less paternalistic relationship between patients and staff for some time, and digital healthcare technologies have the potential to speed up that process, to empower individuals to be more informed about their care, and to allow them to work together with healthcare staff to make treatment decisions.

Planning Policy Wales (Edition 10: December 2018). Planning Policy Wales (PPW) aims to deliver the vision of the Wales that was set out in the Wellbeing of Future Generations Act: a more prosperous Wales, a resilient Wales, which supports healthy, functioning ecosystems and recognises the limits of the global environment, a healthier Wales, a more equal Wales, a Wales of more cohesive communities, a Wales of vibrant culture and a globally responsible Wales.

PPW plays a significant contribution to the improvement of wellbeing in all its aspects as defined by the statutory wellbeing goals and aims to ensure that the planning decisions taken in Wales, no matter how big, or how small, are going to improve the lives of both the current and future generations. It will support changing the way people live and work, and the buildings and environment of Wales, today, building a better environment to accommodate current and future needs.

A Healthier Wales: Our Plan for Health and Social Care (2018). This sets out a long term future vision of a 'whole system approach to health and social care', which is focussed on health and wellbeing, and preventing illness. The document sets out a number of practical design principles which will help to speed up change through local innovation and new models of seamless health and social care. A national Transformation Programme will bring pace and purpose to how change across the whole system can be supported.

Prosperity for All: The National Strategy (2017) recognises that how we deliver can be just as important as what we deliver, and in order to make a real difference to people's lives, we need to do things differently and to do different things. The strategy appreciates the contribution that the healthy and active agenda, in combination with other objectives that form the strategy, can make towards raising prosperity. The objectives make specific reference to promoting good health and wellbeing, building healthier communities and better environments and the need for greater collaboration and integration across health and social care.

Prosperity for All: Economic Action Plan: The purpose of the Economic Action Plan is to support delivery of Prosperity for All – the national strategy for Wales. The Plan drives the twin goals of growing the economy and reducing inequality. It sets out a number of ambitious proposals which commit the Government to a major shift in policy direction in a range of key areas mobilised around a common purpose to work with business and others to build resilience and future proof the Welsh economy.

The Economic Contract will require organisation seeking investment to demonstrate the following as a minimum requirement:

- Growth potential (measured for example, by contribution to employment, productivity, or multiplier effects through the supply chain);
- Fair Work (as defined by the Fair Work Board);
- Promotion of health, including a special emphasis on mental health, skills, and learning in the workplace;
- Progress in reducing carbon footprint.

Taking Wales Forward 2016-2021 sets out the government's five year programme to drive improvement in the Welsh economy and public services, delivering a Wales which is prosperous and secure, healthy and active, ambitious and learning, united and connected. In terms of the healthy and active agenda, the ambition is to embed healthy living throughout Welsh Government programmes and to place a focus on health at the heart of everything that we do. Key actions are to:

- Promote healthy lifestyles and choices:
 - Helping children and young people to develop healthy behaviours;
 - Supporting older people to stay well into later life and reduce loneliness and isolation;

- Prioritising mental health treatment including a pilot social prescription scheme and increase access to talking therapies.
- Improve links between health and social services and strengthen community provision, including investment in a new generation of integrated health and social services centres;
- Introduce a new Wales Wellbeing Bond aimed at improving mental and physical health and to reduce sedentary lifestyles; and
- Better organise general hospital and specialised services, including moving more care and services from hospitals into communities.

Cardiff Capital Region City Deal (2016). The Cardiff Capital Region is comprised of ten local authorities: Blaenau Gwent; Bridgend; Caerphilly; Cardiff; Merthyr Tydfil; Monmouthshire; Newport; Rhondda Cynon Taff; Torfaen; and Vale of Glamorgan. It is the largest city-region in Wales and accounts for approximately 50% of the total economic output of the Welsh economy, 49% of total employment and has over 38,000 active businesses.

The Cardiff Capital Region is an area where people want to live and work. With two cities (Cardiff and Newport) at its core, the region has seen significant regeneration and investment over recent decades. Cardiff, as the capital city, is now dynamic, fast growing and forecast to have a higher population growth rate over the next 20 years than any other city in the UK.

The Cardiff Capital Region City Deal includes:

- £1.2 billion investment in the Cardiff Capital Region's infrastructure. A key priority for investment will be the delivery of the South East Wales Metro, including the Valley Lines Electrification programme;
- Connecting the region via a new non-statutory Regional Transport Authority to co-ordinate transport planning and investment, in partnership with the Welsh Government;
- Support for innovation and improving the digital network;
- Developing a skilled workforce and tackling unemployment;
- Supporting enterprise and business growth;
- Housing development and regeneration. The Welsh Government and the Cardiff Capital Region commit to a new partnership approach to strategic planning. This will ensure the delivery of sustainable communities, through the use and re-use of property and sites.

Public Health Wales - Making Every Contact Count (MECC) - Making Every Contact Count (MECC) is an approach to behaviour change that utilises the millions of day to day interactions that organisations and individuals have with other people to support them in making positive changes to their physical and mental health and wellbeing.

MECC enables the opportunistic delivery of consistent and concise healthy lifestyle information and enables individuals to engage in conversations about their health at scale across organisations and populations. Making Every Contact Count can lead to

improvements in people's health and wellbeing, reduce avoidable premature mortality linked to poor lifestyle choices, reduce health inequalities and help people better manage long term conditions.

The fundamental idea underpinning the MECC approach is simple. It recognises that staff across health, Local Authority (LA) and voluntary sectors, have thousands of contacts every day with individuals and are ideally placed to promote health and healthy lifestyles.

- For organisations, MECC means providing their staff with the leadership, environment, training and information that they need to deliver the MECC approach;
- For staff, MECC means having the competence and confidence to deliver healthy lifestyle messages, to help encourage people to change their behaviour and to direct them to local services that can support them;
- For individuals, MECC means seeking support and taking action to improve their own lifestyle by eating well, maintaining a healthy weight, drinking alcohol sensibly, exercising regularly, not smoking and looking after their wellbeing and mental health.

The Wellbeing of Future Generations (Wales) Act 2015 acknowledges the contribution that everyone can make to the shared goals for Wales and gives a basis for creating a different kind of public service in Wales.

Digital First: Putting people at the heart of public service development and design in Wales (2015). The Welsh Government's vision for *Digital First* is to enable responsive, consistent and excellent public services through transformed digital delivery. This is a vision that can only be achieved by addressing the fundamental barriers currently holding back the public sector, and through joined up working across all of its constituent parts.

Every part of the public sector in Wales has a responsibility to ensure that the services it delivers, and the ways, in which it offers those services, responds to this societal evolution and remains relevant. Making the fullest possible use of the opportunities that technology offers will help to deliver the services that users want to engage with. It also has the potential to make the delivery of those services more efficient and cost effective.

The *Digital First strategy* sets out the intention to provide leadership and action in all aspects of digital service development and design and outlines the first steps that the Welsh Government will take to create the environment necessary to enable and empower the public sector to provide excellent online services to the people and businesses of Wales.

2.3.2 Regional Strategies

2.3.2.1 NHS Wales Health Collaborative

The Health Board continues to work with the NHS Wales Health Collaborative and other Health Board and Trust partners to collaboratively plan and implement changes to improve the sustainability and delivery of a range of hospital services in the region. The South Central Region covers Cardiff and Cwm Taf Morgannwg Hospitals. The South East region covers Cardiff, Cwm Taf Morgannwg and Aneurin Bevan's Hospitals. Through these governing arrangements, the Health Board continues to work collaboratively with these partner Health Boards where service solutions require a joint approach.

2.3.2.2 Partnership Strategies and Priorities

Regional Partnership Board/ Integrated Health & Social Care Partnership

The Integrated Health & Social Care Partnership has been established under the direction of a Regional Partnership Board (RPB) as part of the requirements of the *Social Services and Wellbeing (Wales) Act 2014*. The purpose is to manage and develop services to secure better joint working between local health boards, local authorities and the third sector; and to ensure effective services, care and support that best meet the needs of the population.

From 1 April 2016, the *Wellbeing of Future Generations (Wales) Act 2015* introduced statutory Public Services Boards (PSB) in each local authority area in Wales to improve economic, social, environmental and cultural wellbeing through stronger partnership working. In line with the Act, each PSB has assessed the state of wellbeing across the area as a whole and within its communities to inform the development of a Wellbeing Plan and set out a series of wellbeing objectives to contribute to achieving seven national wellbeing goals as set out by the Act.

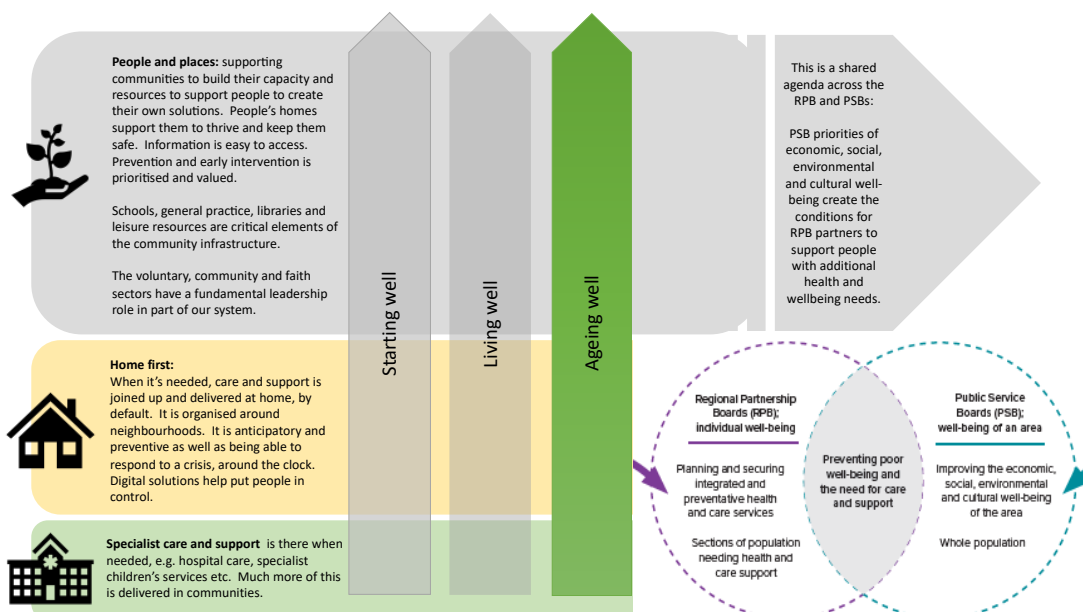


Figure 3: RPB and PSB shared agenda

Cardiff Wellbeing Assessment 2018 – 2023

Cardiff's Public Services Board (Cardiff PSB) brings together the city's public service leadership and decision-makers, including those from the Local Authority, Health Board, Natural Resources Wales, Welsh Government, the Third Sector and the Fire, Police and Probation services. The Wellbeing Plan sets out the Cardiff PSB's priorities for action over the next 5 years, and beyond. The plan focusses on the areas of public service delivery which fundamentally require partnership working between the city's public and community services, and with the citizens of Cardiff.

The plan contains the following Wellbeing Objectives:

- A Capital City that Works for Wales;
- Cardiff grows in a resilient way;
- Safe, Confident and Empowered Communities;
- Cardiff is a great place to grow up;
- Supporting people out of poverty;
- Cardiff is a great place to grow older;
- Modernising and Integrating Public Services.

Cardiff and Vale of Glamorgan Area Plan and Action Plan for Care and Support Needs 2018-2023 (Me, My Home, My Community)

Delivering performance improvement and meeting the needs of the population cannot be achieved without partnership. Over the last few years the Regional Partnership arrangements have matured and strengthened. The *Cardiff and Vale of Glamorgan Area Plan and Action Plan* was published in March 2018 and sets out the regional priorities and the detailed actions to be undertaken over the next five years. The main focus of the Area Plan and Action Plan is the Regional Partnership Board's responsibilities for the integration of services in relation to:

- Older People, including people with Dementia;
- Children with complex needs;
- Learning Disability & Autism;
- Adult and Young Carers;
- Integrated Family Support Services.

The 12 key care and support needs identified in the Population Needs Assessment form the basis for the identification of specific actions set out in the Action Plan:

- Key Finding 1 (KF1) - Increase citizen involvement in shaping both preventative and reactionary services;
- Key Finding 2 (KF2) - Promote and improve access to high quality and accessible information and advice;

- Key Finding 3 (KF3) - Further support the development of opportunities that enable social and economic wellbeing;
- Key Finding 4 (KF4) - Strengthen links between schools, vocational opportunities, apprenticeships, further education and adult learning;
- Key Finding 5 (KF5) - Support people to make healthier lifestyle choices to reduce the prevalence of unhealthy behaviours;
- Key Finding 6 (KF6) - Improve access to low level and specialist mental health care and support;
- Key Finding 7 (KF7) - Provide appropriate and safe housing and community environments, to enable people to remain independent;
- Key Finding 8 (KF8) - Improve public transport, to enable better access to services, employment and social activities;
- Key Finding 9 (KF9) - Develop services that prevent the need for more intensive care and support;
- Key Finding 10 (KF10) - Develop services to respond to existing and future care and support needs, including those for carers;
- Key Finding 11 (KF11) - Improve support for people as they transition between services;
- Key Finding 12 (KF12) - Improve organisational working practices, to ensure that services help people to achieve the outcomes they seek.

2.3.2.3 *Health Enterprise Alliance for Regional Transformation (HEART)*



HEART is a new partnership between key partners, with the shared vision and ambition to deliver better services for the population. The partnership is made up of:

- Cardiff and Vale University Health Board;
- Cardiff University;
- Cardiff City Council; and
- Vale of Glamorgan Council.

Its aim is to deliver a revolution in the way health and social care is provided by leveraging the strengths of each organisation and working towards a common purpose. Nine strategic objectives in three key areas have been agreed by the partnership. These objectives form the basis of the “Cardiff and Vale system model”. In summary the focus is on:

- **Citizen led services** through strengthened community networks, technology enabled support and co-ordinating support and response to the population based upon intensity of need;
- **Working together** more effectively to make the best use of assets, workforce and other resources;
- **Driving innovation** to accelerate the process from idea to implementable solution, attracting new sources of funding and providing swifter access to research for the population.

2.3.3 Local Strategies

2.3.3.1 Shaping our Future Wellbeing

Shaping Our Future Wellbeing (SOFW) is the 10-year strategy for transformation and improvement at Cardiff and Vale University Health Board and underpins a strategic portfolio of programmes, which will provide a co-ordinated approach to transforming services into the future:



Figure 4: Health Board Strategic Portfolio of Programmes underpinned by SOFW

The SOFW strategy set out a vision for ensuring that everyone in Cardiff and the Vale of Glamorgan, whoever they are and wherever they live, has the same opportunity to live a healthy life. This vision was driven by the very stark differences in life expectancy and healthy years lived between the more affluent communities in the local population and those living in more deprived communities. The strategy is underpinned by four key principles:

- Home first;
- Empower the person;
- Outcomes that matter;
- Avoiding harm waste and variation.

In co-producing the *Shaping Our Future Wellbeing* strategy, the Health Board worked alongside over 400 people and by engaging with the public, staff and partners, a set of prudent principles and priorities was agreed by which the Health Board can deliver high quality, sustainable, person-centred health care.

@home Programme

As part of the *Shaping Our Future Community Care*, there is a programme entitled '@home' which focusses on locality-based integrated care:

- This programme will deliver a new model of place-based, joined-up care and support across NHS, councils, third sector services and local community networks;
- The model of support will be designed around the person and their family/support network;
- It will enable more people to retain their independence through care and support delivered at home or closer to home;
- It will adopt an alliance approach that will enable organisations to work more closely together, aligning the strengths and resources to the outcomes the Health Board is aiming to achieve;
- By *alliance*, it means thinking, acting, behaving and making decisions as one, and aligning the total resources to better support people to achieve people their ambitions.

To achieve this greater focus on developing integrated services aimed at improving health and wellbeing outcomes for each locality and cluster population, a transformation to a 'social model of health' is required.

Transforming services through redesigned clinical pathways and service models, to enable traditional hospital-based services to be delivered in the community, close to where people live is paramount and there is a focus on those conditions where change will have the biggest impact in shaping the future health and wellbeing of the population. These jointly agreed priorities are:

- Cancer;
- Dementia;
- Dental and eye health;
- Long term conditions;
- Maternal health;
- Mental health;
- Stroke.

Through developing more community-based facilities, patients will benefit from improved access to important services, with the ability to access both health, care, and other community services with activity and resource focused at where the need is highest across Cardiff and the Vale of Glamorgan.

It will also be far easier for people from the most deprived areas to access the health and wellbeing services that are most in need, with a range of services to be delivered through effective partnership between the Health Board, local authorities, and voluntary sector.

[Shaping Our Future Wellbeing: In Our Community Programme \(SOFW:IOC\)](#)

The SOFW:IOC Programme Business Case (PBC) was endorsed by Welsh Government in August 2019. The PBC set out the rationale for developing and reconfiguring the community infrastructure to support the implementation of the SOFW Strategy.

To satisfy the requisites of the SOFW strategy, many improvements are required to increase the effectiveness and capacity of the community-based infrastructure to provide the network of flexible multi-functional accommodation solutions required across Cardiff and the Vale of Glamorgan. The network will focus on the delivery of Locality Health and Wellbeing Centres (H&WC) along with smaller Cluster based Wellbeing Hubs.

It is proposed that one Local Health & Wellbeing Centre will be located in each of the 3 localities of the Health Board's area supported by a more local network of Cluster based Wellbeing Hubs, which will where possible be developed alongside Local Authority Community Hubs and other appropriate facilities.



Figure 5: Diagram depicting Health and Wellbeing Centre / Wellbeing Hubs within the wider community

In identifying the best locations for these Wellbeing facilities, the Health Board alongside Public Health Wales, used a simple algorithm to apply to each Cluster:

1. List of all the Lower Super Output Areas (LSOA) by Deprivation (WIMD);
2. For the top 10 most deprived LSOA, randomly selecting 40 postcodes and assessing the travel time from each to the existing Health Centres or infrastructure opportunities in the Cluster – this included walking, cycling, public transport and by car;
3. Applying an opportunity weighting based on the opportunity to join up services with the Local Authority and condition of the existing infrastructure.

Taking the above factors into consideration and based upon the identified health and wellbeing needs of the South and East Cardiff Locality along with the previous works undertaken over many years regarding the continued development of CRI to provide modern, accessible, integrated healthcare services for people in the heart of the city, Cardiff Royal Infirmary has been chosen to be developed into a Local Health and Wellbeing Centre for residents of the wider Cardiff South and East Locality, whilst maintaining a focus for the delivery of community services for the more local population within the South-East Cluster.

The ambition for CRI will not only provide the infrastructure and diagnostic facilities to support the major redesign and shift of health care services into the community but it will also support the delivery of an increased range of integrated and collaborative services with other statutory and third sector services. The scope of services envisaged for the future is described more within the Case for Change section of this OBC and will form the basis for the identification and appraisal of options in the Economic Case.

SOFW - Whole System Service Model

A whole systems service model approach was developed as part of the SOFW strategy which enables those who commission and provide services across health and social care to have a common understanding of:

- How their services fit together;
- What needs they are seeking to address;
- How a citizen, patient or service user accesses and moves through the services; and
- Where there are gaps in existing services or opportunities to work differently.

The whole systems approach enables services to be described based on the needs of people. It takes a stepped approach, recognising that people will move up and down the steps and sometimes jump more than one depending on their needs. The application of the whole systems service model can be used to inform the development of the community infrastructure as described in the SOFW:IOC PBC.

Shaping our Future Clinical Services

In 2018 the Health Board identified the need to set out in more detail how clinical services need to develop over the next decade and into the mid-21st century in order to realise the vision set out in the strategy and to respond to the many drivers of change the Health Board is facing.

Shaping Our Future Clinical Services is the Health Board's proposed approach to developing more detailed clinical plans which is a clinically led process, and in relation to services delivered in the community, is being developed with public service partners. The Health Board has conducted an initial public engagement exercise over the winter of 2020-21 on Shaping Our Future Clinical Services to seek feedback from the public and partners on the proposed approach to the transformation and configuration of future clinical services. Shaping Our Future Clinical Services will continue to evolve as new treatments and approaches are developed and feedback and input from the public and partners shapes thinking and planning. With this in mind, Shaping Our Future Clinical Services does not describe all of services in detail. It signals how the Health Board will develop services overall, clarifying the role that each of the Health Board facilities will provide and what needs to change.

In relation to how the Health Board see its clinical services developing over the next decade, there are a series of overarching planning principles which guide this work:

- The Health Board will work collaboratively with neighbouring UHBs, Local Authority and other public and third sector partners to provide care through a connected health and social care system to improve health and wellbeing;

- Citizens should receive care at home or as close to home as possible – hospitals should only provide assessment or care that cannot be provided in the community;
- Patients requiring hospital admission should receive high quality, high value, and evidence-driven, safe and compassionate care;
- Hospital care should provide the appropriate package of specialist care co-ordinated to meet the needs of the patient and focussed on improving outcomes;
- Innovative workforce models, new technologies and a flexible digital platform across clinical and wider care providers will support new models of care;
- Redesigned clinical pathways and services driven by the Health Board's Transformation programme will deliver improved outcomes and value-based healthcare;
- Research & Development (R&D) activities will enable patients to have access to a wider range of treatment options by participating in research and clinical trials;
- Creating a climate, with the necessary facilities, which facilitates and promotes clinical innovation and health inventions to benefit patient care through better outcomes and contributing to economic growth in the region.

The following figure is the draft *Shaping our Future Clinical Services* overview:



Figure 6: Shaping our Future Clinical Services overview

The delivery of the clinical services plan will be phased over 10 years, in line with evolving service provision, shaped by wide stakeholder engagement and enabled by continuing development of digital and infrastructure solutions.

The Health Board's long term, prudent and appropriate infrastructure plan aims to ensure that it is able to deliver services in environments which aid healing and recovery, and are fit for purpose, whilst being as adaptable as possible for further future change.

The diagrams below outline what might happen during the transformation of services:

Where might clinical services happen?

Integrated care, closer to home...



- **At Home**

Virtual clinics, test results and monitoring via apps or smartphone technology. Face-to-face services will be used when best for the individual patient.

- **Health and Wellbeing Centres**

At Cardiff Royal Infirmary, Barry Hospital and North Cardiff. Services may include X-rays and ultrasound, outpatient and GP out-of-hours services, Community Mental Health Teams and Children's Services.

- **Wellbeing Hubs**

In each of our nine Primary Care Clusters - the development of existing health centres, leisure centres, and local authority community hubs, and new buildings in fast-growing areas (e.g. Maelfa). Services for GPs, community midwifery, for children, primary mental health, community and independent living.

Two centres of excellence with clearly defined roles...



University Hospital of Wales (UHW)

- A large teaching hospital serving our local population and a specialist facility serving the whole of Wales.
- Services may include; Emergency Medicine, Emergency Surgery, Critical Care, Major Trauma, Neurosurgery, Acute Stroke, Nephrology and Transplantation, Radiology, Cardiothoracics, Haematology, Women's & Children's services.

Our vision is for a state-of-the-art, sustainable and energy efficient facility that will provide:

- High quality highly specialised clinical services
- The ideal healing environment for the sickest patients with complex, emergency or specialist 24/7 needs
- An optimal learning environment for teaching and research

University Hospital Llandough (UHL)

- UHL's services may include; Orthopaedic and Spinal Surgery, Breast Surgery; Care of the Elderly, General Medicine, Stroke Rehabilitation, Cystic Fibrosis; Inpatient Mental Health services.

We envisage developing UHL as a thriving hospital site specialising in exceptional care for:

- Patients who need hospital care but are stable
- Protected, safe, efficient pathways for patients who need planned surgery and procedures
- Patients who need specialist rehabilitation
- Patients requiring inpatient mental health services

Figure 7: Shaping Our Future Clinical Services Clinical Redesign Programme Vision

2.3.3.2 *Integrated Medium Term Plan 2022 - 2025*

The *Integrated Medium Term Plan* (IMTP) is designed to capture the Health Board's core intentions, give clarity on priorities, be clear on the anticipated improvement and, importantly, help staff understand how their work contributes to the delivery of the *Shaping Our Future Wellbeing* strategy and whilst many of the objectives underpinning the strategy continue to have relevance for this plan, the Health Board recognise that, at the end of this IMTP period, it will be coming to the end of the strategy's timeframe. The Health Board will use the next 3 years to engage with all stakeholders to review the delivery against the strategy and develop a programme of engagement and co-production to develop a strategy for 2025-35.

Over the last two years, the Health Board have dramatically adapted the way it delivers services in response to the global Covid-19 pandemic and will continue to develop and encourage a culture of continuous learning and structured approach to improvement to reduce harm to patients and deliver better outcomes. This IMTP sets out how the Health Board will continue to remain responsive to the ongoing uncertainties, whilst also accelerating the pace of delivery of the SOFW strategy, reflecting on both the challenges and opportunities created by the pandemic and the way it was responded to.

This three-year plan describes:

- The key deliverables in ongoing readiness and response to the challenges of the evolving COVID-19 pandemic whilst balancing service recovery and redesign to respond to the ongoing and backlog of demand for Planned and Urgent and Emergency Care services;
- The strategic context and priorities which frame the Health Board's partnership approach to longer term system transformation and how this aligns with the immediate readiness, recovery and redesign plans;
- The enabling programmes that describe how the recovery, redesign and transformation efforts will seamlessly align.

On the back of a pandemic, how the Health Board plan and deliver services in the coming period will define the health and wellbeing for a generation. As part of moving back to a three-year approach to planning, and as the final phase of SOFW is entered the Health Board have taken the opportunity to fully reconsider within this plan what the specific focus and priorities need to be over the next three years:



Figure 8: CVUHB IMTP Priorities

The IMTP is also supported by the development of the Health Board's *Strategic Clinical Services Plan*. This identifies the critical service redesign proposals and infrastructure developments required to enable a sustainable and high value service model that will support the future model of care.

The IMTP is also underpinned by the significant contribution that the Health Board can make to the *Foundational Economy in Health and Social Services 2021-22 programme*.

The Foundational Economy programme in health and social services focuses on:

- The direct goods or services bought (e.g. food for hospitals);
- The workforce directly employed;
- How the location and co-location of health and social care services affects communities and how they can access services.

2.3.3.3 Cardiff and Vale People and Culture Plan 2022 – 2025

The impact of COVID-19 on the health and care system in Cardiff and the Vale of Glamorgan has been immense: services, processes and, vitally, people have all been changed in some way as a result of the pandemic.

While many people were able to adapt, innovate and face the challenges presented to them, the physical and emotional strain of doing so, as well as the toll of simply doing their jobs in such unprecedented conditions cannot be overstated.

The People and Culture Plan sets out the actions the Health Board will take over the next three years to support the workforce recovery from the pandemic and to meet the population's health and care needs, with a clear focus on improving the wellbeing, inclusion, capability and engagement of the workforce. This is the Health Board's opportunity to improve the experience of staff, to ensure the improvements that have been made over recent years continue, and to confront the challenges which have arisen as a result of the pandemic and subsequent recovery period.

The Plan is built around 7 themes which are based on the themes set out in the *Workforce Strategy for Health and Social Care*, with an added emphasis on retention in theme 3 to recognise the importance of retaining the workforce as well as recruiting new people:

- Seamless workforce models - to support multi-professional and multi-agency working through integration of Health and Social Care services and the development of alternative workforce models to deliver a seamless, co-ordinated approach with partners based on outcomes that matter to the person
- Engaged, motivated and healthy workforce - to have a workforce that feels valued and supported wherever they work
- Attract, recruit and retain - to recruit and retain the right people with the right skills
- Building a digitally ready workforce - to have a workforce that is digitally ready, with both the technology available and the skills to utilise this effectively
- Excellent education and learning - to invest in education and learning to deliver the skills and capabilities needed to meet the future needs of the people we care for and support our people to progress their careers
- Leadership and succession - to have leaders in the health care system who embody inclusive, collective and compassionate leadership
- Workforce supply and shape - to have a sustainable workforce in sufficient numbers to meet the health and social care needs of the population.

2.3.3.4 *Cardiff and Vale UHB Estates Strategy 2018 - 2028*

In 2018, the Health Board developed an estates strategy describing the current state of the estate and setting out a ten year programme for delivering the infrastructure needed in order to realise the vision and aims of the Health Board's strategy and to enable full implementation of the clinical services plan.

The plan identified that much of the current infrastructure is no longer suitable for current and future use and is not conducive to the best patient outcomes and experience, nor staff wellbeing.

The estates strategy sets out the case for change for major investment in the infrastructure, outlining the developments needed at key sites over the next decade. It provides a specific focus on the need to re-provide the majority of facilities currently at UHW and sets out a compelling vision to develop a new hospital as part of health science campus with university, government and industry partners.

The document remains a working document which is regularly updated to reflect progress and changes that are needed. Below is a summary of the objectives of the estates strategy:

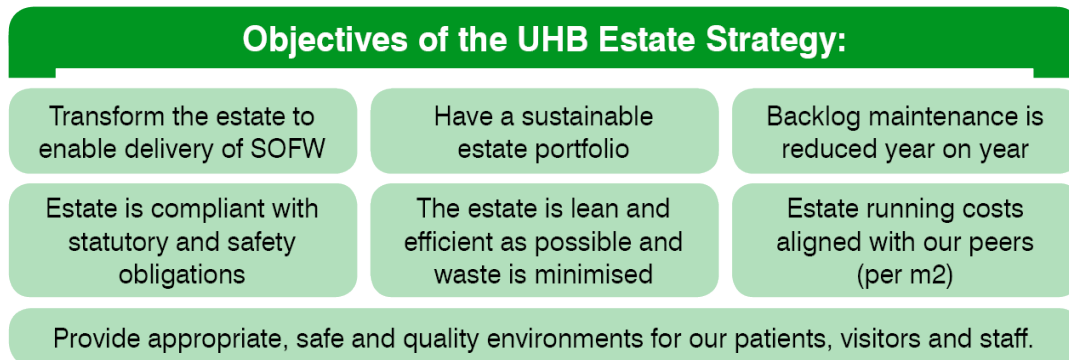


Figure 9: Estates Strategy Objectives

These objectives are key to the achievement of the aspiration for carbon neutrality by 2030 and the Health Board are already leading the way in energy efficient healthcare and green hospital design. From solar panels to NHS Wales' largest combined heat and power plant, the Health Board has adopted a number of initiatives that have dramatically increased its energy efficiency.

The proactive work around energy efficiency is expected to save the health board £1.2m per year and generate an estimated saving of 2,000 tonnes of CO₂e emissions annually. Further, this work will play a central role, ensuring that the services provided remain environmentally sustainable long into the future.

Current Estate and Service Accessibility

A parallel piece of work has also been undertaken in line with the Estates Strategy to assess current location accessibility and the future potential to support the implementation of *SOFW: In Our Community*. This takes account of deprivation, access/travel times, condition and location of current facilities and opportunity to join up services with the local authority. The outcome suggests there is potential to streamline capacity and facilities, and the remodelling of the estate to reflect the strategic direction of rebalancing services to primary and community settings wherever possible.

In relation to the primary care estate, the key challenges facing General Medical Services (GMS) are focused on:

- The capacity of GP practices to respond to the unprecedented population growth identified by the current local development plans for Cardiff and the Vale of Glamorgan, particularly where they are located in the immediate vicinity of the Local Development Plan (LDP) strategic sites in the north of Cardiff; and
- The physical capacity constraints in GP practices across Cardiff and the Vale of Glamorgan which impacts on the range of clinical services they are able to provide, thus limiting the scope of services that can be provided close to home.

2.3.3.5 *Cardiff and Vale UHB Delivering Digital: a Five Year Strategy – Building a learning health and care system (July 2020)*

This digital strategy has been produced to provide a clear roadmap for how digital technology will enable the transformation of clinical services described by the Health Board overarching strategy, 'Shaping Our Future Wellbeing'.

The objective of the NHS in Wales was set out in the Welsh Government document *A Healthier Wales*, declaring the ambition for an integrated health and social care system which enables seamless care and the ability to promote health and wellbeing as close to home as possible. The document very clearly sets out the need for a modern digital infrastructure to enable this transformational change.

The Health Board's digital strategy has been written after engagement with staff across the organisation, taking particular note of the attendees of the clinical information management and technology group, the clinical boards, the executive board and information available from patient feedback. The strategy sets out a significant step change in the approach that the Health Board will take towards a digital future for healthcare services.

Digital services are a key enabler to transforming the way health and care services are delivered in Wales, and in enabling patients to have greater involvement in managing their health and wellbeing. The following diagram summaries the aims of the Health Board's digital strategy over the next five years:

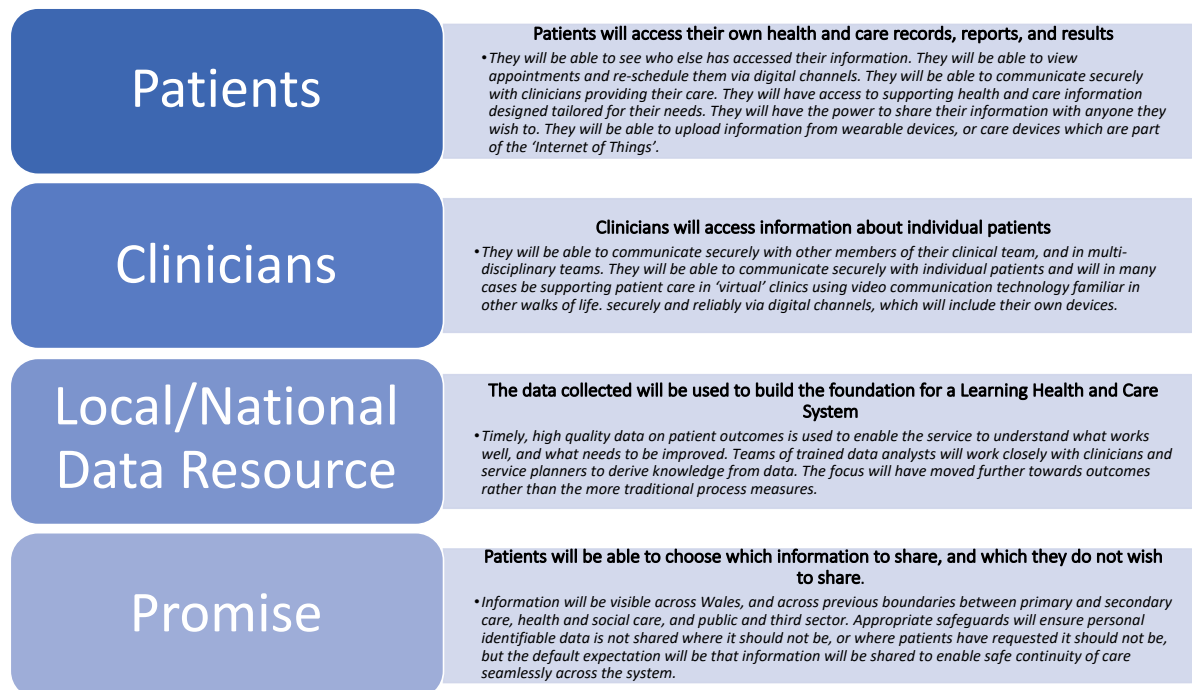


Figure 10: Overview of the five year aims of the Health Board's Digital Strategy

Cardiff and the Vale of Glamorgan a Digital Care Region

Many people across the region interact with many different health and care services, which are delivered by numerous organisations. People may have different pieces of information about their care held in the Health Board, council (for instance social services and education) and the third sector.

The Cardiff and Vale Regional Partnership Board (RPB) have recognised that to deliver integrated services, organisations need to be able to easily share information in a way that is simple to use and complies with data protection laws. Therefore, in support of the above aims, the Health Board are currently implementing a number of digital initiatives that are creating greater collaborative working across organisations to make Cardiff and the Vale of Glamorgan a Digital Care Region, delivering informed care and ensuring relevant and agreed information is available across partners.

A pilot project has been undertaken utilising the National Data Resources (NDR) work that has allowed for care records to become shareable across teams and move across the many e-record platforms available across Wales, with the plan for more significant works to come during 2022 and beyond.

PART B: THE CASE FOR CHANGE

This section sets out the case for change from a service and estates perspective, setting out the spending objectives; an overview of the drivers for change and the current issues impacting on regional and local services. It also highlights the benefits and risks associated with the project.

2.4 Spending Objectives

This business case is part of delivering the overarching SOFW programme and the table below shows how the programme objectives have been linked to the specific needs and challenges presented by the cluster/locality. These project objectives have been derived by the Project Team and agreed by the Project Board and can be evidenced as SMART (specific, measurable, achievable, relevant and time bound):

Spending Objective 1 (Empower the Person): To deliver relevant health and wellbeing information, advice and education to support residents within the South and East Cardiff Locality to choose healthy behaviours and encourage self-management of conditions	
Specific	<p>Working with partner organisations to provide a range of locally delivered health and wellbeing information, advice and education, which meet the identified health and wellbeing needs of local residents with a particular focus on:</p> <ul style="list-style-type: none"> ▪ Physical activity ▪ Healthy eating ▪ Smoking ▪ Alcohol ▪ Weight management ▪ Social loneliness <p>Delivering local Education Programmes for patients with specific patient education courses, focused on the identified needs of local residents, including:</p> <ul style="list-style-type: none"> ▪ Diabetes ▪ Eating for Life ▪ Quit Smoking
Measurable	<p>Evidenced by:</p> <ul style="list-style-type: none"> ▪ Increase in number of wellbeing group activity sessions delivered; ▪ Increased uptake of social prescribing within the wider Locality/ local Cluster
Achievable	<p>There is a willingness of physical, mental health and social care partner organisations to deliver a collaborative approach to empowering people to choose healthy behaviours and encourage education and self-management of conditions</p>

<p>Relevant</p>	<p>The objective is aligned to the Wellbeing of Future Generations goals and ways of working. Specifically:</p> <ul style="list-style-type: none"> ▪ Long term ▪ Prevention ▪ Integration (prosperity, health, culture) ▪ Collaboration ▪ Involvement <p>The objective is aligned with the NHS Infrastructure Investment Guidance objectives and criteria. Specifically:</p> <ul style="list-style-type: none"> ▪ Supporting changes to streamlining and transforming healthcare provision, with a focus on prevention and supported self-management, the provision of care closer to home, and the integration and co-ordination of service delivery with partners; ▪ Health gain criteria. <p>The objective promotes the SOFW Strategy principle of 'empower the person'.</p> <p>There is direct alignment to the SOFW:IOC Programme objective:</p> <ul style="list-style-type: none"> ▪ To improve the way universal prevention and population health services are delivered to support the empowerment of people to choose healthy behaviours and encourage self-management of conditions.
<p>Time-bound</p>	<p>Improved local health and wellbeing education, information and advice to be delivered upon completion of the facility</p>
<p>Spending Objective 2 (Home First): Strengthen the Health Board's ability to support the shift in service delivery from hospital to community and deliver further integrated services, through the creation of a Health and Wellbeing Centre at CRI (H&WC@CRI) within the South and East Cardiff Locality</p>	
<p>Specific</p>	<p>Develop accommodation at CRI to create 'fit for purpose', flexible and multi-functional facilities which support the delivery of locally delivered services. It is acknowledged that some services requiring critical mass may serve a wider population than the Locality</p>
<p>Measurable</p>	<p>Evidenced by:</p> <ul style="list-style-type: none"> ▪ Shift in number of outpatient appointments from hospital to the H&WC@CRI.
<p>Achievable</p>	<p>This is consistent with the Strategic Clinical Service Plan to transfer delivery of outpatient clinics from the hospital setting into community facilities</p>

<p>Relevant</p>	<p>The objective is aligned to the Wellbeing of Future Generations goals and ways of working. Specifically:</p> <ul style="list-style-type: none"> ▪ Long term ▪ Integration (prosperity, resilience) ▪ Collaboration ▪ Involvement <p>The objective is aligned with the NHS Infrastructure Investment Guidance objectives and criteria. In particular:</p> <ul style="list-style-type: none"> ▪ Supporting the delivery of safe, sustainable and accessible services, and facilitating high standards of patient care; ▪ Supporting changes to streamlining and transforming healthcare provision, with a focus on prevention and supported self-management, the provision of care closer to home, and the integration and co-ordination of service delivery with partners; ▪ Promoting the maximum efficient utilisation of assets and improving asset condition and performance; ▪ Health gain and sustainability criteria. <p>The objective promotes the SOFW Strategy principle of 'home first', enabling people to maintain or recover their health in or as close to home as possible.</p> <p>There is direct alignment to the SOFW:IOC Programme objective:</p> <ul style="list-style-type: none"> ▪ To improve the quality of health and wellbeing services by working with partners to deliver more co-ordinated and collaborative services close to home.
<p>Time-bound</p>	<p>Development of fit for purpose community facilities and improved local access to health and wellbeing services to be delivered upon completion of the facility</p>

Spending Objective 3 (Outcomes that matter to people/ Reducing inequality): To develop an environment within the Locality / Cluster which promotes an integrated social model of care, focusing on conditions where prevention will have the greatest impact and identified Locality/Cluster priorities

<p>Specific</p>	<p>Creating further integration of services and developing shared facilities within CRI to support co-ordinated and collaborative working across partner organisations, focusing on people’s physical, mental and social wellbeing.</p> <p>Attention will be paid to specific conditions as identified within the SOFW Strategy:</p> <ul style="list-style-type: none"> ▪ Dental and eye care ▪ Maternal health ▪ Mental health ▪ Long term conditions ▪ Dementia <p>and particular priority areas identified within the Locality:</p> <ul style="list-style-type: none"> ▪ BME community ▪ Vulnerable groups, e.g. asylum seekers ▪ Substance misuse ▪ Student population ▪ Reducing teenage pregnancies ▪ Sexual health
<p>Measurable</p>	<p>Evidenced by:</p> <ul style="list-style-type: none"> ▪ Increased range of multi-agency services offered at CRI, focusing on particular conditions and priority areas as identified within the Locality
<p>Achievable</p>	<p>There is multiple partner organisation support for delivering a social model of care approach which focuses activity and resources relevant to the needs of residents of the South and East Cardiff Locality</p>

<p>Relevant</p>	<p>The objective is aligned to the Wellbeing of Future Generations goals and ways of working. Specifically:</p> <ul style="list-style-type: none"> ▪ Long term ▪ Prevention ▪ Integration (prosperity, health, culture, equal) ▪ Collaboration ▪ Involvement <p>The objective is aligned with the NHS Infrastructure Investment Guidance objectives and criteria. In particular:</p> <ul style="list-style-type: none"> ▪ Supporting changes to streamlining and transforming healthcare provision, with a focus on prevention and supported self-management, the provision of care closer to home, and the integration and co-ordination of service delivery with partners; ▪ Health gain and equity criteria <p>The objective promotes the SOFW Strategy principle of 'outcomes that matter to people', creating value by achieving the outcomes and experience that matter to people at an appropriate cost.</p> <p>There is direct alignment to the SOFW:IOC Programme objective:</p> <ul style="list-style-type: none"> ▪ To improve health outcomes, focusing on conditions where prevention will have the greatest impact, as identified in the SOFW Strategy; ▪ To reduce health inequalities through targeted provision of services/interventions which better meet the health and wellbeing needs of the local population
<p>Time-bound</p>	<p>Co-ordinated and collaborative social care, physical and mental health services that support reducing health inequalities to be delivered upon completion of the facility</p>
<p>Spending Objective 4 (Avoid harm, waste and variation): To improve facilities and the capacity of services to meet increasing and changing demand for services</p>	
<p>Specific</p>	<p>Focus on:</p> <ul style="list-style-type: none"> ▪ Developing flexible, multi-functional facilities which support improved utilisation, efficiency and sustainability of the H&WC@CRI as service and patient needs change; ▪ Using digital technology to improve connectivity and communication between professional staff, with clients and citizens; and support efficient working practices; ▪ Developing and conserving the CRI building consistent with the requirements imposed by its Grade II listed building status and making best use of the asset
<p>Measurable</p>	<p>Evidenced by:</p> <ul style="list-style-type: none"> ▪ Use of bookable spaces meets agreed utilisation rates; ▪ IT/digital technology supports improved working practices and sharing of information; ▪ Capital proposals for CRI agreed with Cadw and the planning authority.

Achievable	Improved utilisation and access to resources, leading to improved ability to meet demand for services
Relevant	<p>The objective is aligned to the Wellbeing of Future Generations goals and ways of working. Specifically:</p> <ul style="list-style-type: none"> ▪ Long term ▪ Integration (health) ▪ Collaboration <p>The objective is aligned with the NHS Infrastructure Investment Guidance objectives and criteria. In particular:</p> <ul style="list-style-type: none"> ▪ Supporting delivery of safe, sustainable and accessible services and facilitate high standards of patient care; ▪ Promote the maximum efficient utilisation of assets and improve asset condition and performance; ▪ Clinical skills sustainability, affordability and value for money criteria. <p>The objective promotes the SOFW Strategy principle of 'avoid harm, waste and variation', through fully utilising limited resources available and minimising avoidable harm.</p> <p>There is direct alignment to the SOFW:IOC Programme objective:</p> <ul style="list-style-type: none"> ▪ To improve the capacity of services to meet the increasing and changing demand for our services, focusing on: <ul style="list-style-type: none"> ○ Service/clinic utilisation ○ Workforce ○ Facilities ○ Technology
Time-bound	Improved access to integrated services, digital tools, information and mobile technology to be delivered upon completion of the facility

Table 1: Spending Objectives

As well as demonstrating where these objectives align with the NHS Infrastructure Investment criteria, WFG goals and SOFW strategic principles, the team has also identified measurable benefits specific to the project. These are linked to the main benefits as set out in section 3.8 below.

2.5 Existing Arrangements

Primary and Community based healthcare in Cardiff and the Vale of Glamorgan is managed and delivered across 3 localities:

- Cardiff South and East Locality;
- Cardiff North and West Locality;
- Vale of Glamorgan Locality.

Locality and Cluster/Neighbourhood Structure

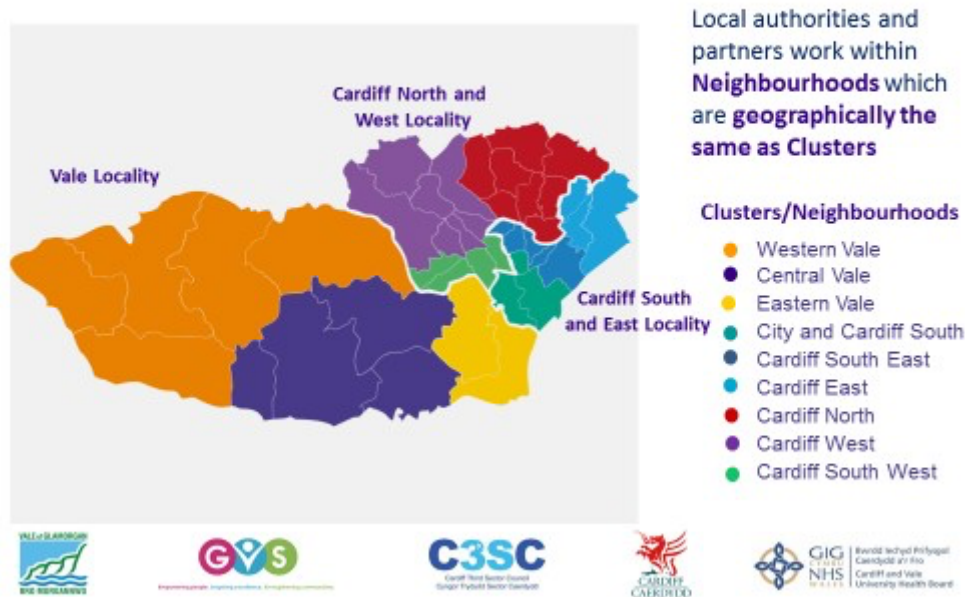


Figure 11: Cardiff and Vale Locality / Cluster Structure

Within each locality, services are planned through a series of Primary Care clusters, which are collaborative groupings of GP practices, general dental practices, optometry services and community pharmacies.

Locality	Cluster
Cardiff South and East	Cardiff East
	Cardiff South East
	Cardiff City and South
Cardiff North and West	Cardiff North
	Cardiff West
	Cardiff South West
Vale of Glamorgan	Eastern Vale
	Central Vale
	Western Vale

Table 2: Locality and Cluster Structure

Each cluster has developed a Primary Care IMTP, jointly developed by each of its designated GP practices that informs each cluster's three-year plan with regards to the key health needs within the area; information in respect of referral and activity levels; a knowledge of current service provision and gaps within the area and finally an understanding of key Health Board priorities for the next three years.

More information relating to the wider locality and cluster community based estate can be found within the Programme Business Case.

2.5.1 Cardiff South East Cluster

This Outline Business Case serves as a catalyst for the Cardiff South and East Locality however it also focusses on the population of the Cardiff South East Integrated Cluster Hub, which is comprised of the local communities of Adamsdown, Gabalfa, Plasnewydd, Splott and part of Cathays (the remainder of Cathays is currently part of the Cardiff City and South Cluster Hub) and the need to provide modern, accessible, integrated health and wellbeing services for residents across neighbourhoods.

In 2019 the cluster had a GP practice population of 62,782 people with 8 GP practices, 5 Dental practices, 6 Optometrist's and 16 Pharmacies.

The demography of Cardiff South East is complex and includes areas of the highest rates of unemployment, social deprivation, a high population of university students and one of the six UK immigration centres. The latest population estimation suggests approximately 19% of Cardiff's total population live within the cluster.

In Cardiff, 9.5% of its total population live in the 10% most health deprived Lower Super Output Areas (LSOA's) in Wales (i.e. those ranked 1-190). This proportion varies greatly across the neighbourhood areas. Cardiff South East has 14.6% of its population living in these most deprived areas.

A copy of the South East Cardiff Cluster Plan 2020-2023 is attached as Appendix 1. Copies of the additional cluster plans that sit within the locality are available upon request.

2.5.1.1 Cardiff Royal Infirmary

Cardiff Royal Infirmary (CRI) is a major landmark in Cardiff and represents a huge historical and heritage significance within the local community and beyond. The hospital opened in 1883 and is Grade II listed having ceased to function as a District General Hospital (DGH) in 1999. The facility then became a community resource, delivering health services to meet the particular needs of the local community, with the ongoing future of CRI being debated over many years.

In later years successive planning exercises, health needs assessments and public consultations all established a vision for a complete phased re-development of CRI. The vision was for the CRI to be developed as a centre of excellence for the delivery of integrated health and social care to meet the needs of a complex and growing population working as part of a network of primary and community services. It would provide a wider resource for the community with opportunities for collaborative joint working with the third sector being at the core of the development.

Since 2009, a number of Business Justification Cases (BJCs) for the conservation and heritage works along with 'Phase 1' of the CRI redevelopment have been submitted to Welsh Government with the works being completed in 2014. The works included conservation to safeguard and prolong the life of the building consistent with its grade II listed building status, along with remodelling and the refurbishment of accommodation for any existing services delivered from CRI thus allowing provision of fit for purpose accommodation for patients and staff.



Figure 12: External photograph of the entrance to Cardiff Royal Infirmary

Subsequent works have also included the refurbishment of Block 14 for Therapies, emergency interim works to accommodate the Community Mental Health Teams (CMHT), interim Dispensing and Treatment Team/ Needle Exchange (DATT/NEX) modular build and the recently opened Capel I Bawb (Chapel).

Current Services

The following outlines the services currently provided on the CRI site:

- Four Elms General Medical Services
- Cardiff Health Access Practice (CHAP/ OOH)

- Lymphoedema Clinic
- Sexual Assault Referral Centre (SARC)
- Department of Sexual Health (DOSH)
- Community Outpatient Clinics:
 - Midwifery hub, Health Visitors, Locality Nursing Children & Young people hub
 - Therapies/CMATS/MSK
 - Podiatry
 - Community Mental Health Team (CMHT)
 - Child and Adolescent Mental Health Services (CAMHS)
 - Dental services (Community DS & General DS)
 - Diagnostics (x-ray)
 - Ophthalmology
 - Audiology
 - Memory clinic
 - Cardiology/ECG
 - Phlebotomy
 - Pain management
- Community Pharmacy
- Community Library/ Cafe
- RISE One Stop Shop
- Dispensing and Treatment Team (DaTT) including Needle Exchange (NEX)
- Community Addictions Unit (CAU).

The CRI site itself consists of three physical buildings, all in very close proximity to each other, namely the main building, the Links Building, including Angove Unit and Houses 54/56. However, over the last few years, the Links Building and Angove Unit have suffered extreme deterioration with major storm damage suffered in 2018 resulting in the accommodation being no longer fit for purpose, therefore services have temporarily moved into other areas of the site to enable continued service delivery as identified in the emergency interim works above.

Proposals are currently ongoing with regards to the development of the rear of the CRI site including the potential for a replacement Links Building and refurbishment of the Houses to each accommodate a number of specialist services such as SARC, CAU, DaTT/NEX and mental health facilities. This work is being developed separate to this OBC but is a major part of the overarching CRI masterplanning and phasing exercise that is being undertaken and therefore the output of the work is very closely aligned with this project.

2.5.1.2 *Roath Clinic*

Roath Clinic operates as a community clinic for the Cardiff South East cluster and has a significant number of estates issues associated with the fabric of the building. A condition survey was undertaken in 2017 and found numerous estates risks/ issues impacting on service delivery across clinics.

A number of services currently operate from the premises such as provision for Dietetics, Primary Mental Health, Paediatric Continence, Midwives, Speech and Language Therapy, Podiatry, Dental, District Nurse Team and Health Visitors with many of these specialties providing essential services in an area of high deprivation/need.

As highlighted above, there are multiple issues currently affecting many services being provided from the premises, the community dental facility in particular is currently not fit for purpose, for example, they do not comply with all infection prevention and control requirements and are therefore unable to provide aerosol generated procedures (AGP) due to insufficient air change provision. The equipment being utilised is at the end of its life and the fixed furniture is in poor condition, the decontamination room is also non-compliant with WHTM01-05. This has clearly had an impact on delivery of dental services with only basic treatment currently being provided and many cancellations of clinic appointments being necessary due to not fit for purpose facilities. There are no other community dental clinic facilities in this area of Cardiff and so therefore patients are already seeing a service gap.

2.6 **Business Needs**

Cardiff's most deprived communities are predominantly found in the 'Southern Arc', a large part of which is served by the three Clusters within the South and East Cardiff Locality with the Health Board's most vulnerable groups being located in the areas surrounding CRI, including the homeless, black and minority ethnic communities, travelling community and individuals seeking asylum.

There are stark and persistent inequalities between the most and least deprived areas, particularly in terms of life expectancy, number of healthy life years and premature death rates.

2.6.1 **Overview of health and wellbeing needs for Cardiff South East Locality**

The locality needs assessment provides details regarding:

- Population size and composition;
- Risk factors for disease;
- Equity, inequalities and wider determinants of health;
- Ill health and service use;
- Working in partnership with local residents.

Key points within each section are:

- Population size and composition:
 - The population of Cardiff is growing rapidly in size, projected to increase by 10% between 2017-27, significantly higher than the average growth across Wales and the rest of the UK. An extra 36,000 people will live in and require access to health and wellbeing services;
 - The Cardiff population is relatively young compared with the rest of Wales, with the proportion of infants (0-4 yrs) and young working age population (20-39yrs) significantly higher than the Wales average. This reflects in part a significant number of students who study in Cardiff;
 - There will be significant increases in particular in people aged 5-16 and the over 65s.
- Risk factors for disease:
 - Unhealthy behaviours which increase the risk of disease are endemic among adults in Cardiff
 - Nearly half (44%) drink above alcohol guidelines;
 - Nearly two thirds (66%) don't eat sufficient fruit and vegetables;
 - Over half (55%) are overweight or obese;
 - Around three quarters (74%) don't get enough physical activity;
 - Just over one in five (21%) smoke.
 - There is considerable variation in rates of unhealthy behaviours in Cardiff:
 - Smoking rates vary between 14% and 33% across Cardiff;
 - Many children in Cardiff and the Vale of Glamorgan are also developing unhealthy behaviours;
 - Two thirds (67%) of under 16s don't get enough physical activity;
 - Over a third (34%) of under 16s are overweight or obese.
- Equity, inequalities and wider determinants of health:
 - There are stark inequalities in health outcomes in Cardiff and the Vale of Glamorgan:
 - Life expectancy for men is nearly 12 years lower in the most-deprived areas compared with those in the least-deprived areas;
 - The number of years of healthy life varies even more, with a gap of 22 years between the most- and least-deprived areas;
 - Premature death rates are nearly three times higher among the most-deprived areas compared with the least deprived;
 - There are also significant inequalities in the 'wider determinants' of health, such as housing, household income and education:
 - For example, the percentage of people living without central heating varies by area in Cardiff and the Vale of Glamorgan from one in a hundred (1%) to one in eight (13%);
 - There are inequalities in how and when people access healthcare:
 - Immunisation uptake varies considerably, with uptake of infant vaccines ranging from 89% to 98% across Cardiff and the Vale of Glamorgan;
 - In addition to health needs, each community has 'assets', such as social capital, community groups or community buildings.
- Ill health and service use:

- The disease profile in Cardiff and the Vale of Glamorgan is changing:
 - The number of people with two or more chronic illnesses in Cardiff and the Vale of Glamorgan has increased by around 5,000 in the last decade, and this trend is set to continue;
 - Around 1 in 7 (15%) people consider their day-to-day activities are limited by a long-term health problem or disability;
 - Many people with chronic conditions are not diagnosed and do not appear on official registers;
 - Due to changes in the age profile of the population and risk factors for disease, new diagnoses for conditions such as diabetes and dementia are increasing significantly.
- Around 1 in 5 adults have visited their GP within a 2 week period; and nearly three quarters visit a pharmacy over a year period;
- The highest rates of attendance at the Emergency Department are from people living in more deprived areas of Cardiff and the Vale of Glamorgan;
- Rates of delayed transfer of care for social care reasons are nearly twice as high in Cardiff and the Vale of Glamorgan than the Wales average;
- Heart disease, lung cancer and cerebrovascular disease are the leading causes of death in men and women;
- Preventable illness and deaths;
 - Many (but not all) of the most common chronic conditions and causes of death may be avoided by making changes in health-related behaviours.
- Working in partnership with local residents:
 - There are a number of consistent themes from local residents and health professionals about how they would like services to look in future. These include:
 - Helping people stay healthy and independent for as long as possible;
 - Early diagnosis of disease and receiving the best treatment available, wherever an individual lives;
 - Co-ordinated and convenient care, as close to home or work as possible.

Therefore, as the needs and demands of the local population change, the way the Health Board currently provide services in the area is no longer sustainable. To sustain safe and high-quality services in the future the Health Board are looking to re-organise and redevelop much of the routine care provided across all sectors whilst taking opportunities to rationalise or improve current poor community estate within the locality where possible.

2.6.2 Proposed Development of Community Infrastructure and Current Issues

The current role of CRI is focussed on delivering community based services to the local population however, in undertaking the original works for Phase 1 of CRI, the Health Board identified issues with asbestos, rot and damp across the building and a significant amount of the current building (save for the completed Phase 1 works) is currently in a poor state of repair and unoccupied.

A 2019 summary of the current refurbishment status of CRI showed that:

- 27% of the building has been refurbished;
- 73% of the building requires significant safeguarding works to prevent further deterioration and refurbishment to provide accommodation that is fit for purpose for healthcare delivery in the future.

However, whilst the current condition of a large proportion of CRI is poor and unsafe and requires significant remedial and refurbishment works, it has been established, through numerous years of service planning works, that the CRI can provide the development capacity to extend the current range of services provided and enable the further transfer of activity from hospital settings into the community as well as look at new models of care for local primary, community, mental health and adult social care services that are currently fragmented across different locations within the locality.

A separate Full Business Case will be developed in support of this OBC to detail the requirements of the necessary capital safeguarding works to the remainder of the CRI (73%) to support the proposed redevelopment in its entirety including the provision of an energy centre to support the future sustainability of the site.

The aim of the initial safeguarding works will be to achieve the following desired outcomes:

- To provide a watertight building through the replacement and/or repair of windows and roofs;
- To remove all harmful substances from the building;
- To address all issues of rot and damp with appropriate remedial action;
- To remove all redundant mechanical and electrical services;
- To address all structural issues;
- To make good and clean the façade of the buildings, in line with the listed status;
- To leave the building in a safe state in readiness for future development and fit-out.

2.6.3 Summary

Services have changed beyond recognition since the start of the NHS and a need to place a greater emphasis on mental health, preventative care and managing the long-term conditions of an ageing population is required. Pressures on GPs, secondary care together

with growing patient list sizes and life expectancy rates means that community accommodation needs to be able to adapt and modernise to meet rising demand.

The Cardiff Royal Infirmary is an iconic, much loved building within the community, already providing a number of much needed healthcare services within the heart of the city to those that need and rely on it daily but, by further investing in the future sustainability of the site and the health and social care of the local community, by restoring the CRI to its full capacity it will provide the exciting opportunity to further enhance service delivery, look at new models of collaborative working across partner organisations, provide greater use of the physical estate available whilst also preserving a piece of Cardiff's heritage for the good of the community.

It is well known that building health into the high street has multiple socio-economic benefits. It can play an important role in addressing health inequalities, offer much-needed additional capacity for health service delivery and attract more people into their local high street, while encouraging healthier lifestyles but fundamentally, a new accessible health and wellbeing facility at CRI will provide excellent health and wellbeing services to meet the needs of the locality both now and in the future across healthcare specialities.

2.7 Potential Business Scope & Key Service Requirements

The proposed scope of the project is for the continued future of the CRI which will see the entire facility restored and redeveloped into a Health and Wellbeing Centre for residents of the wider Cardiff South and East Locality, while maintaining a focus for the delivery of community services for the more local population within the South East cluster. The CRI can provide the necessary infrastructure and diagnostic facilities to support the major redesign and shift of healthcare services closer to people's homes and support delivery of an increased range of integrated and collaborative services with other statutory and third sector services promoting a community-centred approach which would:

- Focus on promoting health and wellbeing in community settings, rather than acute settings;
- Recognise and seek to mobilise assets within communities;
- Promote equity in health and healthcare by working with and alongside individuals and groups who face barriers to achieving good health;
- Seek to increase people's control over their health and lives;
- Use participatory methods to facilitate the active involvement of members of the public.

This section describes the potential scope of services for the project in relation to the spending objectives, business needs and service priorities.

2.7.1 Service Priorities

The proposal for a Health and Wellbeing Centre at CRI has been the subject of significant service planning and engagement work with partner organisations such as Cardiff Council, third sector groups and the local community over many years and will look to provide shared, flexible and multi-functional accommodation that can be adapted as services develop to not only improve capacity to meet increasing and changing demand for services from a rapidly growing population but enable and accelerate the transfer of activity from hospital settings into the community. However, an initial assessment of the space required to accommodate the proposed service scope indicated that there was a gap between the space requested and the space available at CRI.

Therefore, during the development of this OBC, individual services have been prioritised by the Project Board on how each service proposal best meets the core principles and critical success factors of the project and provides the most appropriate configuration of services to deliver the SOFW objectives for the local population whilst also taking into careful consideration service sustainability for the locality and those services delivering from poor accommodation currently.

In line with Welsh Government guidance, the scope has been assessed against a continuum of need ranging from:

- A minimum – essential or core requirements/outcomes;
- An intermediate – essential and desirable requirements/outcomes;
- A maximum – essential, desirable and optional requirements/outcomes.

Minimum	Intermediate	Maximum
A community based facility at CRI that supports health service sustainability, meets statutory requirements, best practice models and addresses service model and known capacity issues for services within priority 1	A community based facility at CRI that supports health service sustainability, meets statutory requirements, best practice models and addresses service model and known capacity issues for services within priority 1 and 2a	A community based facility at CRI that supports health service sustainability, meets statutory requirements, best practice models and addresses service model known capacity issues whilst improving clinical pathways across all services within priorities 1, 2a and 2b. In doing this, the facility will deliver a greater range of physical and mental health services, together with improved integration of wellbeing and social care services.
Sized to meet current and future demand	Sized to meet current and projected future demand	Sized to meet current and projected future demand

Table 3: Potential Scope

This business case aims to take forward the maximum scope which is to provide a fit for purpose community based facility over time that supports health service sustainability, meets all statutory requirements and best practice models but will also support greater access to a range of integrated services therefore delivering an improved social model of care focused on the physical, mental and social wellbeing of people in the community and wider cluster.

The full range of services identified by the Project Board for the scheme together with their service scope priority can be found at Appendix 2 and further information with regards to the extensive engagement work undertaken to date can be found within the Programme Business Case and later within the Management Case of this OBC. However, it must be recognised that due to the length of the overarching programme required to develop and restore the CRI to its full capacity, there will inevitably be changes in service provision and demand / healthcare needs may change over time. This will be monitored closely as the scheme progresses and therefore a series of further Full Business Cases (FBCs) will be developed in support of this OBC to further describe the individual projects and services that will form the Locality Health and Wellbeing Centre in the future. Opportunities for any further inclusion in the scheme for services will also be reviewed at key stages during the programme of works with re-affirmation of service priorities considered at each stage, if necessary, in relation to the ever changing needs of the healthcare environment.

2.7.2 Exclusions from the Scope

The scope of this business case excludes:

- Areas which have been refurbished through other business cases approved by Welsh Government, i.e. 1st phase projects, Rookwood FBC, Block 14a works/domestic abuse one stop shop;
- Other proposed development of services to the rear of the CRI site which are the subject of an ongoing separate business case including:
 - Development of the Regional Sexual Assault Referral Centre (SARC) hub;
 - Development of a replacement Links Building to provide consolidated accommodation for the Community Addictions Unit (CAU), Needle Exchange (NEX) and Dispensing and Treatment Team (DaTT) and centralisation of the Community Mental Health Teams to support a Locality Model for South East Cardiff plus integration with other MH Services.

2.8 Main Benefits

Generally the project seeks to generate real and significant beneficial synergies for all those involved and is a fundamental part of delivering the benefits of the overarching SOFW programme however the table below shows the high-level strategic and operational benefits associated with the implementation of the potential scope in relation to business needs as outlined by the wider locality supported by this project.

Benefits are expressed in relation to the developed appraisal criteria that were derived from the spending objectives as follows:

- **CRB** - cash releasing benefits (e.g. avoided costs);
- **Non CRB** - non cash releasing benefits (e.g. staff time saved);
- **QB** - quantifiable benefits (e.g. achievement of targets);
- **Non QB/ Qual** - non-quantifiable or qualitative benefits (e.g. improvement in staff morale).

Spending Objective	Main Benefits	Beneficiary	Benefit Category
1. (Empower the Person): To deliver relevant health and wellbeing information, advice and education to support residents within the South and East Cardiff Locality to choose healthy behaviours and encourage self-management of conditions	<ul style="list-style-type: none"> ▪ Residents have better access to local health and wellbeing group sessions through improved availability of appropriate facilities; 	Service users Health Board and wider public sector	QB
	<ul style="list-style-type: none"> ▪ Residents have better access to information about appropriate community groups and activities leading to increased uptake of social prescribing; 	Wider societal economy	QB
	<ul style="list-style-type: none"> ▪ Residents have more co-ordinated access to health and wellbeing information, advice and education via development of services and links to new Capel I Bawb resources. 		Qual
2. (Home First): Strengthen the Health Board's ability to support the shift in service delivery from hospital to community and deliver further integrated services, through the creation of a Health and Wellbeing Centre at CRI (H&WC@CRI) within the South and East Cardiff Locality.	<ul style="list-style-type: none"> ▪ Patients in S&E Cardiff Locality are able to access services more locally, avoiding the need to travel to hospital; ▪ Capacity of facilities which support the increased demand /new models of service delivery. 	Service users Health Board and wider public sector	QB Non CRB

Spending Objective	Main Benefits	Beneficiary	Benefit Category
3. (Outcomes that matter to people / Reducing Health Inequalities): To develop an environment within the Locality / Cluster which promotes an integrated social model of care, focusing on conditions where prevention will have the greatest impact and identified Locality/ Cluster priorities	<ul style="list-style-type: none"> Residents have improved access to an increased range of multi-agency integrated services; Collaborative services focusing on particular conditions and priority needs as identified within the Locality. 	Service users Health Board and wider public sector Wider societal /economy	Qual QB
4. (Avoid harm, waste and variation): To improve facilities and the capacity of services to meet increasing and changing demand for services.	<ul style="list-style-type: none"> Efficient use of bookable clinic facilities; IT/digital technology supports improved working practices and sharing of information; Conservation of the CRI site consistent with the requirements imposed by its Grade II listing, while delivering modern fit for purpose facilities 	Service users Health Board Partner organisations	QB Qual Qual

Table 4: Main Benefits

In aiming to deliver these broader benefits, the future redevelopment at CRI will look provide modern, accessible, integrated and collaborative healthcare services in one location, not only for residents of the South East Cluster but also the wider Cardiff South and East Locality and support the alignment with the Health Board's *Shaping Our Future Clinical Services* strategy, which includes the transformation of service delivery, rebalanced to community delivery of services, where appropriate. Patients will benefit from improved access to important services, with the ability to access services closer to home, with activity and resource focused at where the need is highest across Cardiff and the Vale of Glamorgan leading to improved population health outcomes and reductions in health inequalities.

The project will also look to provide a conducive working environment for staff and will support additional workforce benefits in relation to *The People and Culture Plan* by providing first class facilities with new technologies and promote seamless workforce models that will not only attract and recruit but also retain the right people with the right skills for the Health Board to deliver an increased range of health and wellbeing services at CRI supporting patients, their families, visitors and the local community alike.

The main benefits will support the Health Board's vision to transform the CRI site into a community centre of excellence with patients being supported to make the right choices about the best places to receive care and advice. A primary aim of this development is to increase the integration of multidisciplinary teams and services so that patients are more likely to access all components of their care under one roof. This could mean that one patient is seen by several health and care professionals during a single visit and therefore does not need to travel to different locations for relevant services. The vision is that quality of care will improve and therefore non-attendance would reduce, resulting in positive outcomes for patients being maximised. For example, it's expected that the project will lead to the reduction in the number and rate of emergency hospital admissions for chronic conditions, which will improve the ability of hospital sites in the area to be better able to respond to increasing demand

This project will also demonstrate to the local community that the Health Board are making real progress with plans for this historic and important site, which has been the subject of extensive engagement for some years and allow the Health Board to build on its approach to the foundational economy of Wales by not only seeking re-investment in the local area as it moves through the development process but also, as an employer, to ensure that local people have opportunities to train and find work in NHS Wales and social care at all levels, benefitting communities further.

The outline arrangements for the realisation of benefits is detailed within the Management Case section of this business case with community benefits through the construction phase referenced within the Commercial Case.

2.9 Main Risks

The main service and business risks associated with the potential scope for this project are shown below, together with their counter measures:

Risk	Counter Measures	Stage			
		Design Development	Implementation	Operational	Termination
Service Risks					
Sustainability of services deteriorates faster than expected, leading to review of priorities	Regular review within Health Board/ PCIC to enable priorities to be determined to minimise disruption to progress		✓	✓	
Changes in demand - anticipated demand for services is greater or less than has been projected in the case	Maintain regular review of predicted impact of population growth	✓	✓	✓	✓
Clinical quality – failure to ensure that clinical quality is reflected in the plans	Ensure appropriate review of plans during design development including clinical, infection prevention, clinical support and FM representatives and complete appropriate handover and snagging of the new facilities	✓	✓	✓	✓
Workforce – not redesigned to support the new service delivery models	Clinical Boards to develop realistic and flexible service delivery models Workforce and Organisational Development Team to support transformation programme		✓		
Revenue – redesigned service delivery models are unaffordable: revenue costs underestimated	Robust development and 'sign off' of revenue models to support service change Site management of facility to be fully explored		✓	✓	
Performance – anticipated improvement in performance not achieved: shift of activity from hospital to community not achieved	Clinical Boards to develop realistic and flexible service delivery models			✓	

Risk	Counter Measures	Stage			
		Design Development	Implementation	Operational	Termination
Business Risks					
Financial viability - capital cost of design is unaffordable, tenders exceeds budget	Monitoring of costs during design development. Robust financial analysis utilising established benchmarked norms to establish project budget	✓	✓	✓	
Design changes that are over and above the contingency allowances	Health Board to monitor and manage changes throughout the project	✓	✓		
Changes in strategic context/policy direction	Monitoring of political and strategic factors during development of the proposals	✓	✓	✓	✓
Continued budget reductions to local authority services (particularly social services, housing and non-statutory services which play a vital role in health and wellbeing) may increase demand for healthcare	Monitor situation and adjust as appropriate		✓	✓	
Failure to proceed due to Contractor bankruptcy, development stalls due to lack of capital or failure to achieve business case approval	Appointment of established Contractor and liaison with Welsh Government to ensure available capital and approval of business case	✓	✓		
Failure to secure appropriate planning permissions/ agreement in principle	Maintain full engagement and consultation with Planning Authorities throughout development proposals including parking provision	✓	✓	✓	

Table 5: Main Risks and their Counter Measures

There are potentially many other risks and issues associated with the successful delivery of the project that must be managed through the arrangements established to manage the scheme. The risk management strategy for this project is described in detail further within the Management Case of this document and the associated project risk register.

2.10 Constraints

The project is subject to the following constraints:

- Infrastructure developments to be delivered within available capital resources;
- Redesigned service models to be delivered within available revenue resources;
- The scheme must allow full compliance with relevant statutory/mandatory standards and meet the requirements of the relevant clinical service pathways;
- The requirement to maintain clinical services during development;
- Implementation of the programme must align with the Shaping Our Future Wellbeing, Shaping our Future Clinical Services and Shaping Our Future Communities strategies;
- The proposals must be consistent with the Health Board's clinical strategies, contributing to the pursuit of a healthier and more sustainable future for services;
- Observing planning conditions on Grade II listed building site.

2.11 Dependencies

The project is subject to the following dependencies that will be carefully monitored and managed throughout the lifespan of the scheme:

- Approval and capital funding from the All Wales Capital Programme to support the development;
- Securing planning permission/ agreement in principle for onward development;
- Approval and funding associated with the Health Board's digital strategy to deliver technology solutions to support redesigned service delivery models and collaborative working with partners;
- Development of redesigned clinical pathways and service delivery models including a strategic approach to outpatient delivery within the community to increase capacity;
- Collaborative working with partner organisations, including the availability of shared service user records, where appropriate;
- Workforce appropriately skilled to meet the needs of redesigned services;
- Development of shared facilities with partner organisations to support collaborative working;
- Continued engagement with stakeholders and partner organisations to ensure the consistency of the project with the joint vision for the health and wellbeing of the population.

Economic Case

3.0 THE ECONOMIC CASE

3.1 Introduction

In accordance with the Infrastructure Investment Guidance and requirements of HM Treasury's Green Book (A Guide to Investment Appraisal in the Public Sector), this section of the OBC documents the wide range of options that have been considered in response to the potential scope identified within the strategic case.

3.2 Critical Success Factors

The core principles and Critical Success Factors (CSFs) for the project were agreed by the Project Board and against which all service requests were assessed to determine priority within the service scope for the scheme. The principles will ensure that clinical services will take precedence over any office accommodation.

CSF1: Strategic Fit

- How well the option provides holistic fit and synergy with other key elements of national, regional and local strategies. In particular:
 - Does it support Wellbeing of Future Generations Act/ SOFW objectives?
 - Is it consistent with whole systems service model, i.e. type of community facility?
 - Does it promote collaborative services with partner organisations?

CSF2: Business Need – Locality / Cluster Fit

- How well the option satisfies the existing and future business needs of the Health Board. In particular:
 - Does it respond to the health and wellbeing needs of the Locality/ Cluster?
 - Does it complement other existing/proposed services to be delivered from the facility?

CSF3: Potential Affordability

- Can the option be delivered within the likely availability of funding / available revenue envelope?
- Will it reduce revenue (including building maintenance costs) and/ or support productivity gain?
- Is it key to supporting the financial sustainability of the Health Board while being consistent with the Health Board's strategic objectives?

CSF4: Potential Achievability

- How likely is the option to be delivered in view of the organisation's ability to assimilate, adapt and respond to the required level of change?

CSF 5: Potential Value for Money

- Does the option maximise the return on the required spend (benefits optimisation)?
- Does the option minimise associated risks?

These CSFs have also been used alongside the spending objectives for the project to evaluate the list of possible options as outlined further within this economic case.

Note: The CSF for Supplier Capacity or Capability has been considered and discounted as not being critical to this project due to a Supply Chain Partner (SCP) being appointed to the project from the Building for Wales Framework, further details can be found within the Commercial Case of this OBC.

3.3 The Long-Listed Options

As detailed previously, the proposal for a Health and Wellbeing Centre at Cardiff Royal Infirmary has been the subject of significant service planning and engagement work with partner organisations and the local community over many years with a long list of potential redevelopment options for CRI as a whole being developed in 2013. Since that time, various factors such as the increased health and wellbeing needs of the population and completion of the Phase 1 works and other refurbishment works at the site has refined the scope required for the continued restoration and redevelopment of CRI moving forward.

This business case therefore revisits the options framework and re-evaluates the long list in accordance with best practice contained in the Infrastructure Investment Guidance. The evaluation has been undertaken in accordance with how well each option meets the spending objectives and CSFs of the project. This process results in options either being discounted or carried forward for further consideration in the short list.

The long list of options for this investment was generated within the following key categories of choice:

Scoping options – choices in terms of coverage (the what)

The choices for potential scope are driven by business needs and the strategic objectives at both national and local levels. In practice, these may range from business functionality to geographical, customer and organisational coverage. Key considerations at this stage are 'what's in?' 'what's out?' and service needs.

Service solution options – choices in terms of solution (the how)

The choices for potential solution are driven by new technologies, new services and new approaches and new ways of working, including business process re-engineering. In practice, these will range from services to how the estate of an organisation might be configured. Key considerations range from 'what ways are there to do it?' to 'what processes could we use?'

Service delivery options – choices in terms of delivery (the who)

The choices for service delivery are driven by the availability of service providers. In practice, these will range from within the organisation (in-house), to outsourcing, to use of the public sector as opposed to the private sector, or some combination of each category.

Implementation options – choices in terms of the delivery timescale

The choices for implementation are driven by the ability of the supply side to produce the required products and services, VFM, affordability and service need. In practice, these will range from the phasing of the solution over time, to the modular, incremental introduction of services.

Funding options – choices in terms of financing and funding

The choices for financing the scheme (public versus private) and funding (central versus local) will be driven by the availability of capital and revenue, potential VFM, and the effectiveness or relevance/ appropriateness of funding sources.

3.3.1 Scoping Options

In accordance with the Treasury Green Book and Infrastructure Investment Guidance, the do-nothing option has been considered as a benchmark for potential VFM.

An infinite number of options and permutations are possible; however, within the broader scope and service priorities outlined in the strategic case earlier, the following main options have been considered and endorsed following project team meetings, concept feasibility studies and consultation with key stakeholders:

- Option 1.1 – Business as usual (BAU): Maintain current range of services at CRI with other services remaining within their current locations;
- Option 1.2 - Minimum Scope (to include existing and priority 1 services only, other services remaining within their current locations): A facility that supports health service sustainability, meets statutory requirements, best practice models and addresses service model and known capacity issues and sized to meet current and projected future demand for priority 1 services;
- Option 1.3 – Intermediate Scope (to include existing, priority 1 and 2a services only – Other priority 2 services to be located elsewhere within the community): Community based facilities that support health service sustainability, meet statutory requirements, best practice models and addresses service model and known capacity issues and sized to meet current and projected future demand;
- Option 1.4 – Maximum Scope (to include existing, priority 1, 2a and 2b services at CRI): A community based facility at CRI that supports health service sustainability, meets statutory requirements, best practice models and addresses service model known capacity issues whilst improving clinical pathways for all services. In doing this, the facility can provide and deliver a greater range of physical and mental health services, together with improved integration of wellbeing and social care services and will be sized to meet current and projected future demand.

3.3.1.1 *Option 1.1: Business as usual*

Description

Maintain current range of services at CRI and other services remaining within their current locations.

Advantages

The advantages are:

- Familiarity for staff and local community;
- Current range of community health services generally responds to the current health needs of the local population at this time.

Disadvantages

The main disadvantages are:

- Does not meet the project objectives that would enable the delivery of SoFW strategic principles;
- Doesn't respond to the Health Board's/ cluster aspirations for the local population;
- Doesn't support a social model of health or greater integration of services;
- Doesn't improve access within the community to traditionally acute hospital based services;
- Will not support sustainability or provide opportunity for the Health Board to increase service capacity in response to a growing population.

3.3.1.2 *Option 1.2 - Minimum Scope*

Description

A facility that supports service sustainability and meets minimum statutory requirements. This scope would include existing and priority 1 services only with other services remaining within their current locations. Sized to meet current demand with a small increase in locality focused health services.

Advantages

The advantages are:

- Current range of community health services generally responds to the current health needs of the local population at this time;
- Would assist the Health Board's Estate Rationalisation Programme as some existing sites would no longer be required.

Disadvantages

The main disadvantages are:

- Does not meet the project objectives that would enable the delivery of SoFW strategic principles;

- CRI is familiar to staff and local community but some services will be moving from other sites that might be more recognisable for some residents;
- Doesn't respond to the Health Board's/ cluster aspirations for the local population;
- Doesn't support a social model of health or greater integration;
- Doesn't improve access within the community to traditionally acute hospital based services;
- Will not support sustainability and only provide limited opportunity for the Health Board to increase service capacity in response to a growing population.

3.3.1.3 Option 1.3 – Intermediate Scope

Description

Community based facilities that support service sustainability, meet statutory requirements, best practice models and addresses service model and known capacity issues. This scope would include existing, priority 1 and 2a services, with other priority 2 services relocating to another community based facility. This option would deliver GMS sustainability and a greater range of locally delivered services. Sized to meet current projected future demand.

Advantages

The advantages are:

- Will partially support health services and GMS sustainability and provide some opportunity for the Health Board to increase service capacity in response to a growing population;
- Some improvement in access within the community to traditionally acute hospital based services;
- Would assist the Health Board's Estate Rationalisation Programme as some existing sites would no longer be required;
- Provides some opportunity to respond to people's physical, mental and social wellbeing through the implementation of a social model of health.

Disadvantages

The main disadvantages are:

- Does not fully meet the project objectives that would enable the delivery of SoFW strategic principles;
- CRI is familiar to staff and local community but some services will be moving to another location and efficiencies lost with services potentially fragmented;
- Partially respond to the Health Board's/cluster aspirations for the local population;
- Doesn't support a social model of health or greater integration;
- Is not fully consistent with the strategic vision of delivering local services in response to the health and wellbeing needs of local residents.

3.3.1.4 Option 1.4 – Maximum Scope

Description

A community based facility at CRI that supports health service sustainability, meets statutory requirements, best practice models and addresses service model known capacity issues whilst improving clinical pathways. This scope will include existing, priority 1, 2a and 2b services plus provide and deliver a greater range of physical and mental health services, some of which are for the wider Cardiff or Cardiff and Vale of Glamorgan population together with improved integration of wellbeing and social care services. Sized to meet current projected future demand.

Advantages

The advantages are:

- Will meet the project objectives that enable the delivery of SoFW strategic principles;
- Respond to the Health Board's/ cluster aspirations for the local population;
- Supports a social model of health and greater integration;
- Will fully support health services and GMS sustainability and provide some opportunity for the Health Board to increase service capacity in response to a growing population;
- Significant improvement in access within the community to traditionally acute hospital based services;
- Provides an opportunity to respond to people's physical, mental and social wellbeing through the implementation of a social model of health;
- Would assist the Health Board's Estate Rationalisation Programme as some existing sites would no longer be required;
- Is consistent with the strategic vision of delivering local services in response to the health and wellbeing needs of local residents.

Disadvantages

The main disadvantages are:

- CRI is familiar to staff and the local community but some services will be moving from other sites across Cardiff which maybe more accessible for some residents.

3.3.1.5 Overall conclusion: scoping options

The table below summarises the assessment of each option against the spending objectives and CSFs:

Option:	1.1	1.2	1.3	1.4
Spending Objectives				
1. Empower the person	x	✓	✓	✓✓
2. Home first	x	x	✓	✓✓
3. Outcomes that matter to people/ reducing health inequalities	x	x	✓	✓✓
4. Avoid harm, waste and variation	x	x	✓	✓✓
Critical Success Factors				
Strategic Fit – national, regional, local	x	x	✓	✓✓
Business Need – Cluster Fit	x	x	✓	✓✓
Potential Affordability	✓✓	✓✓	✓	✓
Potential Achievability	✓✓	✓	✓	✓
Potential Value for Money	x	✓	✓	✓✓
Summary	Discount	Discount	Possible	Preferred

Table 6: Summary Assessment of the Scoping Options

Key: ✓✓ - fully achieves ✓ - partially achieves X - does not achieve

3.3.2 Service Solution Options

The range of options usually considered are at a strategic level and would include a do nothing or do minimum option, options that utilise the existing estate (i.e. refurbishment) and options that may require disposal and replacement with a new build development.

This project, however, in line with the extensive engagement work previously undertaken and demonstrated within the PBC is solely focused on the continued redevelopment of the CRI site and therefore any previous long listing options undertaken in 2013 which included the disposal of CRI in its entirety have been discounted.

CRI is highly accessible through the local public transport network, being on a main route into the city centre and remains a prime location from which to deliver services to residents in the South and East Cardiff Locality. It should also be noted that a land search undertaken to identify other sites within the locality found that there was no alternative site of suitable size to accommodate the full number of services required to serve the residents of the locality however there may be an option to consider a split in services across sites.

Consideration has also been given to the complexity of the project in relation to the implementation options, available footprint at the site and major safeguarding refurbishment works required within a Grade II listed building. Therefore the service solutions developed

are solely around redeveloping the CRI site safely and efficiently with all options shortlisted for greater consideration to achieve the required level of scope.

3.3.3 Service Delivery Options

This range of options considers the options for service delivery in relation to the preferred scope and potential solution.

This section relates to the delivery of the Health Board services. It is acknowledged that partnership working with GMS providers, LA, and third sector partners will be required to deliver the necessary collaborative approach to deliver the vision of a social model of health.

The ranges of options that have been examined are:

- Option 3.1: In-house;
- Option 3.2: Partial Outsource;
- Option 3.3: Strategic Partnership.

3.3.3.1 *Option 3.1: In-house*

Description

In-house delivery of proposed services and facilities by the Health Board.

Advantages

The main advantages are:

- Retains the income stream for this work;
- Retains control over the quality of services;
- Maintains clinical skills and experience within the Health Board;
- Maintains flexibility to accommodate required changes in service delivery;
- Ensures seamless pathways for patients;
- Health Board retains the facility as an asset;
- Consistent with Health Board commissioning strategy;
- Maintains direct relationship with partner organisations.

Disadvantages

The main disadvantages are:

- Risk remains with the Health Board;
- Requirement to provide a suitable, fit for purpose environment;
- Capital investment required.

3.3.3.2 *Option 3.2: Partial Outsource*

Description

Outsource delivery of proposed services and facilities to another provider.

Advantages

The main advantages are:

- No capital investment required;
- Risk shared with an external provider.

Disadvantages

The main disadvantages are:

- Potential increase in revenue cost;
- Requires comprehensive monitoring mechanism to maintain quality of services;
- Not consistent with Health Board commissioning strategy;
- Reduced flexibility to accommodate required changes in service delivery and facilities;
- Potential for delivery of integrated primary and community services to be compromised;
- Health Board potentially loses facility as an asset;
- Introduces complexity to development of collaborative services between health, LA and third sector services.

3.3.3.3 *Option 3.3: Strategic Partnership*

Description

This option describes the provision of services through a strategic partnership.

Advantages

The main advantages are:

- Retains some control over the quality of services;
- Maintains clinical skills and experience within the Health Board;
- Maintains flexibility to accommodate required changes in service delivery;
- No capital investment required;
- Risk shared with external provider.

Disadvantages

The main disadvantages are:

- Potential increase in revenue cost;
- Some loss of control over the quality of services;
- Finding a suitable partner who can provide the required services and capacity within the timescales;

- Not consistent with Health Board commissioning strategy;
- Reduced flexibility to accommodate required changes in service delivery and facilities;
- Not conducive to holistic care;
- Contract based, lack of flexibility;
- Introduces complexity to development of collaborative services between health, LA and third sector service;
- Health Board loses facility as an asset.

3.3.3.4 Overall conclusion: service delivery options

The table below summarises the assessment of each option against the spending objectives and CSFs.

	Option 3.1	Option 3.2	Option 3.3
	In-house	Partial Outsource	Strategic Partnership
Spending Objectives			
1. Empower the person	✓✓	✓	✓
2. Home first	✓✓	✓	✓
3. Outcomes that matter to people/ reducing health inequalities	✓✓	✓	✓
4. Avoid harm, waste and variation	✓✓	✓	✓
Critical Success Factors			
Strategic Fit – national, regional, local	✓✓	✓	✓
Business Need – Cluster Fit	✓✓	✓	✓
Potential Affordability	✓✓	✓	✓
Potential Achievability	✓✓	✓	✓
Potential Value for Money	✓✓	✓	✓
Summary	Preferred	Discount	Discount

Table 7: Summary Assessment of Service Delivery Options

Key: ✓✓ - fully achieves ✓ - partially achieves X - does not achieve

3.3.4 Implementation Options

This range of options typically considers the choices for implementation in relation to the preferred scope, solution and method of service delivery, however, through the Welsh Government (WG) scrutiny and endorsement process for the overarching SOFW: In Our Community PBC, it was agreed that the capital works associated with the development of the Health and Wellbeing Centre at CRI would be captured as a single project and phased over a long term period containing two stands of work namely:

- Capital safeguarding works to areas of the building that are either unoccupied or a small number of occupied areas that were not included within the Phase 1 projects;

- Fit out of above areas to provide flexible, shared, multi-functional facilities to deliver a range of collaborative services delivered by the Health Board and partner organisations. The service scope will be reviewed at key stages during the programme of works to maintain the project meets the identified health and wellbeing needs of residents in the Cardiff South and East Locality and the accommodation is flexible to adapt as services and patient needs develop.

3.3.5 Funding Options

In discussion with WG, it has been agreed that the Health and Wellbeing Centre will be publicly funded as part of the All Wales Capital Programme. It is, therefore, unnecessary to consider the use of alternative sources of finance.

3.4 The Long List: Inclusions and Exclusions

The outline framework undertaken above appraised a wide range of possible options, the table below provides a summary of the assessment:

Option	Finding
1.0 Scope	
1.1 – Business as usual: Maintain current range of services at CRI with other services remaining within their current locations	Discounted but taken forward for comparative purposes
1.2 - Minimum Scope (to include existing and priority 1 services only): A community based facility that supports health service sustainability, meets minimum statutory requirements and is sized to meet current and future demand	Discounted
1.3 – Intermediate Scope (to include existing, priority 1 and 2a services. Other priority 2 services to be located elsewhere): Community based facility that supports health service sustainability, meets statutory requirements, best practice models and addresses service model and known capacity issues and sized to meet current and projected future demand	Possible
1.4 – Maximum Scope (to include existing, priority 1, 2a and 2b services): A community based facility that supports health service sustainability, meets statutory requirements, best practice models and addresses service model known capacity issues whilst improving clinical pathways. This scope will provide and deliver a greater range of physical and mental health services, together with improved integration of wellbeing and social care services and will be sized to meet current and projected future demand.	Preferred
2.0 Service Solutions	
Due to the nature and complexity of the project and the level of engagement already undertaken during the PBC, the only service solution option for consideration will be to undertake the redevelopment of CRI in some capacity to deliver the required scope. There are several ways in which this can be achieved and these have all been carried forward for greater review as part of the short-listed option appraisal.	
3.0 Service Delivery	
3.1 In House	Preferred
3.2 Partial Outsource	Discounted

Option	Finding
3.3 Strategic Partnership	Discounted
4.0 Implementation	
Due to the nature of the project the implementation will be phased as agreed with Welsh Government	
5.0 Funding	
Only public funding has been considered as it has been agreed with Welsh Government that this project will be supported	

Table 8: Summary of Inclusions, Exclusions and Possible Options

3.5 Short-Listed Options

There are several ways in which the existing estate at CRI could be remodelled to deliver the project objectives and critical success factors and required service scope of the project with their own individual advantages and disadvantages. The Health Board has, therefore, undertaken an exercise during development of this OBC (taking into consideration the overarching masterplan works and associated other schemes taking place on site) to discount options that are impracticable at this stage and shortlist only those more realistic options for the CRI that fit strategically with the rest of the site, and can assist in producing the future requirement in a manner that would suit the service delivery for a locality Health and Wellbeing Centre. A Do Minimum option is included for comparative purposes.

Option No:	Description of option:
Option 1 – Do Minimum	<p>Services: Existing services (subject to exclusions already outlined such as the redevelopment of specialist provision to the rear of the CRI site)</p> <p>Works:</p> <ul style="list-style-type: none"> ▪ Minimal capital safeguarding works where necessary to occupied areas (excluding those areas that have already been addressed previously) ▪ Backlog maintenance to occupied areas ▪ Backlog maintenance for Roath clinic to enable continued service provision <p>Other Implications:</p> <ul style="list-style-type: none"> ▪ No capital safeguarding works to unoccupied areas ▪ No energy centre works
Option 2a	<p>Services: Existing CRI services and other priority 1 services within the main building at CRI and priority 2 services located elsewhere</p> <p>Works:</p> <ul style="list-style-type: none"> ▪ Capital safeguarding works to sufficient areas to accommodate existing and priority 1 services where required ▪ Safeguarding works to remaining unoccupied areas to support integrity of building ▪ Backlog maintenance to occupied areas ▪ Development of an energy centre to support the site ▪ Fit out of proportion of unoccupied areas to accommodate the required service scope

Option No:	Description of option:
	Other Implications: <ul style="list-style-type: none"> ▪ Construction or sourcing of alternative accommodation required for priority 2 services to enable the required out of hospital shift in services to community care
Option 2b	Services: All services (existing services plus the other priority 1, 2a and 2b services) within the main building at CRI Works: <ul style="list-style-type: none"> ▪ Capital safeguarding works to all areas of the main building (excluding those areas that have already been addressed previously) ▪ Backlog maintenance to occupied areas ▪ Development of an energy centre to support the site ▪ Fit out of all unoccupied areas to accommodate full required service scope

Table 9: Shortlisted Options

In addition to testing the suitability and functionality in relation to accommodation required for the priority services and configuration of the main building 'Chassis', the masterplanning exercise also focussed on potential solutions around an agreed set of core design principles which acknowledge the size and complexity of the grade II listed status of the building thus ensuring a welcoming environment for all and providing optimal patient flow in and around the facility.

More information with regards to the site masterplan exercise together with the opportunities and challenges for each of the overarching site wide design development options can be found within the Estates Annex which forms part of this OBC suite of documents.

3.6 Qualitative Benefits Appraisal

The evaluation of the qualitative benefits associated with each of the shortlisted options was undertaken by the Project Team on 22nd September 2021.

The shortlisted options appraised were:

- Option 1: Do minimum – Provide minimal capital safeguarding and backlog maintenance works where necessary to occupied areas in CRI (excluding those areas that have already been addressed) to accommodate existing CRI services and provide backlog maintenance at Roath Clinic to enable existing service provision to continue for the cluster/ locality;
- Option 2: Provide required capital safeguarding and backlog maintenance works, develop an energy centre and fit out of sufficient areas of to accommodate:
 - Option 2a – existing and other priority 1 services within the main building at CRI (priority 2 services will require alternative accommodation within the community)
 - Option 2b – existing services plus all other priority 1 and 2 services within the main building at CRI

3.6.1 Methodology

The appraisal of the qualitative benefits associated with each option was undertaken by:

- Identifying the benefits criteria related to each of the spending objectives;
- Weighting the relative importance (%) of each benefit criteria in relation to each spending objective;
- Scoring each of the shortlisted options against each of the benefit criteria on a scale of 1 to 10;
- Deriving a weighted benefit score for each option.

3.6.2 Qualitative Benefits Criteria

The benefit criteria were further derived from the spending objectives and were weighted as follows:

Benefit Criteria	Description	Weight %
1. Does the option promote a social model of health and wellbeing from the patients' perspective? (Health gain, clinical and skills sustainability)	<ul style="list-style-type: none"> ▪ Support residents to choose healthy behaviours and encourage self-management of conditions ▪ Promote further integration of services by developing shared facilities to support co-ordinated and collaborative working, focusing on people's physical, mental and social wellbeing 	30%
2. How well does the option contribute to the delivery of key strategic ambitions? (Health gain, clinical and skills sustainability, equity, affordability, VfM)	<ul style="list-style-type: none"> ▪ Responds to and complements the key principles of the Health Board clinical strategy - Shaping Our Future Wellbeing and associated programmes, Shaping Our Future Clinical Services, Shaping our Future Hospitals, Shaping Our Future Communities (including SOFW: In Our Community); ▪ Responds to the Wellbeing of Future Generations (Wales) Act goals and ways of working ▪ Responding to national and regional policy initiatives 	20%
3. Does the option provide potential for flexible, multi-functional facilities, to deliver services in response to future need? (VfM, affordability)	<ul style="list-style-type: none"> ▪ Developing flexible, multi-functional, adaptable facilities which support improved utilisation, efficiency and sustainability ▪ Provide capacity to enable the shift hospital care to the community 	18%
4. Does the solution make the optimum use of human, capital and estates resources? (VfM, affordability, clinical and skills sustainability)	<ul style="list-style-type: none"> ▪ Promote efficiencies in terms of clinic utilisation ▪ Developing and conserving the CRI building consistent with the requirements imposed by its Grade II listed building status and making best use of the asset ▪ Provide a sustainable long term estate solution, delivering facilities that will support high quality clinical services ▪ Support sustainable service delivery and redesigned service models 	25%

Benefit Criteria	Description	Weight %
5. Can the option be implemented in a timely fashion, with minimal disruption to services and staff?	<ul style="list-style-type: none"> Delivering services as soon as reasonably practicable Practicality of delivery of physical proposals Ensuring services are maintained through construction with minimal disruption to patients, staff and visitors Consideration of other schemes on site 	7%
		100%

Table 10: Qualitative Benefits

The chart below shows the qualitative benefits weightings:

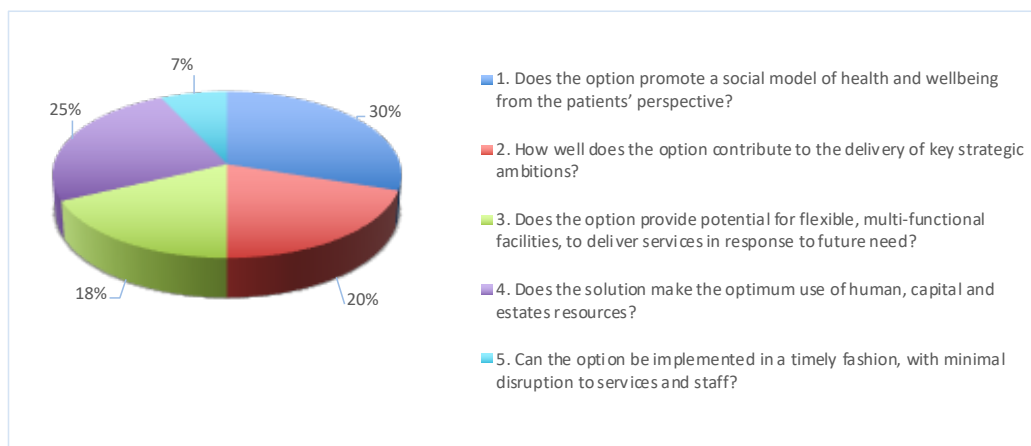


Figure 13: Qualitative Benefits weightings

3.6.3 Qualitative Benefits Scoring

Benefit scores were allocated on a range of 1-10 (rising scale) for each option and agreed through rigorous discussion by the workshop participants to confirm that the scores were agreed as fair and reasonable. Scoring was based upon the following:

- 1 or 2 Option does not meet the criteria
- 3 or 4 Option meets the criteria to a very limited extent
- 5 or 6 Option partially meets the criteria but is acceptable
- 7 or 8 Option meets the criteria to a greater extent
- 9 or 10 Option fully meets the criteria

The summary results of this exercise were as follows:

Benefit Criteria	Weighted Scores		
	Option 1	Option 2a	Option 2b
1. Does the option promote a social model of health and wellbeing from the patients' perspective?	90	180	300
2. How well does the option contribute to the delivery of key strategic ambitions?	40	120	200
3. Does the option provide potential for flexible, multi-functional, adaptable facilities, to deliver services in response to future need?	36	108	144
4. Does the solution make the optimum use of human, capital and estates resources?	50	150	225
5. Can the option be implemented in a timely fashion, with minimal disruption to services and staff?	42	28	28
TOTALS	258	586	897
RANK (weighted)	3	2	1

Table 11: Analysis of scored shortlisted options

The results are demonstrated graphically below:

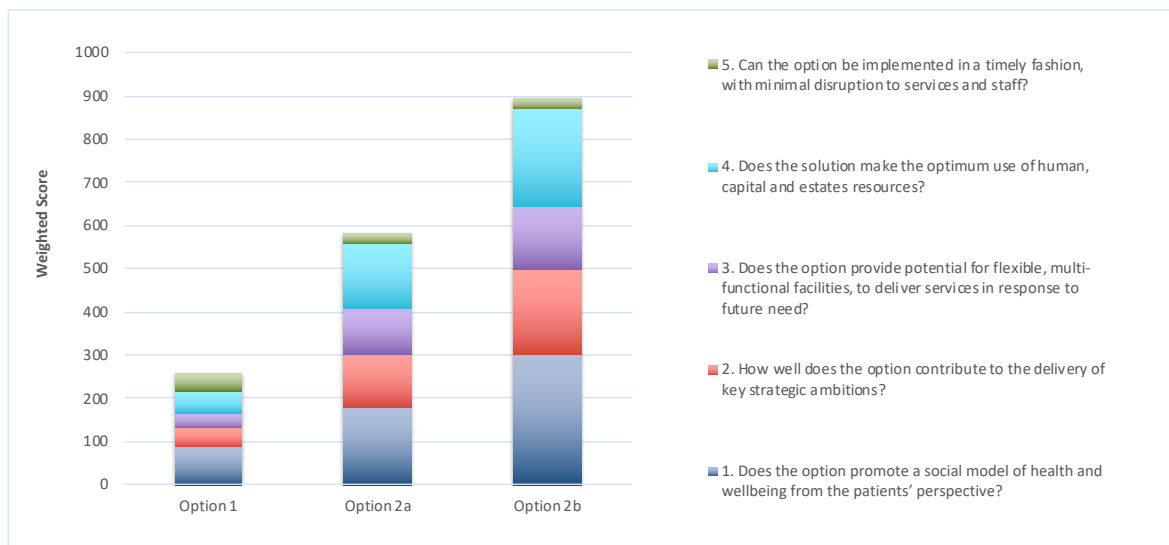


Figure 14: Qualitative Benefits Scoring

3.6.4 Analysis of Key Results

Key considerations that influenced the scores achieved by the various options were as follows:

- Option 1: Do minimum – Ranked 3rd. This option retains existing services only and therefore would not meet the needs of the local population/ aspiration for the cluster in relation to providing a social model of health for patients in the long term. The option does not respond to the strategic objectives both nationally or locally and would not promote access to community based services that are currently delivered

in an acute based environment. This option will not allow the Health Board to make better use of their current community estate or provide the essential maintenance works required to support CRI as a future asset.

- Option 2a – Ranked 2nd. This option would provide a sustainable longer term estate and service solution for existing and priority 1 services however, any later introduction of priority 2 services to the main building at CRI may result in suboptimal relationships and create some inherent inefficiencies. Sourcing or constructing alternative accommodation for any priority 2 services may also prove difficult within the local area. Whilst patients would be offered a wider range of collaboration and additional support in relation to their physical, mental and social wellbeing, this option will not offer complete integration and services may remain dis-jointed across the community with collaborative opportunities not utilised in full. Completion of all essential safeguarding works would still need to be undertaken to protect the integrity of the building to mitigate any further potential deterioration and their associated health and safety risks.
- Option 2b – Ranked 1st. This option provides the ability to offer the full range of services prioritised for the locality /cluster and correct co-location and integration of services. It will, therefore, offer the patient complete support in relation to their physical, mental and social wellbeing. Efficiencies will be improved across services for both patients and staff. This option has the ability to provide flexible, multi-functional accommodation that can be adapted as services develop and respond to the required increase in capacity thus assisting with the shift in hospital care to the community. However, there may be spatial constraints with regards to the refurbishment of a Grade II listed building for multiple services plus access issues with the CRI overall due to complete redevelopment of the site in its entirety. A phased solution will be required to limit disruption wherever necessary. The Health Board's current poor community estate will have the potential to be rationalised or improved in the future if required in the longer term and the CRI maximised as a healthcare asset within this option.

3.6.5 Non-Financial Sensitivity Analysis

Sensitivity analysis was undertaken by changing the ranking of the benefit criteria to evaluate the impact on the overall score for each option. The analysis included applying reverse, high, low and no weightings to the criteria.

The results indicated that even if the weighting of the benefit criteria were to be changed there is no scenario in which Option 2b is not the preferred option although there are changes amongst the rankings of the other options. The full results of the scoring and sensitivity analysis are attached in Appendix 3.

NB: Design and masterplanning works undertaken across the entire site during 2021 has since demonstrated that the whole scope of services (priority 1 and 2) can be accommodated within the footprint of the CRI site if a suitable replacement of the Links Building at the rear of the CRI site is developed and agreed with the planning authorities (this work to the rear of the site is subject to a separate business case although intrinsically linked with this project and is currently in development).

3.7 Economic Appraisal

3.7.1 Estimating Costs, Benefits and Risks

Key assumptions relating to the estimation of costs for the benefits and risks for each shortlisted option are contained within the economic appraisal section below.

3.7.2 Introduction

The economic appraisal has been conducted in accordance with the following guidance:

- The Green Book – Appraisal and Evaluation in Central Government plus supplementary guidance published by HM Treasury;
- 5 Case Model guidance for SOCs, OBCs and FBCs (WG) Template.

The principles and assumptions used in this OBC are:

- The model has been run for 60 years with a 3.5% interest rate;
- Capital costs have been included on current funding levels at MIPS 269;
- Lifecycle costs have been included based on cost advisor assumptions;
- Revenue costs have been based on growth assumptions;
- At this stage no transition costs or land sales have been assumed;
- Risk relates to the planning contingency. No further financial risks have been included at this stage.

3.7.3 Capital Inputs

The capital costs as included in the economic analysis are highlighted in the table below. There is no allowance built in for optimism bias at this stage.

Capital Costs – OB Forms £'000	Option 1	Option 2a	Option 2b
Works Costs	1,668.4	75,773.3	79,868.2
Fees	292.0	13,002.4	12,085.5
Non-Works	0.0	15,881.2	3,344.8
Equipment	0.0	4,975.0	4,975.0
Planning Contingency	196.0	13,704.0	12,534.2
Total Capital Costs at approval PUBSEC	2,156.5	123,336.0	112,807.7
VAT	254.0	17,611.4	17,443.2
Total Capital Costs	2,410.5	140,947.4	130,250.9
PUBSEC	269	269	269

Table 12: Capital Costs for all Options based upon OB forms

The full cost and lifecycle forms are attached to this OBC at Appendix 4, this appendix also includes a new build comparator cost form for information only to show against the premium

attached to alterations of a grade II listed building. This new build option has not therefore been appraised during the economic model.

3.7.4 Economic Analysis

The economic analysis has been undertaken and the outputs are outlined below. Option 2b is the preferred option from the development options over the 60 year lifecycle reviewed.

Economic Impact £'000	Option 1	Option 2a	Option 2b
Costs (Net Present Costs)	1,830	138,929	112,208
Capital Costs incl Lifecycle	0	0	0
Residual Value	1,097,281	1,157,869	1,123,766
Revenue Costs	0	0	0
Transitional Costs	0	0	0
Externality Costs	0	0	0
Net Contribution (Benefit)	1,099,111	1,296,798	1,235,974
Total NPC excluding Risk	189	12,375	11,132
NPC Risk	1,099,301	1,309,173	1,247,105
Total NPC including Risk	40,276	47,520	45,291
EAC	1	3	3
RANK all options		2	1
RANK development options	11.1%	-4.9%	0.0%
Margin all options	147,805	(62,068)	62,068
NPC Switch Value	1,830	138,929	112,208

Table 13: Economic Analysis

3.7.5 Sensitivity Analysis

A sensitivity has been undertaken which identifies the changes required to change the preferred option on a financial basis. A movement of £62,068 is required to change the preferred option and second ranked option and this is expressed below in terms of the shift.

Economic Sensitivity	Option 1	Option 2a	Option 2b
Capital Costs	8076.4%	-44.7%	55.3%
Residual Value	0.0%		
Revenue Costs	13.5%	-5.4%	5.5%
NPC Change Needed	147,805	(62,068)	62,068

Table 14: Economic Sensitivity Analysis

3.8 Combined Economic and Non-Financial Appraisal Scores

The financial analysis undertaken has then been linked to the non-financial analysis and a calculation undertaken on the benefit points per equivalent annual cost (EAC). Option 2b is preferred on both financial and non-financial assessments. When combined this shows that option 2b is 37% better than option 2a.

Combined Appraisal	Option 1	Option 2a	Option 2b
Weighted Non-Financial Scores	258	586	897
Margin Preferred		-34.7%	
NON-FINANCIAL RANKING OF DEVELOPMENT OPTIONS	3	2	1
EAC Impact of Option (£'000)	40,275.6	47,519.6	45,290.8
ECONOMIC RANKING OF DEVELOPMENT OPTIONS	0	2	1
Benefit Points per EAC (£000)	0.006	0.012	0.020
COMBINED RANKING OF DEVELOPMENT OPTIONS		2	1
DIFFERENCE (% below Preferred Option on Combined Score Basis)		-37.7%	0.0%

Table 15: Combined Economic and Non-Financial Appraisal Scoring

Sensitivity analysis has been undertaken to see how much the benefit criteria would have to change before option 2a becomes the preferred option. This shows that a shift of over 50% would be required to change the preferred option.

SENSITIVITY NON-FINANCIAL SCORES (to switch 1st and 2nd ranked Options)	Option 1	Option 2a	Option 2b
Base Weighted Non-Financial Scores		586.0	897.0
Weighted Non-Financial Scores needed to switch rankings		936.6	563.0
Equivalent to a change in %		59.8%	
EAC Impact of Option (£000)		47,519.6	45,290.8
Benefit Points per EAC (£000)		0.020	0.012
COMBINED RANKING OF OPTIONS - SWITCHED		1	2

Table 16: Sensitivity Ranking of Non-Financial Scores

The detailed economic appraisal can be found at Appendix 5 of this OBC.

3.9 Preferred Option

Having undertaken the qualitative benefits (non-financial) and economic (financial) appraisals of the shortlisted options, the preferred option is Option 2b as it fully meets the project objectives and critical success factors of the project.

The continued restoration and redevelopment of CRI as a Health and Wellbeing Centre (H&WC@CRI) will provide a key component of the Health Board's vision for creating a modern and fit for purpose community infrastructure to support the transfer of activity from hospital settings and closer to people's homes whilst providing valuable enhanced healthcare delivery for the rapidly growing population that is supported by this historic and important building.

For the local community and wider South and East Cardiff Locality, it will:

- Provide the right environment to accelerate and enhance the integration of the planning and provision of integrated health and social care across a wider range of partner providers and create a community centred approach;
- Provide the physical capacity and functional capability to provide more services for local residents which promote and support their physical, mental and social wellbeing;
- Address the critical infrastructure deterioration of the building and provide a unique opportunity to preserve a major architectural landmark which represents a huge history and heritage within the local community and beyond; and
- Build on strong local support for the building as a community asset, promoting co-production, co-design and co-ownership to nurture the development of a strong community spirit and consequent positive outcomes such as improved public health and social resilience;
- Continue to build health into the high street, producing additional benefits for the surrounding area and the local population. The facility will play an important role in addressing health inequalities, offer much-needed additional capacity for health service delivery and attract more people into their local high street, while encouraging healthier lifestyles. In doing this, the project will also promote the Health Board's approach to the foundational economy of Wales by:
 - Increasing footfall to the site – this will impact on local businesses such as shops, food outlets etc;
 - Generating opportunities for local people to train and find work in NHS Wales and social care;
 - Placing services together making them more accessible, more resilient to global changes and therefore more environmentally sustainable.

The capital safeguarding works and fit out of the H&WC@CRI will be developed as a single rolling project, phased over a six to seven year construction period. It will be based on delivering the full required service scope developed as part of the extensive service planning work undertaken to date and applied as a series of individual projects at FBC stage that support this OBC with any changes in service provision or priority being reviewed at key

stages during the process to maintain the appropriate service delivery as required by the local community and wider locality in an ever changing healthcare environment.

Good progress has been made on the capital proposals to date to restore the CRI. These have been developed in full collaboration with NHS Wales Shared Services Partnership, clinical service leads, local authorities, third sector organisations and the local community in an effort to bring back into use the entire site in a sustainable, efficient and effective way. However, grade II listed buildings are also subject to regulations which protect their historical and architectural significance. These buildings are of special interest, meaning alterations and building work can't be carried out without written consent from the relevant authorities, and given the current condition of the CRI there has inevitably been some considerable complexities with the approach to the design of any refurbishments, new buildings, interventions and landscaping on the site, all of which have been taken into careful consideration during the masterplanning exercise and fully align with CADW guidance for working with Listed Buildings.

The Welsh Audit Office (WAO) recognises that the Health Board has demonstrated a good understanding of the *Wellbeing of Future Generations (Wales) Act 2015* sustainable development principle when considering its proposals and an assessment of how the project meets the requirements of the act and its wellbeing objectives / 5 ways of working is demonstrated at Appendix 6 to this document.

This project also supports the ten national design principles to drive change and transformation and deliver the Quadruple Aim as described in “*A Healthier Wales: our Plan for Health and Social care*”.

3.9.1 Facilities

An outline of the proposed facilities that the future Locality Health and Wellbeing Centre at CRI will deliver are shown below:

Health Zone
<ul style="list-style-type: none"> ▪ GMS facilities ▪ Clinical accommodation for specialist services and outpatient appointments such as Ophthalmology, Podiatry, Audiology, Therapies and Rehabilitation, Dental, Diagnostics, Community and Acute Child Health, Sexual Health and Psychological therapies ▪ Flexible, multi-functional / bookable clinical accommodation to support a wide range of clinical and community services such as Maternity, District Nurses, Diabetic Eye Screening, Dietetics, Gerontology, Pain Management and other traditionally acute based outpatient facilities
Wellbeing Zone
<ul style="list-style-type: none"> ▪ Entrance and reception area ▪ Patient welfare facilities ▪ Group/community rooms: group health services, third sector social/activity groups ▪ Information / advice centre ▪ ADL kitchen: teaching/ dietetics

Team and Support Zone

- Office and zonal administration accommodation
- Seminar and group/ meeting facilities
- Staff library and training facilities
- Staff welfare facilities

Table 17: Outline of facilities within the preferred option

Activity

The facilities outlined above are taken from a schedule of accommodation which has been developed and refined over a number of years. This takes into consideration the extensive engagement between individual services and the service planning team with regards to the most appropriate configuration of services to deliver the SOFW objectives for the local population.

The facilities consider the principles of flexible shared use of space, i.e. generic clinical space where possible, shared office space and hot-desking. These principles (both in terms of size and equipment) allows multiple uses for room functionality and adaptability across specialties or patient groups as needs change. By establishing the strategic future demand, activity and capacity requirements for each service and translating these into detailed functional requirements it has allowed the masterplan for CRI to increase the number of services it can provide in the future and define clear zones of shared or specialist care.

The number of new or improved services to be provided within the main building at CRI at the end of the construction period is 40 plus services (as demonstrated by the service scope). This number takes into consideration either new services that were previously provided elsewhere in the community or 'improvements to existing' services that will have access to enhanced accommodation by being moved into refurbished accommodation to suit future clinical need. Previously highlighted exclusions from the service scope have not been included in the facilities, such as areas which have already been refurbished through other business cases approved by Welsh Government, i.e. 1st phase projects, Rookwood FBC, Block 14a works/domestic abuse one stop shop or the ongoing proposed development of services to the rear of the CRI site such as SARC, substance misuse and co-located mental health services. However, as highlighted above, the priority and clinical needs for each service requirement will continue to be reviewed during the FBC stage and as demands for healthcare services change.

Collaborative Working and Workforce within Design Development

A collaborative approach can improve communication, save time, reduce duplication of effort, improve working relationships and provide a better experience for people who use health and social care services.

The significant increase in the number of services across the site in the future will inevitably increase the way services work together and support connectivity and communication

between professional staff thus supporting efficient working practices and streamline patient care.

By integrating intelligent building practices and digital technology via the NHS Wales Shared Services Partnership's implemented Building Information Modelling (BIM) strategy throughout the design development, the CRI will provide first class community facilities and promote seamless workforce models from inception to handover thus providing excellent patient care in a supportive work environment, this will not only attract and recruit staff but also retain the right people with the right skill mix to support patients, their families, visitors and the local community to become more engaged and informed that they are active partners in monitoring their own health and wellbeing whilst supporting staff welfare and engagement at each stage of the development.

3.9.2 Design Vision and Values

In terms of key values and principles that are considered essential to the design, development and governance of the site, the H&WC@CRI will:

- Promote 'prevention' and 'wellness'. The use of the environment to bring the community together and foster social strength is important, playing to the strengths of both individuals and the community;
- Facilitate the delivery of services that are relevant to the priority physical, mental and social wellbeing needs of residents who live within the locality;
- Support the delivery of care to individuals 'close to home', providing individuals and families with better access to health services that do not need to be delivered in a hospital setting;
- Maximise all opportunities to ensure that individuals and families receive the right support at the right time, from the right person - acknowledging the invaluable contribution made from community groups, voluntary sector as well as statutory services;
- Work in a way that promotes co-production, co-design and co-ownership. To nurture the development of a strong community spirit and consequent positive outcomes such as improved public health and social resilience;
- Provide an environment for individuals, families, patients, staff and visitors that is welcoming to all and embeds the values of collaboration, caring and respect. Provision of facilities that are child and dementia friendly is important.

3.9.3 Core Design Principles

The core design principles include:

- Offer a welcoming environment;
- Promote a social model of health within a strong resilient community;
- Provide flexible/ multi-functional/ shared facilities;
- Present collaboration opportunities across services and organisations;
- Preserve and enhance the historic assets.

Welcoming environment

- Welcoming, relaxed environment where members of the community will be encouraged to stay and participate in activities. Exploit the potential of communal areas to bring individuals and groups together as a community, and building their social strength and resilience;
- Welcoming first impression that doesn't have a clinical/hospital feel;
- Child and dementia friendly;
- Provides a level of anonymity and personal safety for people who feel anxious when attending clinics, e.g. sexual health;
- Clear wayfinding/signposting for visitors that is ethnically and culturally aware;
- Welcoming and accessible for sensory impaired visitors.

Promotes a social model of health within a strong and resilient community

- Supports a social model of health. Focus on people's physical, mental and social wellbeing as individuals, encouraging a sense of belonging within their local community;
- Promotes a wellbeing message rather than focuses on illness;
- Uses a variety of technology, IT, interactive monitors, televisions, hard copy leaflets etc to deliver education, information and advice;
- Uses artwork to inspire wellbeing;
- Making Every Contact Count (MECC). Optimises every visit to the facility, e.g.
 - Encourage people to learn more about their health and wellbeing;
 - Take part in social activities and healthy lifestyle classes;
 - Meet third sector organisations;
 - Use of 'non health' services as a way of maintaining individual wellness for both patients and staff.
- Uses outdoor space to compliment health and wellbeing services, e.g. community garden.

Flexible/multi-functional/shared facilities

- Flexible and multi-functional facilities which can change to meet different requirements, with future adaptability for re-designed service models;
- Flexible opening times. Access to safe and secure areas outside of core opening hours to enable relevant services to deliver group education, social activities etc. at times convenient to service users;
- 'Active' waiting area, where service users can find out about activities and classes on offer or access health and wellbeing advice, while waiting for their appointment;
- Integration between the outdoor and indoor spaces to encourage innovative use of space for health, wellbeing and social activities;
- Ability to facilitate a range of third sector organisations and community group activities as part of delivering the health and wellbeing agenda for both individuals and the development of a strong and resilient community. This could include e.g. themed events, social prescribing, 1:1 advice, social groups and activities etc.;

- Plenty of equipment storage to enable rooms to be adapted to support the delivery of services who regularly provide sessional services.

Promotes seamless collaboration across services and organisations

- Facilitates integration and collaborative working across services, e.g. wellbeing coordinators/social prescribing team to work across the integrated facility;
- Shared staff areas, e.g. rest areas, changing rooms etc.;
- Welcome collaborative working with third sector organisations and community groups.

Further information around the design principles and details of the preferred option is contained within the Estates Annex along with the detailed schedule of accommodation.

3.9.4 Prioritised Plan of Phasing

The site-wide masterplan detailed throughout this business case aims to integrate the requirements of the various project investments into a holistic overarching strategy which enables different elements of the scheme to be delivered to different timelines without negatively impacting each other. As such, in order to provide construction costs and timescales for inclusion within the OBC, a construction phasing and strategy options appraisal was undertaken for the whole site. Following consultation, Phasing Option 5A was selected as the preferred solution, with the costs for this option reflected in the OBC Cost Forms appended to this business case. This option was assessed against other proposals with the relative benefits being that the construction period is comparatively short and the retention of staff and public car parking is maximised.

As described previously, it is important to note that there is a separate Outline Business Case for a new Sexual Assault Referral Centre (SARC) and Links Building at the rear of the CRI site however the phasing plan has been developed to coordinate both these schemes as they are intrinsically linked.

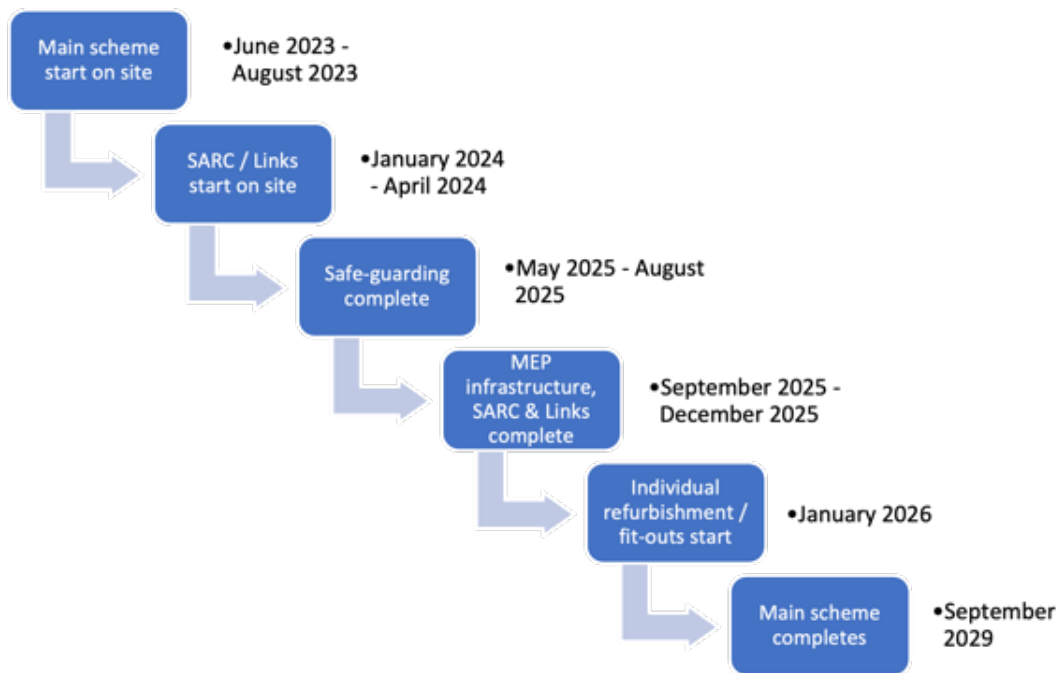


Figure 15: High level indication of preferred phasing solution

Detailed information regarding the phasing solution including all works for the preferred option are contained within the appendices that support the Estates Annex.

Phasing Implications

Whilst developing the phasing programme for the CRI Health & Wellbeing Centre and the SARC/ Links projects it was identified that in order to achieve a significant programme benefit, some enabling type works for the SARC project should be carried out earlier than programmed which could only be done by including within the early phases of the CRI Health & Wellbeing project.

Specifically, these early activities relate to existing buildings 54/56 within the CRI site demise which are part of the SARC project and are currently occupied. By decanting these current users into Block 10 level 1 of the CRI building during the SARC project works this offers time and cost efficiencies. More information relating the financial implications of this are reported within the Financial Case found later within this OBC.

3.9.5 Decarbonisation and Sustainability

The scheme will look to reduce carbon emissions wherever possible and a decarbonisation strategy has been put in place in line with Welsh Governments overarching Decarbonisation Programme (*Prosperity for All: A Low Carbon Wales: 2019*) and more recently the *NHS Wales Decarbonisation Strategic Delivery Plan (2021)*.

In support of assessing the sustainability of the design, several studies were carried out:

- BREEAM 2018 Ene04 Low Carbon design – Low and Zero Carbon and Decarbonisation Study (LZC)

- BREEAM 2018 Ene04 Low Carbon design – Passive Design
- BREEAM 2018 Ene01 – Reduction of energy use and carbon emissions
- Preliminary Thermal Comfort analyses

Whilst decarbonisation will be difficult in a grade II listed building, the project will provide a strategy from the perspective of the whole CRI site and measures from the proposed new build facility for the Links Building replacement at the rear of the site will be used to partially offset limitations of the main building. More information regarding the sustainable development commitment and decarbonisation measures is included within the Estates Annex which accompanies this document.

Commercial Case

4.0 THE COMMERCIAL CASE

4.1 Introduction

This section of the OBC outlines the proposed deal in relation to the preferred option outlined in the economic case.

The Commercial Case is for the continued restoration and redevelopment of the Cardiff Royal Infirmary site to provide a Locality Health and Wellbeing Centre which delivers first class healthcare services to local residents and the wider community.

The redevelopment and construction of these premises will be procured through the NHS Wales Shared Services Partnership – Specialist Estates Services (NWSSP-SES) established NHS 'Building for Wales' Framework. The Supply Chain Partner (SCP) Willmott Dixon Construction Limited has been appointed under the framework to develop both the design and construction of the proposed facility.

4.2 Required Services

The scope of services required is for project management, cost advice and the design and construction of a Locality Health and Wellbeing Centre at Cardiff Royal Infirmary, comprised of GMS services, bookable outpatient and community clinical accommodation, a wellbeing zone including patient group and education facilities, staff team bases and welfare accommodation.

4.3 Confirmation of Stakeholder Support

Partner collaboration and integration are key enablers for the scheme and there are a wide range of key stakeholders involved in the project from clinicians, citizens, local authorities and third sector organisations. Excellent communication links have been established and engagement for the project and overarching programme with these stakeholders has been extensive since 1999 with ongoing proposals and service developments for the site agreed in collaboration with both Cadw, NWSSP-SES and the Council also. Previous work on the site such as the Phase 1 works in 2014 and the recent redevelopment of the Chapel into a Health Information Centre demonstrate this.

Letters of support for the project have been received and are included with the Business Case Checklist submitted with this OBC.

4.3.1 Planning Consent

As the Cardiff Royal Infirmary is a Grade II listed Heritage asset, an Outline Planning Approval cannot be obtained. It was agreed that a Masterplan Strategy document for the site in its entirety would be prepared which sets out the design and conservation principles for the overall project and includes an overall heritage assessment. This document will be used to secure an Agreement in Principle (AIP) from Cardiff Council, thereby giving sufficient confidence to allow WG to determine approval of this OBC. The AIP process is comparable to the amount of information that would be submitted in an Outline Planning submission, the

difference being the response from Cardiff Council is not a formal agreement but an agreement in principle. Importantly, the masterplan strategy application also includes the SARC and Links Building replacement project which sits within the Cardiff Royal Infirmary site curtilage. When these overarching OBC's are approved, the subsequent project FBCs will apply for any Listed Building Consent individually in line with the requirements established in the AIP.

4.4 Procurement Strategy

The procurement strategy will be in line with the procedures and practices as laid down in the NHS Building for Wales framework. The various construction elements of the proposed facilities will be formally competitively tendered by the Supply Chain Partner as part of the production and agreement of the target price. An open book approach to prices will be adopted in line with the Framework and all costs will be closely scrutinised to ensure that the Health Board is getting the best value for money.

4.4.1 SCP Appointment Process

This section outlines the selection process for the Project Manager (PM), Cost Advisor (CA) and Supply Chain Partner (SCP), together with their Design Team Consultants (DTC) via the NHS Building for Wales framework stated above.

Following the prescribed framework interview and selection process, which was monitored by the appointed Framework Implementation Manager / NHS Wales Shared Services Partnership Representative, Willmott Dixon Construction Limited were appointed as SCP following evaluation of submissions from all four SCPs on the 'Building for Wales' Framework namely Willmott Dixon Construction, Kier Construction, Tilbury Douglas Construction and BAM Construction.

4.4.1.1 Selection and Evaluation Process

The selection process comprised a combination of a review of submissions received, a presentation by each company with question and answer session led by the selection team. The quality evaluation criteria was agreed as set out in the table below (with quality weighted as 70% overall and price as 30%):

Criteria	Quality Weighting
Proposed personnel for the project	10%
Proposed supply chain members for the project	40%
Experience appropriate/relevant to the project	10%
Approach to the project	15%
Programme	15%
Delivering against community benefits targets	10%
Total	100%

Table 18: SCP Evaluation Criteria

4.4.1.2 Selection Team

The Health Board selection team comprised of the following:

- Geoff Walsh - Director Capital, Estates and Facilities
- Jeremy Holifield – former Head of Capital Planning
- Robert Wilkinson – Service Planning Lead

An assessment matrix was scored by the selection team jointly, immediately after each interview and based on the SCP bid document, presentation material and the response given to the question and answer session.

Consideration was then given to the understanding of the project challenges, risks, issues, scope, experience and capability of team members, management structure and the cohesiveness of the teams at interview.

Post Interview Analysis

Willmott Dixon Construction's selection was subsequently agreed subject to approval by the Capital Management Group.

4.4.1.3 Project Manager

Following a similar process to the SCP selection process detailed above, Gleeds Management Services were selected as the Health Board's Project Manager.

4.4.1.4 Health Board Cost Advisor

Following a similar process to the SCP selection process detailed above, Gleeds Cost Management were selected as the Health Board's Cost Advisor.

4.5 Potential for Risk Transfer

This section provides an assessment of how the associated risks might be apportioned between the Health Board and the Supply Chain Partner and in some instances shared between the nominated organisations. The general principle is to ensure that risks should be passed to 'the party best able to manage them', subject to value for money (VFM). The table below outlines the potential allocation of risk; this will be appraised and reviewed at subsequent stages to ensure there is an appropriate allocation of risk:

Risk Category	Potential Allocation		
	Public	Supply Chain Partner	Shared
Design Risk			✓
Construction & Development Risk			✓
Transition & Implementation Risk			✓
Availability and Performance Risk			✓
Operating risk	✓		

Risk Category	Potential Allocation		
	Public	Supply Chain Partner	Shared
Variability of Revenue Risks	✓		
Termination Risks	✓		
Technology & Obsolescence Risks			✓
Control Risks	✓		
Residual Value Risks	✓		
Financing Risks	✓		
Legislative Risks			✓
Other Project Risks			✓

Table 19: Potential Risk Transfer

The ongoing future management of risks during the life of the scheme, will generally follow the process described in the Management Case: Outline Arrangements for Risk Management.

4.6 Equipment Strategy

The finalised equipment requirements for the preferred option will be established during development of the Full Business Case. An assessment will be carried out of the required equipment within groups 2 & 3 based upon signed off Room Data Sheets (RDS). A further assessment will be made regarding the items of equipment which are suitable for transfer.

This survey of existing equipment will use the following criteria:

- Associated downtime during the transfer period is acceptable;
- Costs associated with all transfers are tested for value for money against the purchase of a new replacement;
- Consumables, durables, spare parts and service will be available for the remaining life expectancy of the item;
- Item applies with infection control requirements where necessary;
- Item complies with current regulations and is considered safe;
- Compatibility with other equipment;
- Item can be physically accommodated within the new facility.

The financial implications of the assessments will be included within the costs of the FBC.

4.7 Proposed Charging Mechanisms

Recipients of the health services associated with the project will be the local community and residents of the wider locality and as such services will be commissioned by the Health Board. The majority of services will be delivered by the Health Board and GP Practices,

although the Local Authority and third sector partners may provide wellbeing and education services, as appropriate.

For shared assets, there needs to be a mechanism to share costs fairly. The proposal for shared facilities is that:

- The costs of energy and utilities designed for sole use by partner organisations will be measured and reimbursed to the Health Board;
- The costs associated with the running and maintenance of the shared areas of the premises will be subject to negotiation.

Each occupant will be responsible for the cost and maintenance of their own assets e.g. medical equipment, IT etc. The final arrangements with all parties regarding the operational management of the facilities and Heads of Terms will be agreed at FBC stage.

The Health Board intends to make payments in respect of the proposed products and services as follows:

- Charging will be completed under the 'Building for Wales' Framework terms and conditions;
- The contract will be managed by Cardiff and Vale University Health Board under the NEC3 Option C Target Cost Contract.

4.8 Proposed Contract Length

It is anticipated that the phased construction duration of the project will run for 6-7 years (including all safeguarding works) although the start date for this is dependent on the approvals process. The likely timescales are indicated in the Estate's Annex as well as summarised within the Management Case later within this OBC.

4.9 Proposed Key Contractual Clauses

Contractual Arrangements have been entered into with all parties for the OBC stage using the NEC contract as prescribed under the Framework. For the Project Manager and Cost Advisor, the NEC 3 Professional Services Contract (PSC) has been used, and for the SCP, the NEC Option C (Target Cost) contract has been used.

Payments to the externally appointed team will be as prescribed in the individual NEC contracts and in line with the framework practices and procedures. There are no key contractual clauses over and above the standard framework clauses.

4.10 Personnel Implications (Including TUPE)

It is anticipated that the TUPE – Transfer of Undertakings (Protection of Employment) Regulations 1981 will not apply to this investment.

4.11 Community Benefits and Procurement

The Welsh Government actively seeks to derive benefits for the local community from procurement activity through the application of the Community Benefits policy approach.

This approach ensures delivery of social, economic and environmental benefits through effective application of the policy and is integral to any consideration in procurement, supporting and protecting the economy by encouraging smaller and more local suppliers and seeking re-investment in local communities.

The Health Board are therefore working with the Supply Chain Partner as part of the Considerate Construction Strategy (CCS) to measure the identified benefits extended from this scheme including the potential development of employment and training opportunities across the local population who may be from varying disadvantaged or cultural backgrounds.

Willmott Dixon have developed an industry leading Building Lives Academy mentoring programme that focusses on providing opportunities to people furthest away from the labour market. As part of the project, the SCP will implement an academy which offers candidates a level 1 in Health & Safety (H&S), a Construction Skills Certification Scheme (CSCS) card and work experience along with provision of assistance in softer skills such as curriculum vitae (CV) writing and interview techniques.

More information can be found within the Estates Annex which accompanies this document.

4.12 Frs5 Accountancy Treatment

It is envisaged that the assets developed through this OBC will be on the balance sheet of the Health Board. Any assets sold would then be removed from the Health Board's balance sheet.

Financial Case

5.0 THE FINANCIAL CASE

5.1 Introduction

The purpose of this section is to set out the indicative financial implications of the preferred option (as set out in the economic case) and proposed deal (as described in the commercial case).

The intention is that this long term project for the development at CRI will at the next stage be split over several separate phases each with its own FBC. Therefore the impairment & depreciation phasing will alter and be refined as each phase of works moves forward. This OBC therefore provides the calculations as a single scheme with all areas being completed and brought into use in 2029/30 in line with the overarching phasing plan.

5.2 Capital Charges and Depreciation

A summary of the capital costs and depreciation for the preferred option is as follows:

Capital Costs	£m
Building/Engineering	127.292
Equipment costs	2.959
Total Capital Cost/ Cost Forms	130.251

Table 20: Capital Costs for the Preferred Option

	£m
Impairment	96.879
Depreciation – Building/Engineering	0.469
Depreciation – Equipment	0.427
Accelerated Depreciation	0.00
Total Capital Charges/Depreciation	97.775

Table 21: Summary of Impairment and Depreciation

Impairment is calculated based on advice from the District Valuer. The asset value post impairment has been depreciated over the estimated useful economic life provided by the District Valuer.

The following is a summary of the total impact of impairment and depreciation by year until the planned opening of the facilities:

	2029/30	2030/31	2031/32	2032/33	2033/34
	£m	£m	£m	£m	£m
DEL Impairment	0	0	0	0	0
AME Impairment	96.879	0	0	0	0
Total Impairment	96.879	0	0	0	0
Depreciation – Build	0.012	0.469	0.469	0.469	0.469
Depreciation - Equipment	0.107	0.427	0.427	0.427	0.427
Total Depreciation	0.119	0.896	0.896	0.896	0.896

Table 22: Summary of Total Impact of Impairment / Depreciation Year on Year

This OBC assumes all capital charges and depreciation will be funded by Welsh Government in each of the years provided in the table above.

5.3 Revenue Costs

This cost assessment relates to those services currently delivered by Cardiff and Vale University Health Board and excludes services to be provided by the Local Authority, GPs, Public Health and the Third Sector. This is based on current plans included in Clinical Service Specifications and based on 2021-22 outturn.

The summary of revenue costs is as follows:

Costs	Baseline	Additional	Total
	£m	£m	£m
Service	36.585	1.933	38.518
Facilities	0.575	1.080	1.655
Utilities	1.255	0.726	1.981
Total	38.415	3.739	42.154

Table 23: Summary of Revenue Costs

5.3.1 Service Costs

A vast number of services are impacted by this OBC, the cost of the current and new services within the preferred option, along with the cost increase can be summarised below:

Description	Current Cost £'000	Proposed Cost £'000	Increased Cost £'000
Pay			
1 - Neuro Rehab	169	169	0
3 - Podiatry	1,650	1,650	0
4 - Dental Service - CDS/GDS	54	598	544
5 - Dietetics/teaching kitchen	134	134	0
7 - Children & Young People's Hub	2,922	2,922	0
9a - Phlebotomy (Adults)	25	74	49
9b - Phlebotomy (Paeds)	25	25	0
9 - Gerontology (Integrated Med/ Bone Clinic)	70	70	0
10 - BCG (TB clinic) - Respiratory (integrated medicine)	168	168	0
12 - Wound healing(Surgery CB)	6	6	0
14 - MTT Physio Orthopaedics	1,766	1,766	0
17 - MS – Neurology	1,352	1,352	0
18 - AAA (PHW)	79	79	0
20 - Audiology service (adults and paeds)	189	189	0
21 - Maternal health/ midwifery hub	2,292	2,292	0
22 - Memory clinic	584	584	0
24 - Cardiology clinics	298	409	111
25 - Cardiac rehab gym	225	225	0
26 - Pulmonary rehab gym	106	106	0
27 - Ophthalmology	415	415	0
28 - DOSH – young person's clinic/MSM	50	50	0
31 - Smoking cessation (Public Health Team)	147	147	0
33 - Imaging Centre	64	723	658
38 - Information and Advice Centre (Patient Experience Team)	128	128	0
42 - Community Nursing Hub and S&E Cardiff Locality Team	573	573	0
51 - Acute child health	92	92	0
54 - Pain management service	183	183	0

Description	Current Cost £'000	Proposed Cost £'000	Increased Cost £'000
55a - Global Link (psychological therapies/counselling team)	3,007	3,007	0
58 - Primary Care MH Counselling clinical space (MH CB)	1,120	1,120	0
59 - Urgent PC/OOH (incl. CAV 24/7) (PCIC CB)	7,002	7,002	0
60 - Lymphoedema (CD&T)	105	105	0
61 - Other CD&T Services	406	426	20
Pay Total	25,406	26,789	1,382
Non-Pay			
2 - Roathwell GP Practice	39	0	(39)
4 - Dental Service - CDS/GDS	9	437	428
12 - Wound healing (Surgery CB)	1	1	0
17 - MS – Neurology	5,419	5,419	0
20 - Audiology service (adults and paed)	46	46	0
24 - Cardiology clinics	6	15	9
25 - Cardiac rehab gym	8	8	0
27 - Ophthalmology	4,115	4,115	0
31 - Smoking cessation (Public Health Team)	0	0	0
33 - Imaging Centre	0	124	124
40 - Operational Services (commercial)	49	49	0
42 - Community Nursing Hub and S&E Cardiff Locality Team	230	230	0
50 - IT server room	20	20	0
54 - Pain management service	3	3	0
55a - Global Link (psychological therapies/counselling team)	563	563	0
58 - Primary Care MH Counselling clinical space (MH CB)	274	274	0
59 - Urgent PC/OOH (incl. CAV 24/7) (PCIC CB)	355	355	0
61 - Other CD&T Services	41	71	30
Non-Pay Total	11,178	11,729	551
Grand Total	36,585	38,518	1,933

Table 24: Summary of Revenue Cost by Service

Notes and Assumptions:

- Staffing costs have been costed at 22/23 rates excluding any 22/23 wage award
- Non Pay costs have predominately been taken at 21/22 outturn
- A saving of (£39k) is being realised by transferring Roathwell GP Practice into CRI
- Dental Service CDS/GDS includes additional 4 community / emergency dental service chairs partly replacing currently closed facilities, and to meet the needs of vulnerable groups. Additional 2 GDS chairs to support population needs
- An increased cost of £49k has been included for Phlebotomy (Adults) due to outpatient clinics moving to CRI and Phlebotomy unable to use existing staff based at UHW
- Costs have been included for Gerontology and Memory clinics however this is understood to be OPD space requested for these clinics
- Assumption is that Welsh Wound Innovation Centre (WWIC) employ research nurses who lead the outpatient clinic and the clinic is supported by a member of the Cardiff & Vale Tissue Viability team (Wound Healing)
- RMTT Rheumatology were delivering 1 clinic from CRI however this was suspended and plans to return will need further investigation during the FBC to determine service requirement if required
- Diabetic Eye Screening Wales service requirements need further investigation during FBC as service needs have changed since clinical specification undertaken
- Within the staffing costs for MS Neurology is 2 WTE linked to an ongoing business case, Frampadine (MS drug) of which drug savings are being reinvested. It is assumed the business case will be approved by multiple health boards and therefore will fund the 2 WTE and no increased costs are required
- The AAA screening service is part of Public Health Wales. It has been assumed a band 7 and band 3 will be required for the service and funding will flow from PHW therefore no additional costs to be included
- Assuming the Audiology service will use CRI's reception rather than a specific reception for Audiology and small equipment required will transfer with the service
- Cardiology clinics for Heart Failure include a cost pressure of £119k relating to an additional 5 clinics per week
- Assuming the Ophthalmology service will use CRI's reception rather than a specific reception for Ophthalmology and equipment will transfer with the service
- ART/parenteral antimicrobial service requirements need further investigation during FBC as service needs have changed since clinical specification undertaken
- Within the Imaging Centre it has been assumed to be a community diagnostic centre and funding to flow through this OBC
- Operational Services (commercial) assumes an Aroma at CRI will run at the same loss as Aroma in Woodland House
- IT server room has been assumed as no increased costs
- The Pain Management Service is currently run and funded by Velindre NHS Trust. When the service transfers to CRI, it is assumed funding will transfer from Velindre to cover all costs

- Following a review of CD&T services impacted by the services transferring to CRI, 0.5 WTE band 5 has been included for Point of Care Testing. In addition to this £30k has been included for transporting of specimens and records.

5.3.2 Facilities Costs

The indicative estates and facilities costs for the preferred option across all services within the scope are summarised below:

Estates and Facilities	Current Cost £'000	Proposed Cost £'000	Increased Cost £'000
Area (square metres)	4,105	13,866	9,761
Ward Based Catering	0	0	0
Catering Provisions	0	0	0
Domestics staff	170	575	405
Domestics consumables	9	40	32
Waste	15	52	36
Estates	128	432	304
Portering	42	84	42
Security (Inc CCTV & TDSi)	157	315	157
Post	0	0	0
Reception Cover	43	87	43
Patient Transport Service	0	0	0
Linen	10	21	10
Maintenance of Energy Centre	0	50	50
Total	575	1,655	1,080
Utilities	1,207	1,860	653
Rates	48	121	73
Grand Total	1,830	3,637	1,806

Table 25: Summary of Revenue Cost by Estates and Facilities

Notes and Assumptions:

- Facilities costs included in the SARC OBC have been removed from the current and proposed costs in the table above
- Costs have been taken from 20/21 Estates and Facilities Performance Management System (EFPMS) and inflated to 22/23
- Costs have been taken from 20/21 EFMPs and inflated for a year at 2.8% and 22/23 10% to cover large inflationary increases for waste and estates

- EFPMS costs have by multiplied by the current occupied space of 11,789 m2 to establish the current costs and proposed costs by the total building space of 22,160 m2
- Domestic consumables increased from 5% to 7% due to new cleaning standards
- Reception staff, Portering, Security and Linen has been costed from hours supplied by the department and 27% relief has been added to the 22/23 hourly rate
- Utilities has been costed by the energy team and are very volatile therefore consideration should be given for a +/- 30% tolerance
- Rates have been calculated based on the current CRI rates invoices to establish a unit price
- Aroma at CRI has been included under service costs

5.4 Impact on the Income and Expenditure Account and Balance Sheet

The anticipated capital spend, capital charges and depreciation profile for the extent of the project is as follows:

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Capital (excl. VAT) - DEL	1.995	4.374	16.127	25.387	19.467	14.638	15.677	9.972	4.995	0.176
Depreciation									0.119	0.896
Total	1.995	4.374	16.127	25.387	19.467	14.638	15.677	9.972	5.114	1.072

Table 26: Impact on Income, Expenditure Account and Balance Sheet

All assets will be shown on the Health Board's balance sheet. The asset will be valued on completion and recorded on the balance sheet at that value. Subsequently it will be treated as per the Health Board's capital accounting policy.

5.4.1 VAT Recovery

The assumption in this Outline Business Case is that there will be no VAT recovery for the mechanical, electrical and plumbing (MEP) infrastructure elements of the project and circa 20% recovery as a basis for the refurbishment and safeguarding works, however, further discussions regarding the finalisation of management and equipment arrangements for the project will be worked upon during the development of each further Full Business Case with the Health Board advisors to ensure that any opportunities for VAT recovery is conducted as efficiently as possible. More information can be found within the Estates Annexe.

5.5 Overall Affordability

As highlighted above, it is assumed the impairment and recurrent charges for depreciation will be funded by Welsh Government.

Total direct revenue cost to Cardiff and Vale University Health Board (excluding capital charges and depreciation) is £3.739m.

A review of costs has been provided by clinical and non-clinical managers through submission of detailed clinical service specifications. It must however be recognised that some service models are yet to be fully developed and agreed, with work to transform service delivery and release efficiency savings still ongoing. This will be reviewed at key stages during the development process in line with the phased Full Business Cases.

	£m
WG Impairment funding	96.879
WG Depreciation funding	0.896
Revenue (to be managed by the Health Board)	3.739

Table 27: Overall Affordability

5.6 Project Bank Account

The Health Board is familiar with 'WPPN 03/21: Project bank accounts policy' and can confirm that a Project Bank Account (PBA) will be prepared at the appropriate stage. This is an 'appropriate contract' with thresholds exceeding the Welsh Government's criteria in respect of sub -contracting, duration and value for the mandatory use of Project Bank Accounts.

5.7 Site Masterplan Phasing Implications

Whilst developing the phasing programme for the CRI Health & Wellbeing Centre and the SARC/ Links projects it was identified that in order to achieve a significant programme benefit, some enabling type works for the SARC project should be carried out earlier than programmed which could only be done by including within the early phases of the CRI Health & Wellbeing project.

Specifically, these early activities relate to existing buildings 54/56 within the CRI site demise which are part of the SARC project and are currently occupied. By decanting these current users into Block 10 level 1 of the CRI building during the SARC project works this offers time and cost efficiencies.

Therefore, Block 10 level 1 needs to be refurbished prior to the decant of the users from 54/56. The costs for refurbishment of level 1 building 10 are included in the SARC OBC however, to provide cost and programme savings, the enabling works which are needed to make level 1 building 10 usable which include delivery of a new fire escape, upgrading of existing escape stairs, including extension of the stairs to an additional storey and roof

remedial works are in this OBC. This is because the works will form part of the Advanced MEP & Safeguarding FBC and are planned to be submitted to Welsh Government well before the SARC FBC.

It should be noted that if the approval of this Health and Wellbeing Centre OBC is delayed, it will have an impact on the SARC project. Therefore, the budget cost of £1.25m identified within this OBC will be omitted and will need to be included within the SARC project costs. This phasing implication has also been included within the narrative of the SARC OBC.

Management Case

6.0 THE MANAGEMENT CASE

6.1 Introduction

This section of the OBC addresses the “achievability” of the scheme and identifies how the project will be managed from its initiation to completion. Its purpose is to describe the arrangements that will be required to effectively govern and successfully manage the project and deliver it in accordance with best practice.

This section has been drafted based upon the lessons learnt from previous projects, incorporating proven arrangements, structures and processes to ensure the successful delivery of the project.

6.2 Programme Management Arrangements

The project is an integral part of the Health Board’s Programme Business Case (PBC) which comprises a portfolio of projects for the delivery of the ‘*Shaping Our Future Wellbeing: In Our Community*’ strategy. The following diagram details the management arrangements:

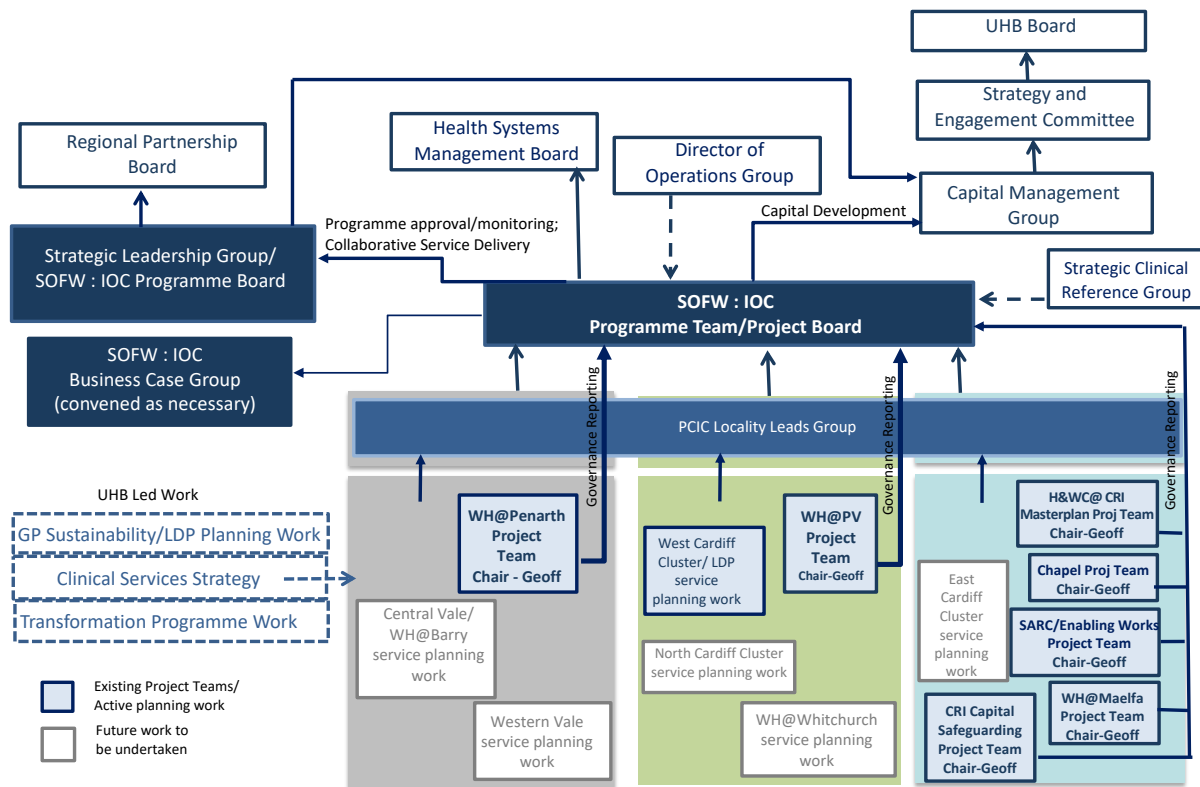


Figure 16: Programme Structure

The diagram above demonstrates the way the programme and project management structures interlink. It reflects the important role of the Primary Community and Intermediate Care Clinical Board and the Localities in setting the direction for community delivered services and infrastructure for their resident populations, while maintaining the required governance for Welsh Government funded capital projects. The CVUHB Board will hold

ultimate responsibility for the Programme's capital management, via the SOFW:IOC Delivery Group and the Capital Management Group.

However, as the success of the Programme relies significantly on the development and delivery of integrated services with partner organisations, the Regional Partnership Board (RPB), through the Strategic Leadership Group (which will also adopt the role of Programme Board), will provide the appropriate strategic direction for SOFW: In Our Community and, if necessary, provide an enabling role by unblocking obstacles in the decision-making process.

The structure also reflects the pivotal role of the Locality Teams in setting the direction for community delivered services and infrastructure for their resident populations.

6.3 Project Management Arrangements

Robust project management arrangements are vital to ensure the implementation of the overall project and that effective control is maintained over the capital scheme.

For the Health Board to successfully deliver this project, it is vital that the following overall approach is taken for the organisation and management of the project:

- The Health Board will adopt the general principles of PRINCE 2 methodology in managing the activities and outputs of the project and will meet the requirements of the WHC (2018) 043; Infrastructure Investment Guidance; and subsequent guidance which may be issued during the projects' lifespan;
- The project will use NHS Wales standard documentation and products where these are available, and will seek to benefit from experience and best practice from other NHS Wales projects;
- Specialist professional and technical advisers will be employed for those activities where the necessary skills and experience are not otherwise available to the Project Team. The transfer of skills and knowledge from specialist advisers to the Project Team will be achieved wherever possible and appropriate.

In managing the project, the Health Board aims to:

- Deliver the project on time and to budget;
- Ensure effective and proactive lines of accountability and responsibility for the project deliverables; and
- Establish user involvement at all stages of the project.

6.3.1 Project Reporting Structure

The reporting organisation and the reporting structure for the whole of the project is shown as follows:

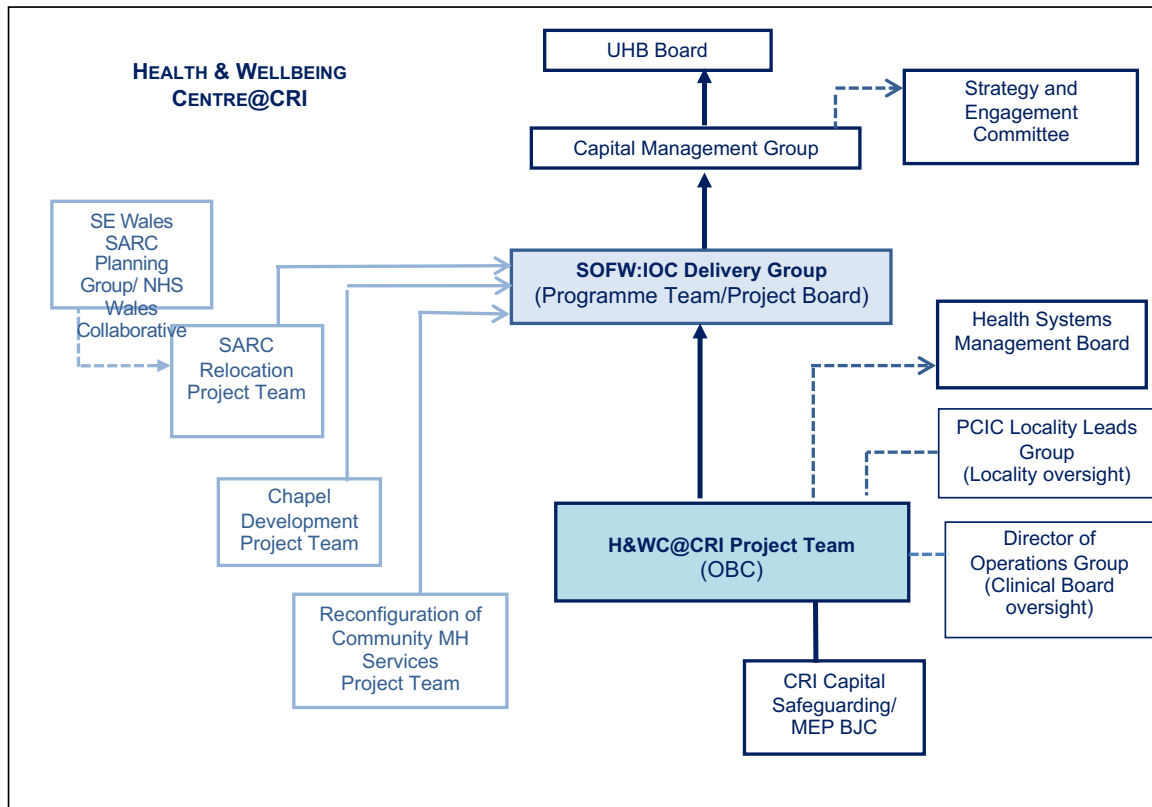


Figure 17: Project Structure

A rational approach has been taken to the role of the Project Board, to ensure best use of members' time and commitment, while reflecting the locality management structure. There will be a core membership supplemented by key staff from each of the three Localities. The Project Board, while being identified as a single entity (known as 'The Project Board'), will in effect incorporate the following:

- The Cardiff South and East Locality Project Board;
- The Cardiff North and West Locality Project Board;
- The Vale Locality Project Board.

The CVUHB Board will hold ultimate responsibility for the Programme's capital management, via the SOFW:IOC Delivery Group, Capital Management Group and the Strategy and Engagement Committee. The Project Board will provide strategic direction for each of the projects, oversee the work of the Project Teams, provide a challenge to the proposals as appropriate and recommend to the Health Board the preferred way forward as part of the integrated assurance and approval plan.

The Project Board will be the SOFW:IOC Delivery Group and will provide strategic direction for the project, oversee the work of the Project Team, provide a challenge to the proposals as appropriate and recommend to the Health Board the preferred way forward as part of the integrated assurance and approval plan.

The purpose of the Project Team is to manage and co-ordinate the project within the parameters set by the Project Board. The Project Team is responsible for the preparation of the business case for the project, which sets out the case for the proposed service and the capital implications, providing supporting justification in the form of the relevant strategic, economic, commercial, financial and management information required to produce the OBC.

Advice is also available, where appropriate, from the wider perspective of the Primary, Community and Intermediate Care (PCIC) Locality Leads Group.

6.3.2 Project Roles and Responsibilities

The project roles and responsibilities are as follows:

6.3.2.1 Investment Decision Maker

In line with the NHS Wales Infrastructure Investment Guidance, it is recognised that there must be clarity on decision making authority and management arrangements.

The Investment Decision Maker is the Cardiff and Vale UHB Board. Their role is to:

- Ensure a viable and affordable programme business case exists and remains valid during the planning process;
- Ensures that the appropriate level of business case is developed for submission to Welsh Government;
- Maintain commitment to the programme and project;
- Authorise allocation of funds to the programme and project;
- Oversee programme and project performance;
- Ensure resolution of issues.

6.3.2.2 Senior Responsible Owner

The Senior Responsible Owner (SRO) of this programme and the project is the Executive Director of Strategy and Planning, Abigail Harris. The Executive Director will monitor the development and progress of the programme and project at Executive Board level and will exercise executive responsibility for the capital aspects of the scheme including compliance with Financial Instructions and Standing Orders; will be responsible for responding to internal and external audit scrutiny and ensuring the appropriate interim reports are made to the Capital and Estates Division of Welsh Government in line with existing directives.

6.3.2.3 Programme Director

The Deputy Director of Strategy and Planning, Marie Davies, will fulfil the role of Programme Director and have ultimate responsibility for managing the development of the programme

and this project on behalf of the SRO and ongoing management of the programme to ensure that desired programme outcomes and objectives are delivered.

6.3.2.4 *Programme Manager*

The development of the programme will be managed by the Service Planning Lead, Alex Evans.

The Programme Manager will establish the management structure for the programme, involving appropriate representatives from within the Health Board and partner organisations who can provide the appropriate vision, direction and support to the development of the programme and the project.

6.3.2.5 *Project Director*

The Director of Capital, Estates and Facilities, Geoff Walsh, will fulfil the role of Project Director for the project. The Project Director will have ultimate responsibility for the project and will ensure the project is focused, throughout its lifecycle on achieving the objectives and delivering the projected benefits. The Project Director will ensure that the project provides value for money ensuring a cost-conscious approach to the project, balancing the demands of business, users and suppliers. The Project Director will act as the point of contact in all dealings with contractors, consultants and outside organisations involved in the construction process.

6.3.2.6 *Business Case Manager – Programme and Projects*

This function will be undertaken by the Service Planning Leads, Alex Evans and Rob Wilkinson. The Business Case Manager will project manage the business case process.

The Business Case Manager will establish the management structure for the project, involving appropriate representatives from within the Health Board and partner organisations who can provide the appropriate input to support the development of the project and required business case.

The Business Case Manager will work with the healthcare planning consultants appointed to assist in the development of business case to develop and manage the project plan, setting out the key actions and milestones to manage the business planning process leading to the production of the agreed level of Business Case which is compliant with Welsh Government Infrastructure Investment Guidance.

6.3.2.7 *SOFW: IOC Delivery Group – Programme Team/Project Board*

The Terms of Reference for the SOFW:IOC Delivery Group are included within Appendix 8.

The SOFW:IOC Delivery Group will support the delivery of the project through:

- Taking the lead responsibility for the overall success of the project, and the services that support the change;

- Taking the lead responsibility for risk relating to the programme and for the realisation of associated benefits - balancing the acceptable level of risk against objectives and business opportunities;
- Agreeing and directing the activity of the programme;
- Instructing and managing external consultants;
- Ensuring the brief set by the Delivery Group is adhered to;
- Ensuring that the project scope remains consistent with the strategic programme;
- Providing formal approval at key stages to the project both in terms of business case development and formal submission to Welsh Government;
- Providing the formal authority for committing resources to the project;
- Ensuring that the scheme delivers appropriate value for money.

6.3.2.8 *Project Team*

The Terms of Reference for the Project Team are included within Appendix 9.

The Project Team will support the delivery of the project through:

- Taking actions to ensure all stages of the project are achieved within the identified timescales, reviewing progress on a regular basis;
- Ensuring plans being developed fit within both the Capital Programme of the Health Board and the wider strategic service planning framework;
- Developing and regularly reviewing the Project Risk Register and ensuring appropriate mitigation plans are developed;
- Developing, agreeing and monitoring budgeting arrangements for project delivery;
- Identifying and developing appropriate capital and revenue financing arrangements for the project ensuring both affordability and sustainability;
- Every team member will have equal responsibility for identifying, at the earliest opportunity any major factors, risks or variances arising during the course of the project that may impact upon project delivery.

The table below shows the core membership of the Project Team:

Name	Position	Organisation	Role
Geoff Walsh	Director of Capital, Estates and Facilities	CVUHB	Chair
Jonathan Aver	Senior Capital Construction Project Officer	CVUHB	Member
Rob Wilkinson	Service Planning Project Lead	CVUHB	Member
Nicola Evans	Head of WODT, PCIC	CVUHB	Member
Alison Bax	Superintendent Radiographer, Radiology	CVUHB	Member
Dr Kate Bryant	Head of Non-ionising Radiation, Medical Physics	CVUHB	Member
Sion O'Keefe	Directorate Manager, CD&T	CVUHB	Member

Name	Position	Organisation	Role
Bev Rosser	Deputy Directorate Manager, Community Child Health	CVUHB	Member
Sarah Spencer	Senior Midwife	CVUHB	Member
Lynne Topham	Locality Manager, Cardiff South and East	CVUHB	Member
Eleri Crudgington	Assistant Locality Manager, PCIC	CVUHB	Member
Emma Prosser	Community Dental Service Manager	CVUHB	Member
Daniel Price	South Glamorgan Community Health Council (CHC)		Member
Duncan Innes	Cardiff Third Sector Council (C3SC)		Member

Table 28: Project Team Membership

6.3.2.9 Other Roles

The development of the Programme and this project is supported by a range of corporate departments from within the Health Board, partner organisations and the public including:

- Capital Planning;
- Finance;
- Workforce;
- IM&T;
- Primary Community and Intermediate Care Clinical Board;
- External Stakeholders and Partner Organisations (including Local Authorities, other Health Boards, Welsh Ambulance Services Trust, Third Sector, Cardiff and Vale of Glamorgan Community Health Council, NHS Wales Shared Services Partnership);
- Engagement and co-production with service users and local communities.

6.3.2.10 Project Plan

The dates detailed below highlight the proposed key milestones of the project:

Milestone Activity	Date
OBC submission to WG	July 2022
First FBC submission to WG (Safeguarding and MEP)	October 2022
FBC for refurbishment works submission to WG	June 2023
Start on site for first works	March 2023
Handover	September 2029
Facility operational (all areas)	October 2029

Table 29: Project Plan

This Outline Business Case includes all works associated with the provision of the new Health & Wellbeing Centre at CRI, however going forward, there will be separate business cases submitted for different elements of the works to support the phased manner of the development.

In order to ensure the new Cardiff Royal Infirmary Health and Wellbeing Centre development is completed in the optimum timeline, the first Full Business Case (FBC) will be for the capital safeguarding and energy centre works.

More information regarding the phasing and key milestones of the development can be found within the Estates Annex that accompanies this document but it is important to note that the programme and phasing plan assume that the FBCs will be approved within the normal Building for Wales Framework timeframes. Due to the complexity of the project and its association with the adjacent SARC and new Links project, there are dependencies and enablers which may be affected if there are significant delays to future FBCs.

6.4 Use of Special Advisors

Specialist advisors have been used in a timely and cost-effective manner in accordance with the Treasury Guidance: Use of Special Advisors:

Specialist Area	Adviser
Supply Chain Partner	Willmott Dixon Construction Limited
Project Manager	Gleeds Management Services
Architects	AHR Architects
Business Case Development	Adcuris Consulting Ltd
Cost Advisor	Gleeds Cost Management

Table 30: Specialist Advisors

6.5 Outline Arrangements for Change Management

The reconfiguration of the CRI will be implemented in a systematic way that causes the least disruption to existing services on site. The programme and project structures have been established to implement the necessary changes and ensure clinical leadership remains central to this.

Working groups have not been formally established as yet by the Project Team however anticipated future workstreams during development of each phased project FBC will include a number led by clinical directors, or their delegated leads, to lead the change management processes required to plan and deliver the organisational development implications of the transition, which will include the following tasks:

- To agree any revised staffing establishments consistent with any revised clinical models / operational policies and within the available financial envelope;
- To plan and implement a transition plan to manage the transfer of existing staff into the new arrangements, ensuring this is consistent with good human resources (HR) practice and existing Health Board policies and procedures;
- To ensure that the timing of the planned changes is consistent with the smooth continuation of other services affected by the change;

- To assess professional and other training needs arising out of the service changes, and to plan and implement a training programme as appropriate;
- To consider any other operational or human resource (HR) issues relating to the new service arrangements.

The change agenda will also be supported by the overarching transformation change programme of the Health Board, ensuring a robust framework for change is adopted across the scope of the project. The Health Board recognises the enormous challenge that is required to transform services over the coming years to deliver sustainable and prudent services for a growing population with changing demands and in line with this more integrated models for service change are required.

This project aligns to the following key areas of the transformation change programme:

- Developing a health and wellbeing model of care with partner organisations;
- Redesign of service delivery models to support the shift of services from hospital to community, and focusing activity and resources in areas of highest need;
- Improve capacity of services through new ways of working;
- Developing a whole systems model approach as a tool to plan services collaboratively with partners;
- Promoting social prescribing and signposting to services;
- Rationalisation or improvement of current community estate as appropriate.

Building strong relationships across the workforce is fundamental to the CRI Health and Wellbeing Centre and developing a shared understanding and principles of working together are also essential to its success and therefore the Health Board are investing in the workforce and developing strong, compassionate and collective leadership, underpinned by values and behaviours and a flexible and agile workforce to meet current and future demands. There is a clear vision at the heart of the development to bring the wider workforce together with new and innovative ways of working supported through digital opportunities and excellent education and learning initiatives.

The change management arrangements and transformation strategies will be reviewed and subjected to more investigation where necessary during each stage of the phased project FBCs moving forward. This will be supported by an iterative workforce design and development plan which can be adapted to accommodate changes to services and demands so that the Health Board ensure there is a workforce that is fit for purpose to deliver the ambitions to improve the health and wellbeing aligned to cluster IMTPs for the local population.

6.6 Communication and Engagement Plan

Effective communications, consultation and engagement is central and critical to the successful delivery of the project. The Health Board has a duty to involve people in the planning and delivery of health services and significant service developments.

The Health Board's philosophy around communication is simplicity, quality and consistency. All messages should be clear and easy to understand – tailored for their specific audiences; compliant with corporate guidelines; and in keeping with the Health Board's strategic aims.

The objectives of the Health Board's communication strategy are:

- Effectively communicate the rationale for the redevelopment through a range of tested channels to inform internal and external stakeholders, keep them up to date with progress and gain their views;
- Foster ongoing good relationships with the local communities around the hospital and with the media, promoting positive media coverage;
- Manage all publicity regarding the redevelopment project and ensure that accurate information is consistently available;
- Engage staff positively in the changes so that new ways of working are endorsed and staff understand and support the redevelopment;
- Evaluate the effectiveness of internal and external communications and engagement to ensure messages are understood and acted upon and engagement is positive.

The Project Team is to be used as the mechanism to communicate project progress to stakeholders, including patients and other stakeholders and interested parties.

- Project records will be maintained at the Health Board's central project office, in accordance with a defined records management system;
- Project records will be maintained in line with good audit practice and the filing structure determined and communicated via the Project Team;
- Notes will be taken at all meetings, to ensure the task focus of the project, prior to closure of meetings an action list will be agreed and then circulated.

6.6.1 Internal

- All members of the project groups will have individual responsibilities for cascading project information through their respective service functions;
- The Project Director will be responsible for producing regular reports for the SOFW:IOC Delivery Group in its role as Project Board for the scheme and ad hoc reports to the CVUHB Board.

6.6.2 External

- The Project Director will be responsible for providing the key link with major stakeholders not represented on the Project Board to report progress;
- Media Management will be in accordance with the Health Board's related policies and procedures;

- The Project Board may consider the production of regular briefings for internal and external communication purposes;
- All members of the project groups will have responsibility for cascading information through their respective organisations as well as their specific areas of responsibilities.

An interim stakeholder engagement and communication timeline has been developed during this OBC stage which summarises the engagement activities undertaken to date and demonstrates engagement since 1999 when the site closed as a district general hospital, the results of which all inform or influence the development of the facility as far as possible.

The recent opening of Capel I Bawb also provided an opportunity to discuss the future plans for the CRI with various community groups via presentation material and open conversation. The latest version of this plan is attached as Appendix 10 however, communication and engagement will be continued throughout the phased development of CRI with work detailed within the individual project stage FBCs.

6.7 Outline Arrangements for Benefits Realisation Monitoring

Benefits are anticipated when a change is conceived and there are measurable improvements that result from the outcome which is perceived as an advantage by the organisation and/or stakeholders. Benefit management and realisation therefore aims to identify, define, track, realise and optimise benefits within and beyond the programme. A benefits realisation plan for this project has been established and co-produced with key stakeholders that provides a framework for this aim and is overseen by the Project Board.

The plan outlines the key objectives, benefits and measures, which will be used to evaluate the successful delivery of the project, it also shows who has the accountability for its realisation. This is in order that a meaningful assessment can be made of the benefits yielded by the project and to benchmark the assessment criteria themselves so that lessons learned can be fed back into future projects. It ensures that the project is designed and managed in the right way to deliver quality and value benefits to patients, staff and the local or wider community. Timescales for the achievement of these benefits have been identified and included in the plan.

A copy of the draft outline Project Benefits Realisation Plan is attached at Appendix 11 and although the project will play a fundamental part in delivering the benefits of the overarching SOFW programme it purposely identifies the realistic operational benefits associated with the business needs outlined by the locality. This plan will be revisited during each Full Business Case supporting this project to confirm the data related to the cluster having taken into consideration the effects of the COVID-19 pandemic and current transformation work. Further consideration of how the Health Board can support the concepts of the Foundational Economy will also continue through each phase with concentrated reviews of local community and wider health community opportunities offered by the development.

6.8 Outline Arrangements for Risk Management

6.8.1 Risk Register

A structured risk management process will be adopted. It has four main stages:

- Identification - to determine what could go wrong in order to identify the risks;
- Classification - to determine the likelihood of occurrence of the risk and impact on the project;
- Assessment - to understand and possibly quantify the impact on the project;
- Action - to identify countermeasures for dealing with unacceptable risk levels and institute monitoring and control mechanisms, identifying means of avoiding, containing, reducing and transferring risk.

The risk management strategy has been integrated into the project management procedures, with responsibility for implementation of the strategy resting with the Project Director. The key risks of the preferred option have been assessed and strategies for managing them outlined. An initial risk register has been developed for the preferred option which includes all risks identified to date. The methodology used is in accordance with the Health Board's governance structure for managing risk, and it details who is responsible for the management of risks and the required counter measures, as required. This risk register will be constantly updated during the life of the project, and counter measures identified and applied as required.

The current risk register for the preferred option is attached at Appendix 12.

A separate capital / construction risk register has also been prepared and is included in the Estates Annex.

6.8.2 Gateway Review Arrangements

Previous gateway reviews undertaken across the health service have identified a range of common weaknesses within projects. These key areas have been reviewed under this project to ensure they were being managed as follows:

- Risk – A clearly structured risk management process has been put in place with regular review of the project risk register;
- Roles and Responsibilities – A clear project structure exists for the management of this project with the Senior Responsible Officer and Project Director identified;
- Skills and Resource – The Health Board is experienced and well-resourced and is supported by legal, financial and technical specialists;
- Business Case - The need for a robust business case was identified at an early stage and has in part driven the project development;
- Planning – A programme was developed early in the scheme development and has been a strong management tool in moving the project forward;
- Stakeholder Issues – Stakeholder management has been a key focus in the projects development as it integrates various organisations. Clear engagement is recognised

as being of paramount importance and all proposals have been conveyed to all parties necessary;

- Benefits – A clear benefits realisation plan has been developed and is embedded in the project processes;
- Financial Issues – Finances have been robustly managed as the project has developed to ensure the project is affordable and value for money.

A dedicated stage 2 gateway review for the project was undertaken during development of this OBC and a number of recommendations from the assigned review team received. The Health Board can confirm that these recommendations have been addressed through the further development of the OBC via a dedicated action plan. The resulting impact of the programme has been scored against the risk potential assessment (RPA) model. A copy of the RPA form is attached as Appendix 13.

6.9 Equality and Health Impact Assessment

In line with the Health Board's ethos and philosophy, an Equality and Health Impact Assessment (EHIA) of the business case has been completed during key stages in the development to ensure that the proposals promote equality and positive health outcomes for all. A copy of the latest equality and health impact assessment for this project is attached at Appendix 14, many aspects of which take into consideration the Socio-Economic Duty came into force in Wales on 31 March 2021.

6.10 Outline Arrangements for Post Project Evaluation

The Health Board is committed to ensuring that a thorough and robust post-project evaluation (PPE) is undertaken at key stages in the process to ensure that positive lessons can be learnt from the project. The lessons learnt will be of benefit to:

- Cardiff and Vale University Health Board – in using this knowledge for future projects including capital schemes;
- Other key local stakeholders – to inform their approaches to future major projects;
- The NHS more widely – to test whether the policies and procedures which have been used in this procurement are effective.

Post Project Evaluation (PPE) is a part of the total quality process and the Health Board acknowledges its contribution towards a successful outcome in terms of:

- Greater assurance of total performance in terms of cost, time and quality;
- Clearer definitions of responsibilities;
- Reduced exposure to risk; and
- Improved value for money.

The Health Board has identified a robust plan for undertaking PPE in line with current guidance, which is fully embedded in the project management arrangements of the project

and all processes will be managed by the Project Team and endorsed by the appropriate boards.

The outline arrangements for post implementation review and project evaluation review have been established in accordance with best practice and are as follows:

6.10.1 Post Implementation Review (PIR)

An evaluation covering a wider range of project evaluation criteria and benefits will be undertaken during each phase of the programme across the construction period and to closely align with each ongoing project FBC to ensure previous lessons have been learned.

6.10.2 Project Evaluation Reviews (PERs)

Further post project evaluations will take place at a later stage, to assess the longer-term outcomes of the project, when the full effects have arisen.

6.11 Contingency Plans

If the proposal for the continued restoration and re-development of the Cardiff Royal Infirmary to create a Locality Health & Wellbeing Centre is not approved, the Health Board will not fully be able to provide the sustainable wellbeing and healthcare services as crucially required by the local population within the South-East Cluster and residents of the wider Cardiff South and East Locality.

Current services not already included within the Phase 1 works will continue to be provided from not wholly fit for purpose accommodation and existing poor community estate will not have the potential to be rationalised or improved to provide better outcomes for patients with the opportunity to offer additional health and wellbeing support to those who need it most being lost through continued dis-jointed access.

The shift in delivery of traditionally based acute care to improved community facilities and delivery closer to the patients home will not be realised due to the current estate limitations across the locality and aims to support the economic regeneration in the area will be lost.

Additionally, if the Business Case is not approved the scheme cannot deliver the broader economic benefits of the project, programme and related strategies, in turn reducing its ability to fully comply with the Welsh Government's strategies such as *Wellbeing for Future Generations Act*, *Taking Wales Forward*, *Prosperity for All* and *A Healthier Wales* or deliver the widespread operational benefits anticipated to the population, staff, and the organisations within the Regional Partnership.