

Bwrdd Partneriaeth
Ranbarthol Powys
Iechyd a Gofal
Cymdeithasol

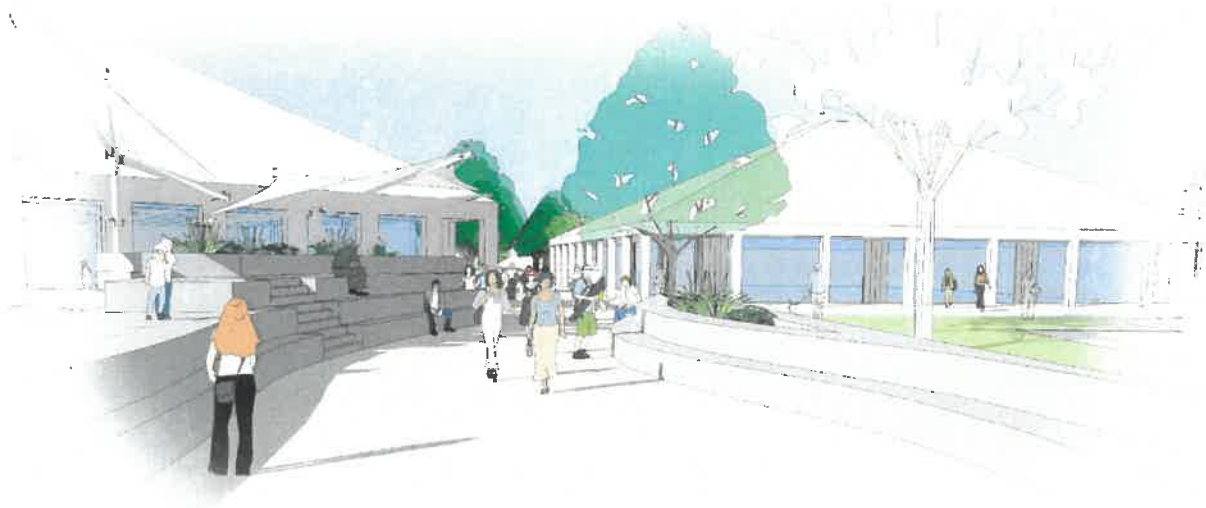


Powys Regional
Partnership Board
Health and
Social Care



Programme Business Case

North Powys Wellbeing Programme



03 November 2020

Version 1



GIG
NHS

Bwrdd Iechyd
Addysgu Powys
Powys Teaching
Health Board



1 Executive Summary

This Programme Business Case (PBC) seeks endorsement for the Regional Partnership Board (RPB), led by Powys Teaching Health Board (PTHB) and Powys County Council (PCC) (“the Partnership”) to further develop plans to create a collaborative, multi-agency wellbeing campus (the “Campus”) for the population of north Powys, delivered by the North Powys Wellbeing Programme (NPWP). The Programme, established in 2019, is a once in a generation opportunity to bring together partner organisations to enhance and transform the way services are delivered to the local community.

The PBC will demonstrate the ambition across partner organisations to develop a new integrated model for the area, bringing partners together across education, health and social care, housing, community and third sector, with opportunities for further linkages to leisure, police and ambulance services. It will also maximise wellbeing and leisure opportunities via essential links with green spaces through Open Newtown and collaborative working with partners in the Third Sector and local business.

It will support economic growth and regeneration of the area, in line with the National Development Framework, which identified Newtown as an important regional centre. It will also have strong links with the town centre supporting Welsh Government’s initiative “Town Centres First”. The emerging model for the campus is illustrated below:

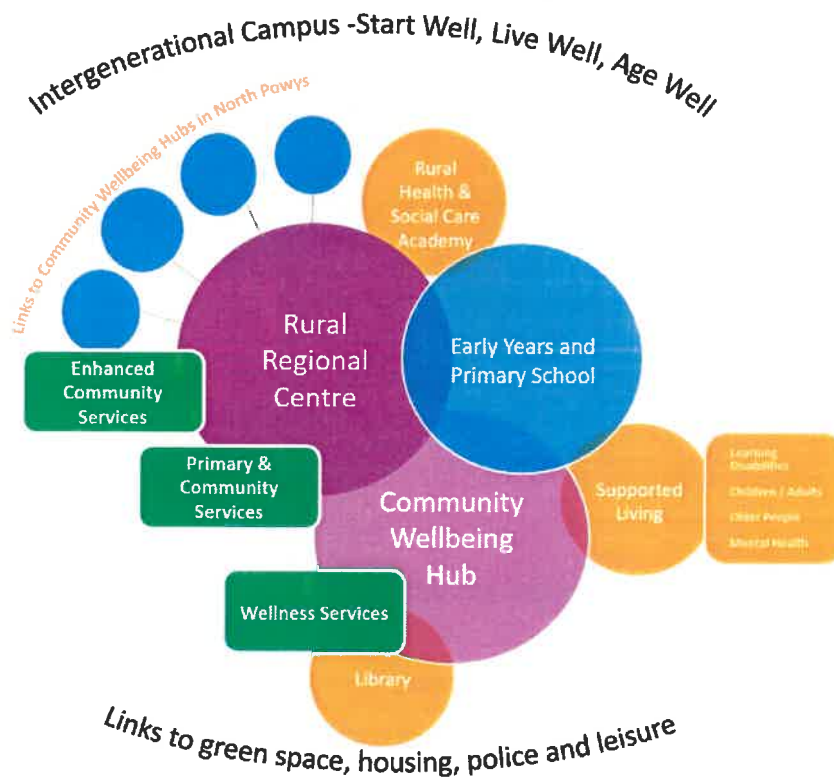


Figure 1: Multi-Agency Wellbeing Campus Emerging Model



A core aim of the programme is to provide significantly improved and enhanced local services, delivered from a single location within sustainable and fit-for-purpose accommodation. This approach will maximise efficiency, integration and innovation across multiple sectors which will represent significant benefits for the local community, including a wider range of services being delivered in county. The PBC is an overarching “live” document detailing the RPB’s strategic direction and will be supported by a series of sector specific Business Cases as detailed below:



Figure 2: Business Case Plan

These supporting Business Cases will further develop the principles outlined in this PBC, which itself will also be updated as individual projects progress. The proposed sequencing for the programme is outlined below:

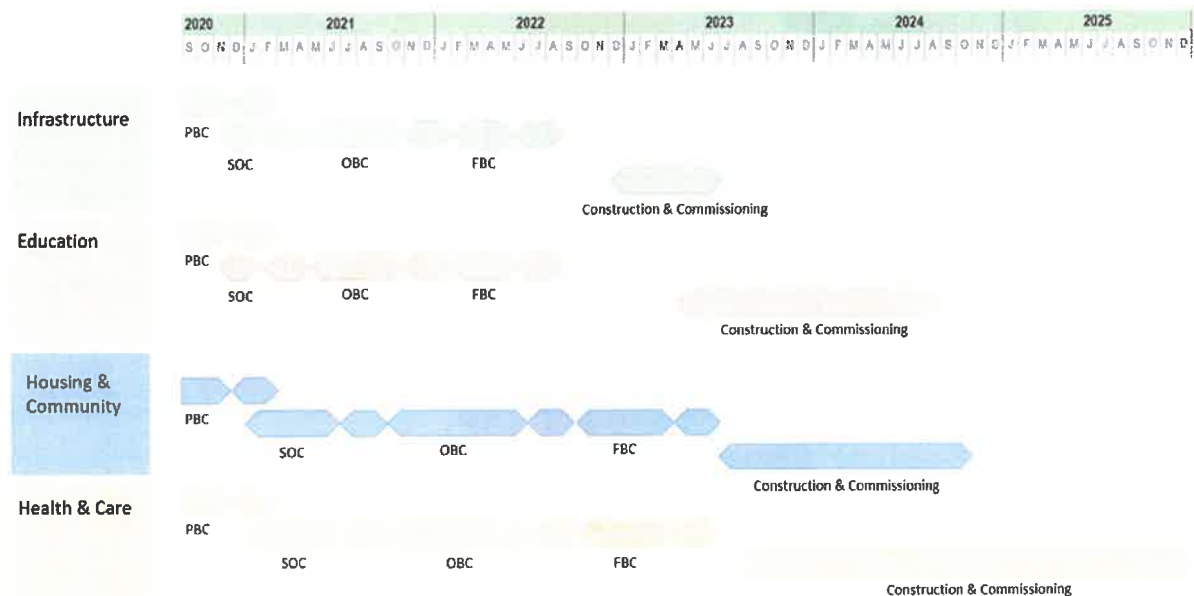


Figure 3: Proposed Programme Timeline



The **Strategic Case** describes how the North Powys Wellbeing Programme fits within the existing business strategies of PTHB, PCC and third sector organisations, outlining a compelling case for change in terms of existing and future needs.

The **Strategic Context** provides an overview of PTHB/PCC and the current services being delivered in north Powys. This section confirms that there is a strategic fit between the proposed programme and national/local policy and objectives and that the programme supports the proposed vision for service delivery and changes in activity.

Nationally, this will focus on how the programme supports The Well-being of Future Generations (Wales) Act 2015 and The Environment (Wales) Act 2016, with particular reference to the National Climate Change Emergency and how the proposed works will contribute to carbon reduction. The programme will consider all viable low carbon construction options such as Passivhaus and set ambitious targets against standards such as BREEAM and Building Regulations. Low carbon engineering options such as ground or water source heat pumps, solar panels and hybrid heating systems will be considered and evaluated including their impacts on the environment and society both upstream and downstream whilst also considering carbon offsetting and biodiversity impacts. Other primary national guidance includes: A Healthier Wales: our Plan for Health and Social Care, Prosperity for All: The National Strategy (Wales) and 21st Century Schools and Colleges Programme.

Locally, this programme supports the vision, objectives and outcomes of the RPB's **Health and Care Strategy: 'A Healthy Caring Powys'**, including the development of health services to form Rural Regional Centres and Community Wellbeing Hubs and is fully aligned with **PCC's Vision 2025** and **PTHB's Integrated Medium Term Plan 2019/20-2021/22 (IMTP)**.

The development of the school element of the campus is also aligned with the **Strategy for Transforming Education in Powys 2020-2030** which sets out the following vision statement for education in Powys:

"All children and young people in Powys will experience a high-quality, inspiring education to help develop the knowledge, skills and attributes that will enable them to become healthy, personally fulfilled, economically productive, socially responsible and globally engaged citizens of 21st century Wales".

The proposals also support a move to a "Carbon Positive Powys" as set out in the **Public Service Board's Wellbeing Plan** and the emerging **Regional Energy Plan**.

The Strategic Context will also demonstrate that the projects and activities detailed in this programme align with other programmes and projects within the Partnership's strategic portfolio.

The **Case for Change** examines the existing arrangements/Business as Usual (BAU) and related business needs for the future of north Powys. This element of the case will focus on improvements/developments required under the main headings of Service delivery and Estates compliance.



In service delivery terms, the programme offers the Partnership the opportunity to redesign the way in which services are delivered across north Powys and implement changes to support the service strategy and integrated model of care.

In order to enable residents in Powys to live longer, healthier and happier lives, there is a need to shift the focus of the model of health and care away from service delivery in acute and specialist hospital settings and offer a more holistic, integrated model with more wellbeing, prevention and early help services delivered closer to people's homes and communities.

The new integrated model of care for Powys is part of a Wales-wide response to the increasing demands and new challenges facing the NHS and social care. These include an ageing population, lifestyle changes, public expectation and new and emerging medical and digital technologies. This enables health, social care and other partner systems to work together, to help people live well in their communities, meet their health and care needs effectively and provide more services closer to or at home, so that people only need to use a hospital for treatment that cannot be provided safely anywhere else.

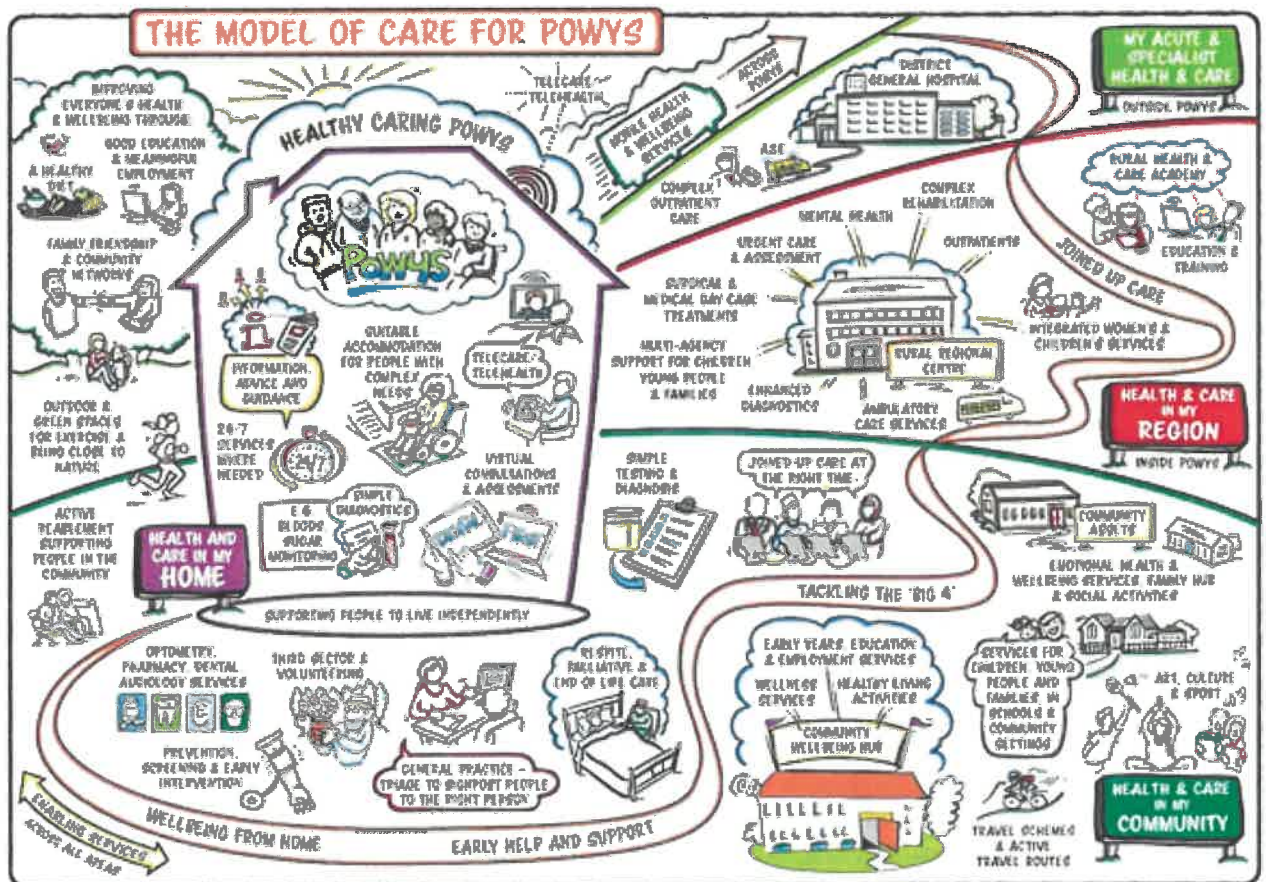


Figure 4: Model of Care for Powys



The Campus will support the current and future population needs and provide more care closer to home in north Powys in order to mitigate against the impact on planned care arising from the Future Fit programme, in addition to addressing compliance issues of an ageing estate.

During 2019, work has been undertaken to assess the local population needs and to develop a robust case for change to underpin a new integrated model. Communities, staff, partners and key stakeholders have been extensively engaged during this time and co-participated in the development of a new integrated model of care which was approved by the RPB and sovereign bodies in March 2020. Further development of the integrated model of care, including demand, activity and capacity planning, is due to be undertaken in 2020/21 as part of the Health and Social Care Strategic Outline Case (SOC) which will further support the development of these services.

For Education, PCC has already received approval in principle of its Strategic Outline Programme (SOP) for Band B of the 21st Century Schools Programme to invest in Newtown (summer 2017). Feasibility work has been concluded, indicating a preference for a new build English-medium primary school within the Campus, replacing the current Ladywell Green Infants School and Hafren Junior School.

Schools in Powys play a central role in their communities, therefore this programme will consider how the development can support more collaborative working to improve wellbeing through early years provision, childcare support, multi-agency services, library services, and include areas for community activity, where appropriate. Not only does this provide an efficient, value-for-money approach that will support the continuation of community services especially in rural areas, it also provides a unique opportunity to deliver an innovative service model.

The Library service is underpinned by a holistic community-centric philosophy and works closely with other public services to provide for the information and learning needs of the whole community. The service promotes wellbeing and aims to counter loneliness. There is therefore an opportunity for this service to draw together the other elements of the PBC and act as the front door to all the other services, reinforcing the philosophy of “no wrong door”.

In compliance terms, PTHB has one of the oldest estates within Wales with over 35% pre-dating the NHS (pre 1948). Similarly, much of PCC's existing estate is of poor quality, with the two existing schools being identified as condition categories C and D. As such, the Partnership is managing sites with high levels of backlog maintenance, which have significant or high risks of non-compliance or failure. By working collaboratively and combining services into a Campus-style approach, the programme aims to significantly reduce the backlog maintenance across a number of sites whilst benefiting from more efficient space utilisation. In addition, this would release surplus building stock, delivering either cash releasing benefits or potential development opportunities.

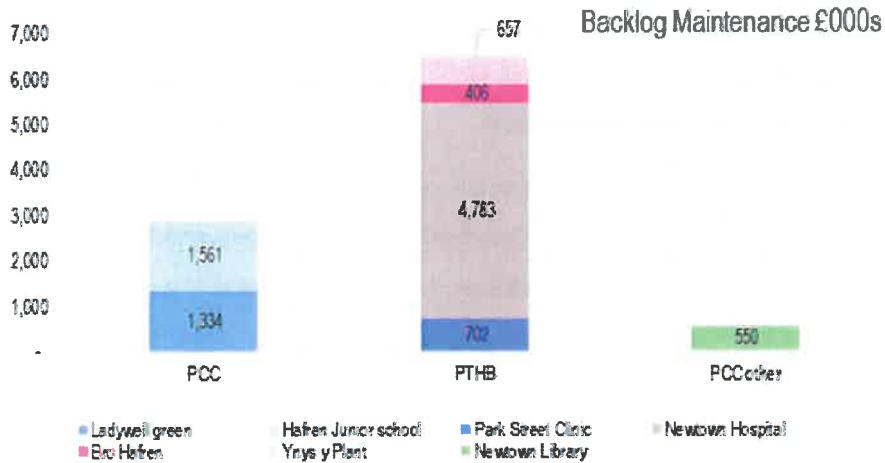


Figure 5: Current Backlog Maintenance in Newtown

As demonstrated in the diagram above the current backlog maintenance across the built estate is **£10 million**. Properties that are no longer suitable for service delivery will be identified when progressing with the Campus, resulting in an estate of better performing buildings leading to a reduction in the running costs and a more sustainable, innovative “fit for purpose” property portfolio, with no residual high or significant compliance risks across the Partnership.

The **Key Benefits** associated with this programme are further detailed in Section 2.2.10 and are summarised below:

Key Drivers	Powys Health & Care Strategy 'A Healthy Caring Powys'	Wellbeing of Future Generations Act	21st Century Schools and Colleges Programme	Prosperity for All: The National Strategy (Wales)	A Healthier Wales: our Plan for Health and Social Care	The Social Services and Well-being (Wales) Act 2014
Mission Statement	"To implement a new integrated service model which improves the health, education and wellbeing outcomes for the population of north Powys, provided by an integrated, highly trained workforce, co-located from an innovative, flexible, sustainable and local environment, which maximises digital opportunities for service provision and efficiencies, by 2025"					
Investment Objectives	INTEGRATED LOCAL SERVICES To implement a new, integrated, collaborative service model which improves the health, education and wellbeing outcomes for the population of North Powys, including the repatriation of services by 2025.	SUSTAINABLE WORKFORCE To deliver seamless services to the local population through the training and development of a multi-agency, co-located and sustainable workforce, maximising the utilisation of digital and technological solutions.	INNOVATIVE ENVIRONMENT To provide services in flexible, fit for purpose accommodation, which increases utilisation and efficiency through space sharing and achieves statutory and regulatory compliance by 2025.	DECARBONISATION To integrate energy saving and low carbon technologies to support decarbonisation in the public sector by 2025 and beyond.	REGENERATION Contribute to the economic growth and regeneration of North Powys over the medium to long term (10 to 30 years).	
Benefits	Provide services closer to home. Deliver early help and support. Improve wellbeing.	Provide Sustainable services & workforce	A fit for purpose estate. Efficient use of space and resources.	Develop zero carbon/carbon positive estate.	Regeneration and economic growth	

Figure 6: Benefits Framework

It is acknowledged that some benefits will be sector specific, however, a primary focus of this programme is to identify the benefits associated with the integration and co-location of services. The key themes are outlined in the diagram below:

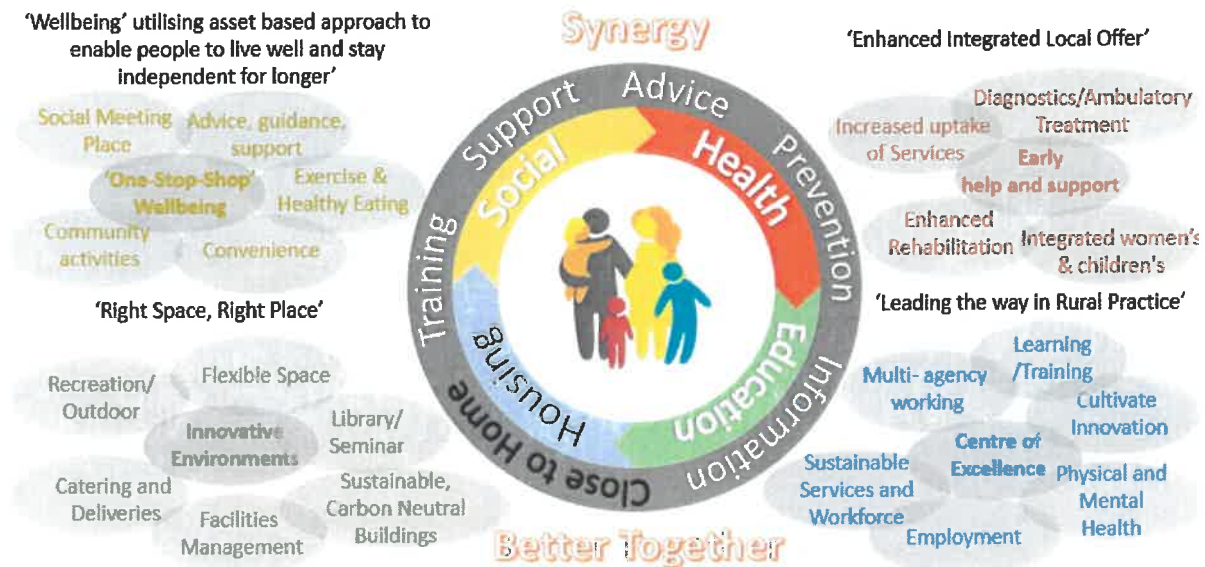


Figure 7: Integration Opportunities

The Campus approach has allowed the programme team to explore the opportunities for shared spaces which can offer a number of benefits including maximised space utilisation, more efficient use of building footprint, economic benefits and greater opportunities for integration, collaboration and innovation across disciplines. The key opportunities to be further investigated are detailed below:

- Offices/Seminar Rooms/Training Suite/IT Suite
- Catering and Dining
- Car Parking
- Hydrotherapy Pool
- Outdoor Spaces
- Carbon Reducing Technologies
- Hard and soft FM services including deliveries, receipt and distribution, domestic services

Details of the potential scope of the programme are detailed in Section 2.2.8, however the main services and key integration links are as follows:

Start Well, Live Well, Age Well



Figure 8: Service Strategy

The purpose of the **Economic Case** is to identify and appraise the options for the delivery of the programme objectives and benefits and to recommend the option that is most likely to offer best Value for Money (VfM) or social value to society, including wider social and environmental effects as well as economic value.

As part of initial feasibility work, a full site options appraisal has been undertaken, details of which can be found in Appendix A. The preferred site is illustrated in the image below:



Figure 9: Preferred Site Plan

The preferred site measures 4.6 hectares (45,904sqm). The table below details what the preferred site currently comprises of and what buildings are in close proximity to the site:

Current Site	Close Proximity
Ladywell Green Infant and Nursery School	Afon House (Job Centre)
Hafren Junior School	Park Office (Council Offices)
Newtown Library	Ladywell House (Council Offices)
Integrated Family Centre	Newtown Police Station
Park Day Centre	Robert Owen House (formerly mental health team office and now a housing development opportunity)
Park Clinic	

Table 1: Buildings on and in close proximity to the Preferred Site

The consensus of the site appraisal was that the preferred site offers:

- ✓ A good location, accessible to centre of the town, to the Open Newtown programme, recent housing initiatives and to other transport and amenities
- ✓ Links to the school's investment in the area
- ✓ Appropriate size to facilitate the potential scope of the programme
- ✓ No policy designations
- ✓ Owned and know site near existing public amenities and assets
- ✓ Flat, serviced site with potential expansion scope
- ✓ A therapeutic site, ideal for promoting well-being; open green spaces, views, on the banks of the Severn



Having identified a preferred site, the options appraisal focuses on developing the proposed scope of the programme. A long list of options has been developed and categorised under the headings of Technical Scope, Service Solution, Service Delivery, Implementation and Funding (see Section 3.3). By appraising a wide range of realistic and possible options, the following short list of options for economic appraisal has been identified, which will be developed further in subsequent Business Cases.

	Option 1	Option 2	Option 3	Option 4
Scope/Technical	Intermediate 1	Intermediate 1	Intermediate 2	Intermediate 2
Service Solution	Core & Desirable	Core & Desirable plus	Core & Desirable	Core & Desirable plus
Delivery	In-House	In-House	In-House	In-House
Implementation	Phased	Phased	Phased	Phased
Funding	Public	Public	Public	Public

Table 2: Preferred Way Forward

The technical and service scope of these options is summarised below:

Options	Description
1	<p>New build – combined English medium primary school (270 pupils) alongside new Health and Wellbeing facilities</p> <p>Health and Care: consolidation of new integrated model of care into a single location. “Do minimum” in terms of opportunities for repatriation, diagnostics, primary care, inpatient beds, therapy services, family services, mental health services and urgent care</p> <p>Education services amalgamated to provide a 270-pupil primary school with further links to Health and Social Care</p> <p>Library and Third Sector services enhanced to provide greater links to Health, Social, Housing & employment services</p>
2	<p>New build – combined English medium primary school (270 pupils) alongside new Health and Wellbeing facilities</p> <p>Health and Care: consolidation of new integrated model of care into a single location. “Do maximum” in terms of opportunities for repatriation, diagnostics (to include MRI), primary care, inpatient beds (to include level 2 rehab centre), therapy services, family services, mental health services and urgent care</p> <p>Education services amalgamated to provide a 270-pupil primary school with further links to Health and Social Care</p> <p>Library and Third Sector services as above with the addition of Health promotion and community resource centre</p> <p>Develop site as a joint training academy</p>
3	<p>New build – combined English medium primary school (360 pupils) alongside new Health and Wellbeing facilities to include library services and additional supported living accommodation</p>



Options	Description
	<p>Health and Care: consolidation of new integrated model of care into a single location. "Do minimum" in terms of opportunities for repatriation, diagnostics, primary care, inpatient beds, therapy services, family services, mental health services and urgent care</p> <p>Education services amalgamated to provide a 360-pupil primary school with further links to Health and Social Care</p> <p>Library and Third Sector services enhanced to provide greater links to Health, Social, Housing & employment services</p>
4	<p>New build – combined English medium primary school (360 pupils) alongside new Health and Wellbeing facilities to include library services and additional supported living accommodation</p> <p>Health and Care: consolidation of new integrated model of care into a single location. "Do maximum" in terms of opportunities for repatriation, diagnostics (to include MRI), primary care, inpatient beds (to include level 2 rehab centre), therapy services, family services, mental health services and urgent care</p> <p>Education services amalgamated to provide a 360-pupil primary school with further links to Health and Social Care</p> <p>Library and Third Sector services as above with the addition of Health promotion and community resource centre</p> <p>Develop site as a joint training academy</p>

Table 3: Options Summary

The shortlisted options indicate that the spatial requirements for the identified site would range from 23,350sqm to 30,595sqm:

Campus Elements	Minimum (sqm)	Maximum (sqm)
School/Field	15,000 [Inc. 2,215 building]	18,000 [Inc. 2,620 building]
Health & Care	7,500	10,500
Library	850	850
Specialist Housing	-	1,245
Sub Total	23,350	30,595
External Space tbc	22,554	15,309
TOTAL	45,904	45,904

Table 4: Spatial Requirements

Using the proposed areas derived from the preferred way forward, the potential configuration of the site can be developed. A core objective of this PBC is to demonstrate that the range of options above will "fit" on the site facilitating the desired campus approach, considering the desired location of each service on the site and consideration of issues such as safeguarding. It is appreciated that access, green and shared spaces, infrastructure and car parking are key to "unlocking" the preferred site and phasing requirements. Areas of particular note with this site include:

- Phasing: the school is programmed to be complete by September 2024, with the two schools operating as usual; planning will ensure that the construction does not disrupt live services on the site
- The site has minimal access points (they only exist as entrances to the current buildings on site) so consideration needs to be given to access to the site and construction traffic during the build
- There is a floodplain to the north of the site that cannot be built on
- The level and nature of car parking needs to be determined

Further work on the site masterplan will be undertaken during the development of the SOC's. However, during the PBC development, several site configurations were appraised at a high level with a number of stakeholders, with feedback being incorporated into a potential site configuration (pictured below):

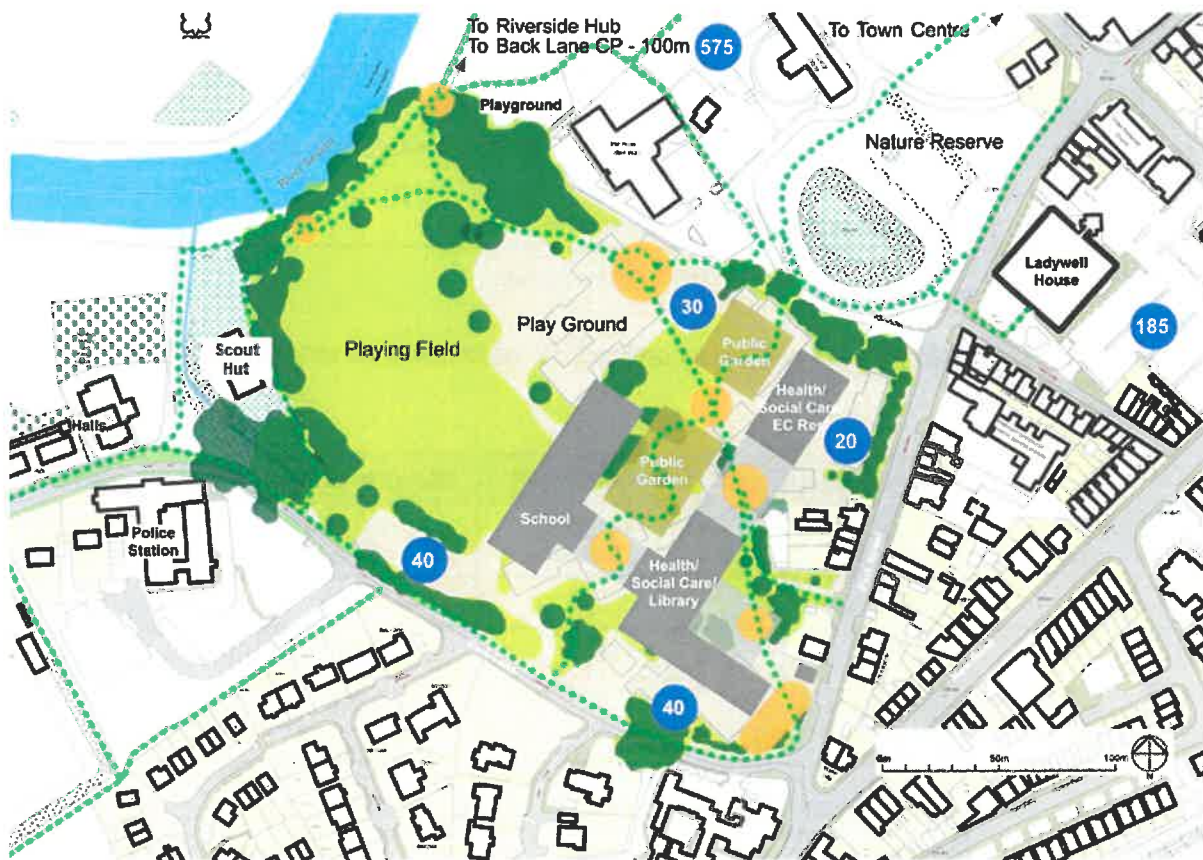


Figure 9: Potential Site Configuration

Having established that the range of options to be taken forward could work on the proposed site, a high-level financial appraisal was undertaken on the preferred way forward:



Economic appraisal summary £000s	BAU	Option 1	Option 2	Option 3	Option 4
Capital Costs (excl VAT)	-	54,736	65,235	58,058	70,038
Backlog Maintenance	9,993	-	-	-	-
Disposal Proceeds					
- Montgomery County Hospital	-	(550)	(550)	(550)	(550)
- Bro Hafren	-	(140)	(140)	(140)	(140)
- Ynys Y Plant	-	(160)	(160)	(160)	(160)
- Park Street Clinic	-	(130)	(130)	(130)	(130)
Socio Economic Benefits	-	NQ	NQ	NQ	NQ
Net Capital Cost (excl VAT)	9,993	53,756	64,255	57,078	69,058

Table 5: High Level Economic Options Appraisal

The preferred option will need to be determined once benefits, risks and revenue costs have been factored into the assessment, which will be included in each of the subsequent project business cases.

The **Commercial Case** outlines the procurement/delivery options available for the programme and will allow for the flexibility to complete specific elements of work as part of a wider project.

The Partnership has a track record of working together to develop services for the people of Powys and have a history of working with communities and other stakeholders and partners to deliver improvements for their population. The Partnership is well placed to jointly contribute to the exciting development of a multi-agency wellbeing Campus for north Powys.

The Partnership is keen to minimise the revenue implications of the overall programme as a key objective. Capital investment and asset ownership is therefore the preferred method of delivery for the programme but would be the subject of detailed review in each of the supporting business cases. The Partnership is flexible in terms of the approach to land ownership having worked collaboratively on land transfers, and is keen to support the more appropriate ownership structure for each element of the programme as required.

To unlock the site, the most appropriate first stage would be to consider the roads, parking and services infrastructure for the Campus to ensure that this key first stage of the development has the appropriate capacity, orientation and resilience to support the scheme as a whole. This also has the advantage of allowing the stakeholders to deliver their specific built environment requirements within their areas of expertise (housing, education, health & care) using their familiar procurement delivery methods as subsequent phases.

Due to the indicative timescales (driven by the need for the school to be completed by September 2024) it is anticipated that the enabling works, infrastructure and school construction will be undertaken by a single contractor



who will be appointed via the 21st Century schools programme framework. Procurement options would include utilising a regional framework such as SEWSCAP, South West Wales Regional Contractor Framework (SWWRCF) or North Wales Schools and Public Buildings Contractor Framework or via a separate OJEU Procurement route.

The Health & Care elements of the programme are likely to be procured via the Building for Wales framework. The framework aims to deliver core objectives on behalf of the Welsh Government, including Best Value for Money and Development of Best Practice and Sustainability, amongst others, and is managed by a dedicated team of professionals employed by NWSSP.

It is assumed that the majority of this programme will be funded by public funding (All Wales Capital Funding), with the school being funded by Welsh Government and PCC (50/50 split). However, due to the complexity of the Campus, with wide-ranging services, buildings and policies governing the site, it is recognised that there are multiple funding streams that could contribute to its development. The ability to access a single point of funding would make the development of the Campus simpler.

The **Financial Case** will detail the capital funding requirements for the programme, which is currently estimated at £64m to £83m (including VAT) across the options, after including VAT but before the benefit of any disposal proceeds (estimated to be in the range of £0.9m to £1.1m), as set out below:

Cost Summary £000s	BAU	Option 1	Option 2	Option 3	Option 4
GIFA m ²	5,703	10,641	14,046	11,641	15,291
Capital costs (excl VAT)	9,993	54,736	65,235	58,058	70,038
Less disposal proceeds	-	(980)	(980)	(980)	(980)
Economic Case	9,993	53,756	64,255	57,078	69,058
Add back disposal proceeds	-	980	980	980	980
Add VAT	-	10,947	13,047	11,612	14,008
Financial Case (funding requirement)	9,993	65,683	78,281	69,670	84,045
Subsequent reduction for disposal process	-	(980)	(980)	(980)	(980)
Net funding requirement	9,993	64,703	77,301	68,690	83,065

Table 6: Reconciliation of Economic to Financial Case costings

The investment would also eradicate the need to incur approximately £10m of backlog maintenance costs as previously noted. Furthermore, the programme would deliver a number of additional social and economic benefits that are, as yet, unquantified, but include job creation from both construction and general increased activity post build phase, increased footfall on the high street and retail activity, from both new facilities and the potential developments on the disposal sites, as well as opportunities for additional Local Authority revenues such as rates and council tax resulting from the above.



Some initial revenue savings have been identified such as those relating to maintenance and running costs and those associated with travel however, more detailed revenue assessment including the benefits of repatriating services and associated staff costs will be further developed during SOC/OBC development.

The **Management Case** demonstrates that each element of the programme is achievable and can be delivered successfully to cost, time and quality. This section details RPB's programme management arrangements as well as the key appointments required to deliver the programme. The governance arrangements are illustrated below:

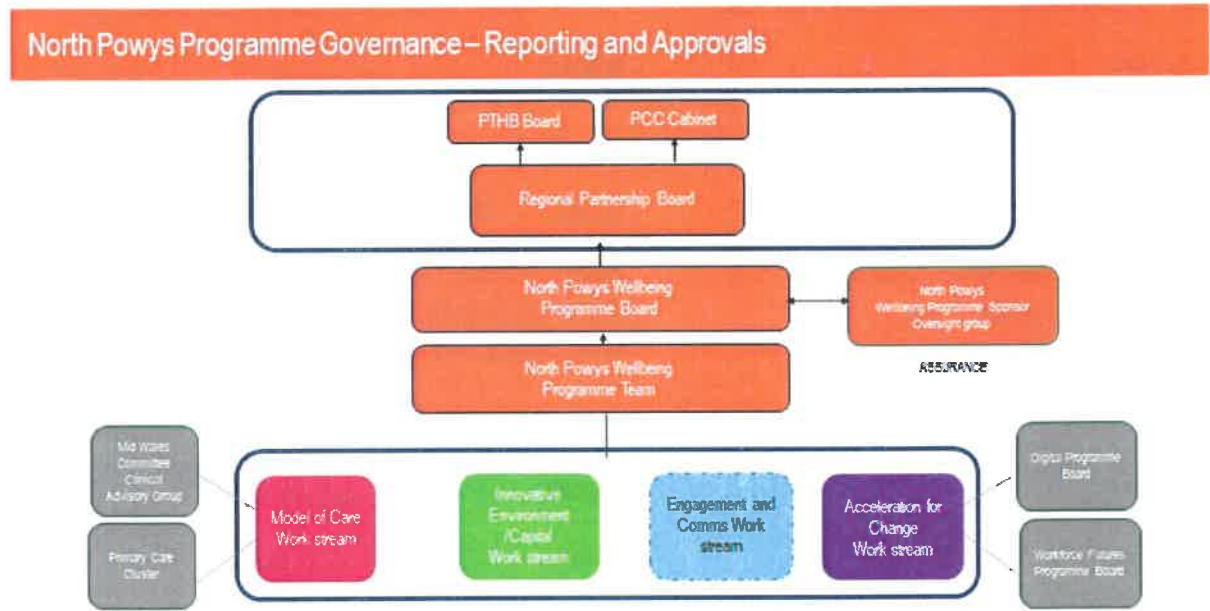


Figure 10: North Powys Programme Governance Structure: Reporting and Approvals

The Programme operates within the agreed Governance arrangements as per the diagram above. A Programme Oversight Group is in place and meets quarterly, this includes Independent Members and Portfolio Holders. The Programme Board meets monthly and is jointly chaired by the CEO's of the Council and the Health Board. The day to day management of the Programme is run through the Programme team and four workstreams with links to other key operational groups to support with delivery.

The production of this PBC began a few months before the COVID-19 pandemic escalated in the UK in March 2020. Partnership staff were redeployed from “business as usual” to strategic and operational roles surrounding the control of the coronavirus.

Once resumed, the PBC was updated to include learning from the COVID-19 pandemic and what impact this may have on current and future services including; virtual consultation, agile working, digital, social distancing and



planning for future pandemics. Whilst it is understood that work on the development of these services are ongoing, a formal "lessons learned" process is currently underway and will be further detailed in subsequent SOCs.

1.1 Recommendation

Based on the information contained within this PBC, it is recommended that the programme be endorsed to continue to develop a series of SOCs/OBCs/FBCs, to create a collaborative, multi-agency, well-being Campus for the population of north Powys to support delivery of the RPB outcomes via the integrated model of services.

Signed:

Dated: 04.11.20

Alison Bulman, Powys County Council
Senior Responsible Owner,
North Powys Wellbeing Programme

Signed:

Dated: 3/11/2020

Hayley Thomas, Powys Teaching Health Board
Senior Responsible Owner,
North Powys Wellbeing Programme

Signed:

Dated: 04/11/2020

Dr Caroline Turner, Powys County Council
Programme Sponsor,
North Powys Wellbeing Programme

Signed:

Dated:

04/11/2020

Carol Shillabeer, Powys Teaching Health Board
Programme Sponsor,
North Powys Wellbeing Programme