NHS Wales Infrastructure Investment Guidance Annexes

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List of Annexes

Mandatory Business Case Checklist

Scheme Name:

Date of Submission to Welsh Government:

Description	Enclosed √		Last Reviewed (if appropriate)	Approved by	Date	Comments
	Y	N				
Scoping Document						
Business Case Review • Sub Committee • Board						
Wet Ink signatures • Chief Exec • Director of Finance						
Health Impact Assessment (HIA)						
Integrated Assurance Approval Plan (IAAP)						
Risk Potential Assessment Form (RPA)						
Cabinet Office Gateway Report (Please note gate review reference in comments)						
Signed statement for Supply Chain Partner confirming scope and quantum of agreed works (Full Business Cases)						
Planning permission position – please attach approval notice(s)						
Letters of Support (where applicable) – third parties etc.						
Community Benefits Checklist						

Organisations will be required to submit the above checklist with **all** Business Cases and confirm that the mandatory requirements have been approved internally prior to submission. Please ensure the above table is completed and explanatory comments included where appropriate.

NHS bodies should have their own internal processes, including review by the organisation's Board and/or relevant sub committee to appraise and approve business cases prior to submission to the Welsh Government. The **key individuals** should be recorded and identified as part of the business case review documentation noted above.

Advice Note – Scoping Meetings and Requirements

Context

The scoping process is a key component of determining the way forward in terms of business case development. It has become apparent that organisations are approaching the meetings and requirements in different ways. In order to ensure consistency, this advice note has been prepared to provide clarity around requirements and process.

There remains a mandatory requirement to have a scoping session with Welsh Government and for agreement to be reached in terms of type of business case and expected timeframe for development and approval. This requirement is set out in the NHS Infrastructure Investment Guidance.

It is important to emphasise, that a scoping meeting does not equate to automatic entry on to the All Wales Capital Programme.

Scoping Process

In order to clarify the process and assist organisations to get the maximum benefit out of the scoping sessions, officials have looked at how they can be improved.

There are a number of areas where improvements have been identified:

- Planning for a scoping meeting – what is needed and expected (pre meet);
- Approach to the meeting and areas to be covered;
- Agreed outputs from the meeting in terms of agreed way forward; and
- Expectation of formal completion of Scoping Document by the organisation to be agreed with the Welsh Government.

> **Key Point 1**
>
> There should be no preconceived ideas as to the preferred option and this should be selected on the basis of a robustly conducted process to determine the best fit with the service objectives and investment criteria.

Each of these points will now be covered in turn.

1. Planning for a scoping meeting

As noted in **Key Point 1** there should be no preconceived ideas irrespective of the solution. Whilst it is appreciated that organisations may have some ideas about solutions, all investments need to be clearly aligned to a policy/strategy which is prioritised.

Organisations will be expected to explain the following during the scoping meeting and prepare accordingly. Consideration needs to be given to:

- Where are we now?
- Where do we want to be and what is the problem/issue that is trying to be resolved?
- What is the case for change – as identified and set out in the IMTP?
- What information is available in terms of demand and capacity planning?
- What are the service objectives and investment criteria set?
- What does the future service model look like?

> **Key Point 2**
>
> To assist the process organisations need to think about the evidence and questions listed to assist the scoping process and facilitate agreement as to the way forward.
>
> It is appreciated that in some more complex transformational programmes the need for multiple scoping sessions may be necessary.

2. Approach to the meeting

The format of the meeting, whilst being flexible, needs a number of key issues to be considered. The headings listed below will need to be covered in each meeting.

i.   Setting the Scene – covering points above, providing an overview of the organisations approach to date including the case for change

ii. Investment Objectives

iii. Options framework and discussion around business case approach

iv. Type of Business Case – content of the five cases

v.   Agreed way forward.

3. Agreed way forward

It is essential that organisations are clear what has been agreed at the session. The output of the meeting is for the following scoping document to be completed. It is the responsibility of the organisation seeking the Welsh Government's support to complete and submit this to the Capital, Estates & Facilities Team for formal endorsement.

4. Infrastructure Investment Guidance Requirements

Before embarking on the preparation of any business case, organisations are required to reach agreement with Welsh Government to start the development process. The scoping document is a formal requirement of this and is to be completed and included as part of the Mandatory Business Case Checklist when any business case documentation is submitted to Welsh Government.

Programme/Project Business Case Scoping Document

This document should be completed by the Project Director and the Approving Authority prior to the commencement of the business case process.

Organisation/Department	
Proposal Title	
Sponsor/Senior Responsible Owner	

Date	Version	Revision History	Document Reviewer

Nature of the proposed spend	
Anticipated Spend £	
Anticipated procurement route	
Agreed type of Business Case **Programme (PBC); SOC/OBC/FBC; Single (BJC)**	

The anticipated coverage of the Business Case should be agreed between the Project (Business Case Author) and Approving Authority (Business Case Reviewers) in order to calibrate the analysis required and expedite the business case review and approvals process.

	What is practical, prudent and necessary?
Strategic Case • Strategic context • Investment objectives • Case for change	
Economic Case • CSF's • Options & "do min" • Use of CBA & MCA	
Economic Appraisals • Evidence base • Benefits quantification • Optimism Bias & risk £	

	What is practical, prudent and necessary?
Commercial Case • Procurement route • Potential Deal • Contract arrangements	
Financial Case • Affordability envelope • Funding profile • Balance sheet	
Management Case • MSP • Prince 2 • Assurance & Approvals • Post Evaluation	
Completion of the IAAP	

Agreed Business Case Strategy:

Type of Business Case	Programme	Project
PBC	Single	Not applicable
SOC	Not applicable	Single
BJC	Single/Multiple	Single
OBC	Single	Single
FBC	Multiple (one for each project)	Single

Completed by:

Programme/Project Representative: _____

Approving Authority's Representative _____

Date: _____

Date agreed for next Review: _____ (if required)

Notes for the completion of the Business Case Scoping Document:

1. Type of Business Case Required:

This will be dependent upon the nature, anticipated spend, procurement route and the quality of the analysis already undertaken.

a. A Programme Business Case (PBC) should be prepared in support of items of spend comprising of multiple schemes, both large and small.

b. The iterative production of the Business Case (Strategic Outline Case (SOC), Outline Business Case (OBC) and Full or Final Business Case (FBC) should be considered for larger, complex schemes requiring an OJEU procurement.

c. Consideration may be given to combining the SOC and OBC where the case for change has already been made robustly and agreed as part of the PBC.

d. Consideration may be given to combining the OBC and FBC where the intended procurement route has been pre-competed and firm prices are available in support of the spend proposal.

e. A Business Justification Case (BJC) may be considered for smaller items of spend, which are NOT novel or contentious; within the organisational limit set and agreed for the use of one-off business cases (BJC); and can be procured from an existing pre-competed arrangement.

f. An over-arching Programme Business Case (PBC) should be prepared in support of expenditure being approved through a series of BJC's.

2. Anticipated coverage of the Business Case

The OGC Gateway Risk Profile Assessment (RPA) MUST be used to assess the "risks" associated with the scheme. The table below provides an overview of some of the key considerations:

High	**High Risk Small Scale**	**High Risk Large Scale**
	Well defined Programme	Well defined Programme (PBC)
	Consideration of combined SOC/OBC or OBC/FBC (for pre-competed procurements)	Three stage project business case (SOC, OBC, FBC)
	Moderate CBA/MCA for Economic Appraisals, inc. optimism bias	Full CBA/MCA for Economic Appraisals, inc. optimism bias
Gate RPA	All Gates 0, 1 to 5	All Gates 0, 1 to 5
	Low/Medium Risk Small Scale	**Low/Medium Risk Large Scale**
	Defined Programme	Well defined Programme (PBC)
	Consideration of BJC for pre-competed procurements	Three stage project business case (SOC, OBC, FBC)
	Light CBA/MCA for Economic Appraisals	Full CBA/MCA for Economic Appraisals, inc. optimism bias
	Consideration of Gateway Health Checks	
Low		Consideration of Gateway Health checks
	Small £ million Large
	Scale (Whole life costs)	

Meaningful & Continuous Dialogue with Patients, Staff and the Public

1. Duties on NHS Boards

1.1 NHS Boards have a statutory duty to involve patients and the public in the planning and development of health services, and in decisions which will significantly affect the operation of those services. Guidance sets out how local health boards and trusts should inform, engage with, and consult their local communities. This is particularly important where a service change will have a major impact. Unless there is widespread agreement, major service changes require a full public consultation process.

1.2 One of the key mechanisms for obtaining input and feedback from local communities is through the Community Health Councils. To ensure an effective approach to meaningful and continuous dialogue, local health boards must ensure that the Community Health Councils are involved in all aspects of service change proposals as well as the design and delivery of enabling capital investment schemes.

1.3 The main body of this document provides technical guidance on the processes, methods and techniques that are to be used by local health boards and trusts for ensuring a consistent and robust approach for making decisions involving significant financial commitments. This Annex has been produced, therefore, to provide practical guidance as a basis for involving all interested parties, particularly patients, staff and the public, as well as other stakeholders, such as local authority or voluntary sector partners in the planning, development and implementation of capital investment schemes.

2. Early Stages: Option Generation and Development

2.1 It is important for local health boards and trusts to put in place a structured and disciplined approach to meaningful and continuous dialogue with patients, staff and the public when developing business cases to support capital investment schemes.

2.2 Local health boards and trusts must seek to involve people at the earliest possible stage (from the inception of a proposal), and then continuously, throughout the development of the process. As soon as local health boards and trusts are aware of the need to invest in a capital scheme to support service change plans, they should put in place a communication plan setting out how the engagement process will be carried out, and ensuring that potentially affected people and communities are provided with the information and support they need to play a full part in the process. Information should be provided about any clinical, financial or other reasons why the investment is needed, and participants should be made aware of any factors that may limit possible choices. The benefits of proposed changes, and the processes that the Board will follow, should also be explained.

2.3 The development of options should be carried out in an open, transparent and accessible way, and local people should be proactively engaged in the process. At this stage, people should be encouraged to think creatively, so that innovative, as well as more conventional, solutions are included. Local health boards and trusts will need to consider a range of innovative ways to capture the views and experience of patients, staff and the public on the long list of options under consideration.

2.4 Options on the long list are usually 'sifted' to produce a 'short list' of options which will be the subject of a more in-depth appraisal. This should be a transparent process and it will be important for local health boards and trusts to report back, setting out clearly why some options have been rejected.

3. Option Appraisal

3.1 General points

3.1.1 Once the shortlist of options has been agreed, the next stage involves carrying out more in-depth appraisal. There are different aspects of this process, some of which lend themselves more to the involvement of patients, staff and the public than others.

3.1.2 Elements such as financial appraisal, which involves analysing the costs of the options, and sensitivity analysis, which involves testing assumptions underlying the advantages of different options, are processes which are more technical in nature and may require more specialist expertise. It is very important that patients, staff and the public understand how these aspects fit into the overall process; are provided with clear information and explanations about the outcomes; and has opportunities to raise any questions that they may have.

3.1.3 Patients, staff and the public can play an important role in the assessment of non-financial costs and benefits. When weighing up and comparing different options, it is crucial not just to consider costs and benefits that can be measured in money terms, but also to consider other important factors that are not capable of being measured in this way.

3.1.4 Involving all of the interested parties makes it more likely that a fair and balanced view will be taken of the potential benefits and disadvantages of options. Involving people as much as possible in the process has the potential to lead to enhanced credibility and a greater sense of openness and transparency when it comes to communicating the outcomes to the wider community. However, this potential will not be realised if people who participate feel that the process has been conducted poorly and that their participation has not been valued or meaningful. In this regard, the goal of the process should be to 'co-produce' improved patient outcomes

3.2 Facilitators and Support Staff

3.2.1 Facilitators and other staff who will be involved in supporting the process have an important role to play in helping to ensure that events run smoothly. They must have a good grasp of the process and relevant information, and be clearly briefed on any expectations in terms of their role and input.

3.3 Identifying Potential Participants

3.3.1 There is no definitive guidance on the optimum number of people, or the proportions of the various stakeholders, that should be involved in the options appraisal exercise. It will be for health boards and trusts to decide in each case what is reasonable and proportionate. However, if the numbers of each stakeholder group are very small, it may be more likely that people might perceive the process to be tokenistic. Similarly, if one group, such as patients, appears to be under-represented when compared to NHS staff, there is a risk that people may perceive the process as biased in favour of the latter group.

3.3.2 With very large groups, it may be more challenging to ensure that everyone has a common understanding of, for example, definitions of non-financial benefit criteria; and that all those involved have sufficient opportunity to ask questions, in order that the facilitator can be confident that they have enough knowledge and understanding to carry out the scoring process.

3.3.3 Whilst health boards and trusts are required to involve people in these processes, people have a choice about whether or not to take part. Boards and trusts should bear in mind that they are asking people to give up their time to take part in a process that can be complicated and may require a significant time commitment. Following a 'reciprocity' principle, Boards should make it clear that they recognise and value the input that people are giving, and to underline that this is an opportunity to influence an important part of the process. As well as explaining what is expected of participants, it is worth also explaining what participants can expect from the health board and trust.

3.3.4 Decisions to involve all stakeholders together in a large group, or to divide stakeholders into a number of smaller groups, may in turn impact on the techniques that may be used, and on how scores will be recorded and/or combined.

3.3.5 There may be patient groups who already have established links with the health board or trust whilst community councils may also provide routes to potential participants. Another possible way to identify potential participants is to advertise in the local media, ideally at an earlier stage in the project, for local people to express an interest in taking part in the process.

3.3.6 Boards and trusts should try to be alert to sensitivities that may exist where there are a number of patient groups with an interest in a particular location. Involving one group and excluding others may be perceived as unfair.

3.3.7 Where there are a number of different locations affected, it is desirable to try and ensure that patients and carers representing each area have the chance to be involved.

3.3.8 Where proposals will impact on people in more than one Board area, staff from the relevant Boards should work together to reach agreement on whom to involve. Other key partners, such as local authorities, should also be involved in these discussions. The aim should be to ensure that all affected communities have the opportunity to have an input.

3.3.9 It is essential that potential participants have clear information about what will be involved in the process scoring exercise and how it fits within the wider process. People should be able to make an informed choice about whether to take part. This means that they must understand the expectations of them in terms of the process, their role and the time commitment required.

A timetable setting out key events in the process can be helpful. People should be aware that the time required is generally not just the time to attend the necessary events, but also to prepare for tasks by reading information sent out in advance.

3.3.10 The Board's policy in terms of covering travel costs and other out of pocket expenses should be explained.

3.3.11 NHS Boards are subject to a range of duties under equalities legislation and should aim to eliminate discrimination and promote equality of opportunity for everyone. Boards will be familiar with these duties and should take them into account when planning events. Any special needs of participants should be identified at the outset. This may include communication and/or other supports.

3.3.12 Where people are members of patient or other groups, they may feel constrained in terms of their freedom to take part, and this requires to be clarified at the outset. In some cases, patient groups have had very strong views about their 'preferred option' and have believed that their nominated representative was taking part in the process in order to 'vote for' that option on their behalf. However, this is at odds with the expectation in the guidance about objectivity of participants, who are expected to score options based on the information and evidence presented. It is therefore vital that expectations about the basis on which people are being asked to participate in the process are clarified at an early stage.

3.4 Preparing Potential Participants

3.4.1 Once participants have been identified, it is important to ensure that they are prepared to take part before proceeding to carry out the various tasks of agreeing criteria etc. It is possible that some participants will have been more involved in the earlier stages of the process than others. It may therefore be desirable to hold an informal introductory session or sessions, to offer an overview of the process so far, and to explain the process in more detail. People should have the opportunity to ask questions at that session, and could also be provided with contact details for a named person to whom they should be encouraged to direct any comments, feedback or questions as the process unfolds. If people are unable to attend an introductory session, efforts should be made to contact them separately to ensure that they have any information that they require.

3.5 Information

3.5.1 The volume of information which participants may require can be considerable. This includes information about: the options appraisal process and how it fits into the Board's wider option development and decision making processes; what will be expected of participants; information about the approaches that will be used; information about the options; and about the next steps. It is important that people also understand the context in which the options have been developed and the vision for the proposed service changes.

3.5.2 People generally prefer to have information in advance of events in order that they have the opportunity to prepare beforehand, and this can save time at the events. However, it cannot be assumed that everyone will be able to read the information in advance of the events, and it is desirable to ensure that there is sufficient time built into event programmes to talk through the key points and allow people to seek clarification.

3.5.3 Boards should aim to ensure that people receive relevant information at least one week before events, with details of a contact person that they can get in touch with if they have any queries. Where people are members of groups, they may wish to have additional time to circulate information to group members and discuss it before the events. Any expectations or limitations in this regard should be clarified.

3.5.4 Where there is a large amount of information, consideration should be given as to how best to present this, for example, it may be easier for people to have information for each event in a pack or single document, which is structured so that people can quickly and easily find any information that they need. It may also be worth organising a separate session which is devoted to discussing the information and answering any questions people might have, prior to people attending the subsequent scoring event.

3.5.5 Boards should aim to follow good practice in preparing the information in order that it is as clear and accessible as possible, avoids jargon and acronyms etc. Information should be made available in alternative formats for any participants who require this. Consideration should be given to whether some information can be conveyed or supplemented other than through text. Visual aids, such as the use of colour-coded aerial site maps or DVDs, can be very helpful. Depending on the particular circumstances, it may be worth considering arranging a site visit, however, this may not always be feasible.

3.6 Objectivity of Participants

3.6.1 One of the challenges of the options appraisal exercise is that there is an expectation that participants will complete the required tasks as objectively as possible.

3.6.2 This can cause difficulties in practice, as people who take part in the options appraisal events – whether patients, people carers or staff – may already have strong views about which option is the best. This may be what has motivated them to participate in the process. However, the expectation is that participants will score the options on the basis of the information and evidence available, and not on their own personal preferences, or the preferences of any group(s) to which they may belong. Despite this expectation, the process does require people to make value judgements. "It is the number of people involved in the process and their expertise that lends credibility to these value judgements".

3.6.3 The results of the options scoring must be tested for robustness. This can be carried out through 'sensitivity analysis' which involves testing the assumptions underlying weights and scores, by making changes and considering any impact that these changes have.

3.6.4 The outcome of an options appraisal process may be considered to be unsound if there is evidence of non-objective strategic scoring by participants. Extreme scoring patterns (for example, where one option has been given the highest possible scores and others have been given nil or exceptionally low scores) may suggest that some participants have scored in order to achieve a particular outcome, rather than on the basis of a fair assessment of the information and evidence available. This could potentially result in the whole exercise having to be repeated or in some participants' scores being excluded.

3.6.5 It is essential that people are very clear about the expectations about objectivity from the outset, and are made aware that extreme scoring behaviours, which do not appear to have a rational explanation, may undermine the process. This can be difficult to explain, and some

participants may be concerned at the perception that judgements may require to be made about whether scores are sufficiently objective. However, it is of critical importance given its potential to undermine scoring exercises. Event facilitators should therefore ensure that participants have a clear understanding of this prior to commencing scoring.

3.7 Stakeholder Groups – Separate or Together?

3.7.1 Whilst some health boards and trusts have held separate weighting and scoring events for the different stakeholder groups e.g. clinicians, managers, service users, others have held events where all of the stakeholders have been mixed.

3.7.2 There are a number of arguments in favour of mixing stakeholders. It enables people to hear directly the perspectives of other groups and individuals. This may arguably enable participants to take a more balanced approach, which may in turn lead to a greater degree of objectivity in scoring. On the other hand, it is possible that some people may feel more reticent about speaking out in a mixed group. This may be more likely where one group, such as NHS staff, are present in much greater numbers than another group, such as patients. Some patients might feel awkward expressing opinions about options in the presence of staff who have been involved in their care or treatment. It may be worth exploring whether people have any such anxieties at the planning stage, and considering how those anxieties might be sensitively addressed.

3.7.3 Holding separate events for the various stakeholder groups may mean that people do not have the same opportunities to hear other perspectives. On the other hand, some stakeholders may express a preference for separate events to be held for different groups. One potential benefit is that it may be easier to capture whether there is a divergence of views between or within different stakeholder groups. Where a decision is made to have separate weighting and scoring events for the different stakeholder groups, consideration should be given to other ways in which all stakeholders can hear different perspectives, perhaps through speaker presentations, or through earlier events which give opportunities for broader discussion.

3.8 Techniques and Approaches

a. Developing the Criteria

3.8.1 The first step in the options appraisal process is to develop the criteria that will be used to capture the factors that cannot be measured in money terms, but which are still relevant and important to the project. Whilst it can be difficult to articulate these in practice, it is vital that all participants have a shared understanding of the meaning of the criteria.

3.8.2 There are a variety of different approaches for involving patients, staff and people in developing the criteria. Where participants do not feel that they have had a meaningful opportunity to influence the criteria, there is a risk that some participants may perceive that the process has been designed to favour a particular option or options. It is therefore important that the process used to identify the criteria is clear and transparent.

b. Ranking and Weighting the Criteria

3.8.3 There are different ways of approaching this task. Once people understand what they are required to do, and have had the opportunity to discuss the issues, they may be asked to carry out the task individually, or in a number of small groups, or in one large group. Where people are ranking individually, or in small groups, it will be necessary to calculate the average results.

Where all of the participants are involved in a single discussion to agree the results, the chair or facilitator will have an important role in helping to identify with the group where the consensus lies.

3.8.4 There are pros and cons for different approaches, and there are various factors that will have to be taken into account when deciding on which is the most appropriate, for example, the overall number of participants may mean some approaches are more practical than others.

3.8.5 Some participants may not be comfortable speaking out in large groups, and there is a risk that they may feel that they have not had the opportunity to have their say. The chair or facilitator's role in this respect is critical, as is the opportunity for people to have support, such as independent advocacy, if they feel that would be beneficial. If people are aware of what will be involved in the process beforehand, then they should have had the opportunity to express in advance any anxieties they may have, to enable these to be addressed.

c. Scoring Options against the Criteria

3.8.6 After the criteria have been identified and agreed, the next step is to assess the extent to which each of the service options that have been shortlisted meet each of the criteria.

3.8.7 Discussions about the options may often involve technical or clinical information which some lay people may struggle with. The chair or facilitator may wish to establish some 'ground rules' at the outset, particularly when groups include people from different backgrounds and areas of interest, in order that everyone present is clear about expectations about how the process will run, the avoidance of jargon and acronyms etc.

3.8.8 Prior to commencing scoring, there must be opportunity for people to discuss the options and ensure that they have all the necessary information which will enable them to complete the exercise. It is important that relevant staff are available on the day to answer questions or provide clarification. It is possible that people may ask questions about financial issues, in which case it will be important to provide clear explanations as to the requirement in the guidance for the financial aspects of the options to be considered separately from the non-financial benefits, and to outline opportunities that people will have to find out about the financial aspects at a later stage.

3.8.9 As with ranking the criteria, decisions require to be made regarding how to approach the scoring exercise, for example, whether participants will be asked to score individually, in a number of small groups or in one larger group.

3.8.10 Where people are scoring individually, it should be recognised that some people may require more time and support to do this than others. It is important that there are facilitators or support staff on hand who can assist where this is necessary.

3.8.11 Where people are scoring as a group, it is important to recognise that it may be not be possible for everyone in the group to reach a consensus on the appropriate scores. There should be a system in place for recording any differing opinions. These differences of opinion can be used to inform subsequent sensitivity analysis. It may be helpful for people who disagree with the scores agreed by the group to know that their opinions will still be recorded and used for this purpose.

3.8.12 Consideration must be given in advance as to how the reasons underlying differences in scoring will be recorded. It may be more challenging and time consuming to do this where people are scoring individually. However, one benefit of individual scoring is that people may feel that they are able to have a more direct and tangible input than might otherwise be possible if scoring as part of a group.

3.8.13 One advantage to scoring as a group is that everyone will be aware of the outcome i.e. how each of the options have been scored and which has scored the highest. Where people are scoring individually, additional work is required to collate the scores and report on the results. In some previous exercises, this process of collation and reporting has happened immediately the scoring exercise has been completed, enabling 'instant' feedback to participants. However, this may not always be feasible. If it is not, then it is important that participants are clear about when they can expect to receive feedback on the outcome.

3.8.14 The outcome of the scoring process enables people to compare how each of the options performs only in terms of non-financial benefits. However, this can leave a powerful impression with participants about which option is 'best'. It is essential that people understand that this is only one stage of a longer process, and that there is further work to be done in terms of financial appraisal and risk assessment, further consultation and decision making. People should be aware that the subsequent work may mean that the option that scores highest in terms of non-financial benefits may not be the option that performs best overall and which may ultimately be selected by the Board. For example, one option might have a marginal benefit over another in terms of non-financial benefits, but may be significantly more costly or risky in terms of delivery. All of these factors have to be taken into account.

3.9 Risk of 'Drop Out'

3.9.1 It is possible that where the options appraisal exercise takes place over a number of sessions, the number of patients and members of the public participating has fallen as the process has unfolded. Whilst it may be that some people have simply been unable to attend the later sessions, there may have been others who have chosen to withdraw as they have found the process more complicated and challenging than they had expected. This underlines the need to ensure that people understand at the outset what the process will entail, and are able to identify any support that they feel they may require.

3.9.2 It may be worth checking with people prior to each session whether they will be able to attend, and following up with people who do not attend later sessions to establish the reasons for this, as it may highlight useful learning points which can be helpful for future planning.

Annex 4

Infrastructure Investment Board (IIB) – Terms of Reference

Role and Purpose

The role and purpose of the Board is detailed as:

- To provide recommendations to the Minister regarding projects with funding requirements from the All Wales Capital Programme (AWCP).

- To ensure all projects are fully compliant with the requirements set out in the 5 case model.

- In doing so to provide assurance that approved projects are economic, affordable, consistent with policy and strategic direction, meet the required design standards and provide best public value.

- Ensure that there are clear linkages between the service plans and the capital plans for organisations.

- Performance manage the programme overall to ensure that schemes make the necessary progress to deliver the strategic improvements.

- To facilitate effective benchmarking of schemes seeking funding through the All Wales Capital Programme.

- Developing a sound working relationship with the WIIP Board, through shared membership, so it can develop and consider the potential opportunities for cross-sectoral and cross department collaboration.

- To oversee the development and implementation of innovative financing mechanisms with the aim of supporting the strategic investment priorities, with an initial focus on the primary care programme.

- To be made aware of low value, non contentious capital expenditure but not to formally debate these.

- The purpose of the Board and these Terms of Reference will be kept under review as the role of the Board develops over time.

Level of Delegated Authority

The current proposal for the role of the IIB retains all decision making authority with the Minister. This is consistent with the wider framework for decisions reserved for the Minister in relation to funding and contracts.

It may be appropriate to consider with the Minister some degree of delegation in respect of flexibility to vire resources between schemes limited to financial year-end management. This is desirable to mitigate the risk of losing spending power to NHS Wales. Safeguards can be designed into any delegation mechanism to ensure that virement is short term and subject to appropriate transparency and Ministerial scrutiny.

Membership

The IIB will be chaired by the Director of Finance or designated deputy.

Membership will be drawn from representatives across Welsh Government including:

- HSS Director of Finance (Chair);
- HSS Deputy Director, Capital, Estates and Facilities;
- Director NHS Shared Services – Facilities;
- Director of IPAG;
- HSS Deputy Director of Strategy;
- Senior Medical Officer;
- Deputy Director Workforce;
- Welsh Government Chief Economist;
- Welsh Government Head of Strategic Investment;
- Director Health and Transport.

Designated policy leads will be in attendance.

IIB secretariat will be provided by the HSS Capital, Facilities & Estates.

Departmental representatives will be responsible for communicating the work of the IIB to relevant colleagues and ensuring that they are kept informed of the developing approach for identifying, assessing and prioritising investment proposals.

Role of Individual Members

- **Director of Finance** – to provide financial challenge to the investments considered by the Board and ensuring that projects and programmes are sufficiently clear on their impacts on both capital and revenue budgets.

- **Deputy Director, Capital, Estates & Facilities** – to provide overall assurance regarding compliance with capital investment process; to ensure appropriate progress reporting and coordination via the secretariat function; to provide advice on available capital resources and corrective action required to deliver to resource limit, to ensure schemes meet financial requirements including revenue affordability for running costs and non cash charges;

- **Director NHS Shared Services Facilities** – to ensure compliance with all estates code requirements including health building notes; to ensure procurement compliance; to ensure estimates and costs are reasonably based and reliable.

- **Director of IPAG** – to ensure that projects and programmes are handled in accordance with best practice and that investment aims and objectives are clearly aligned to those identified by the Together for Health Board.

- **Deputy Director of Strategy** – to ensure that schemes supported are consistent with strategic direction and designed to deliver policy requirements.

- **Senior Medical Officer** – to ensure schemes are designed to deliver required policy and will improve outcomes and quality of care.

- **Deputy Director of Workforce** – to ensure that the impact of schemes on current and future workforce requirements is appropriately considered through the process.

- **Chief Economist** – to ensure effective scrutiny of the economic impact of schemes and appropriate consideration of alternatives.

- **Welsh Government Head of Strategic Investment** – to provide information on the wider public infrastructure investment agenda to ensure that collaborative opportunities are identified and explored.

- **Director Health and Transport** – to ensure that the service change requirements of infrastructure developments are appropriately considered.

In attendance:

- **IIB secretariat** – ensures efficient operation of meetings; ensure decisions and actions are recorded properly; ensure appropriate notification and liaison with the service.

- **Policy leads** – provide assurance that schemes are designed to deliver consistent with policy requirements set including national standards.

Timing

The IIB will initially meet on a monthly basis.

Annex 5

Appraisal and Approval Process

Flowchart:

- **Integrated Medium Term Plan**
  - → Scoping session
  - → Agree scoping doc
    - NO → Review IMTP (loops back to Integrated Medium Term Plan)
    - YES → **Business case submitted from Health Board/Trust/3rd sector**
      - → **CEF Circulate case to scrutineers**
        - (Submit to CEF →)
        - → **CEF Collate comments**
          - → Significant Issues
            - YES → **CEF Meet with submitting organisation**
              - → Resolved
                - YES → Submit for consideration by IIB
                - NO → Agree revised timetable (loops back to CEF Circulate case to scrutineers)
            - NO → **Submit for consideration by IIB**
              - → Approvable
                - NO → Return with comments → Re-draft case → Submit to CEF
                - RECOMMEND FOR APPROVAL → **Ministerial Approval***
                  - NO → Re-draft case

Re-draft case

* At OBC approval procurement can begin

* CEF Capital, Estates Facilities

Integrated Assurance and Approval Plan

This documents is to be used as a tracker to monitor assurance and track progress against key milestones.

The document should be completed showing progress and delivery lines and act as a tool to ensure that assurance at each approval points.

The information should be updated at each business case stage and match reporting included in the Project Progress Report.

	Assurance to	Year				Year				Year				Year				Year			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Approval Point																					
Local Health Board/Trust																					
Strategic Outline Programme	**Please insert your internal governance process and assurance points**																				
Strategic Outline Case																					
Outline Business Case																					
Full Business Case																					
Business Justification Case																					
Welsh Government																					
Project Scoping Document	Agreed with WG																				
Strategic Outline Programme	Welsh Government																				
Strategic Outline Case	Welsh Government																				
OBC Funding application	Welsh Government																				
Outline Business Case	Welsh Government																				
Full Business Case	Welsh Government																				
Business Justification Case	Welsh Government																				
Independent Assurance																					
Risk Potential Assessment (RPA1) and (RPA2)	Reviewed by Assurance Hub within Welsh Government																				
Benefits Identification Workshop	Board/Welsh Government																				
Gateway Reviews																					
PVR Project/Programme Validation Review	SRO/Welsh Government																				
0 Strategic Assessment	SRO/Welsh Government																				
1 Business Justification	SRO/Welsh Government																				
2 Delivery Strategy	SRO/Welsh Government																				
3 Investment Decision	SRO/Welsh Government																				
4 Readiness for Service	SRO/Welsh Government																				
5 Operational Review and Benefits Realisation	SRO/Welsh Government																				
PAR Project/Programme Assurance Review	SRO/Welsh Government																				
Project Design and Construction Peer Review	SRO/Welsh Government																				
Achieving Excellence in Design Evaluation Toolkit (AE)	SRO/Welsh Government																				
Post-Project Design and Construction Evaluation	SRO/Welsh Government																				
Benefits Realisation Workshop	SRO/Welsh Government																				
Audit																					
Internal – Project Audit(s)	Audit Committee																				
External – Wales Audit Office	Welsh Government																				
External – Designed for Life: Building for Wales	Welsh Government																				

Comments:

Programme and Project Management – Our Ten Guiding Principles

Business Case

We secure a mandate for our work; identify, record and evaluate our objectives and options for meeting them; and ensure that we secure and maintain management commitment to our selected approach.

Programme & Project Governance

Our approach to managing programmes and projects is proportionate, effective and consistent with recognised good practice.

Benefits

We record the benefits we seek, draw up a plan to deliver them and evaluate our success.

Stakeholders

We identify those affected by our work and engage and communicate with them throughout the process from planning to delivery.

Roles & Responsibilities

We assign clear roles and responsibilities to appropriately skilled and experienced people and ensure their levels of delegated authority are clearly defined.

Planning

We develop a plan showing when our objectives will be met and the steps towards achieving them, including appropriate assurance and review activities, and re-plan as necessary.

Resource Management

We identify the resources, financial and other, inside and outside the organisation, required to meet our objectives.

Risk

We identify, understand, record and manage risks that could affect the delivery of benefits.

Lessons

We record lessons from our programmes and projects and share them with others so they may learn from our experience.

Project Closure

We ensure that the transition to business as usual maximises benefits and that operational delivery is efficient and effective.

SCP – Price Confirmation Letter

Our Ref:	Enquiries to: Name
Your Ref:	Direct Line:
	E-mail:

Date

ON SCPs HEADED PAPER

Dear Sir

PROJECT TITLE: Supply Chain Partner to Insert In Bold and Capitals

STATEMENT OF CONFIRMATION BY THE SUPPLY CHAIN PARTNER OF THE SCOPE AND AGREED COSTS IN THE FULL BUSINESS CASE

In accordance with the NHS Wales Infrastructure Investment Guidance, Business Case Development item 3.7 Submission Process the following statement is provided.

We hereby confirm that the total amount of £**xx,xxx,xxx.xx** including VAT included in the Full Business Case for Works Cost, all Supply Chain Partner Fees and Quantified Risk Provision as included in Appendix A to this letter is correct.

The figures have been fully market tested and have been developed in conjunction with the Employer's Cost Advisor.

The Summary of the Scope of Works the above figures represent is detailed in Appendix B.

This confirmation is valid for [XXXX] days from the date of this letter.

Yours sincerely
For **Insert Company Name**

NAME
JOB TITLE

Appendix A

Full Business Case

Summary of Supply Chain Costs

	Net	VAT	Gross
Building ref: 1			
Building ref: 2			
Total Cost of Buildings			
Total Cost of External Works			
Total Cost of Works	**0**	**0**	**0**

SCP Fees:

Constructor – pre-construction
Project Manager
Health Planner
Architect
Civil and Structural Engineer
Building Services Engineer
Planning Supervisor
Cost Manager
FM Advisor
Building Services Installer – pre-construction
Other

	Net	VAT	Gross
Total Cost of SCP Fees	**0**	**0**	**0**
SCP Quantified risk provision	**0**	**0**	**0**
Total SCP Anticipated Target Out-turn Cost	**0**	**0**	**0**

Appendix B

Full Business Case

Summary Scope of Works

The SCP is to insert here the summary of works of the Full Business Case.

Annex 9

Enabling and Advanced Works

1. In principle, there should be no enabling or advanced works **commenced or committed on site** before FBC approval. This is because there is no commitment to fund the total project cost until that approval has been given.

2. In exceptional circumstances enabling or advanced works may be commenced before FBC approval but the case for such works must be included within the OBC and explicit written approval given by Welsh Government. A key requirement relating to such works is that appropriate due diligence is undertaken to avoid potentially nugatory expenditure. In practice this would normally mean that any expenditure undertaken would be required whichever of the options shortlisted in the OBC were taken forward (i.e. the expenditure is not conditional upon selection of the preferred option) or that the works procured would retain value in some other way.

3. Any proposed enabling or advanced works should be identified in both the OBC and FBC submissions identifying extent, cost, programme, cashflow, contractual mechanism and proposed contractors/consultants.

4. The enabling works costs will be included in the Project Allowance i.e. the maximum amount of funding Welsh Government is prepared to allocate to the project.

5. Each enabling or advanced works package will require prior authorisation to proceed to design from Welsh Government.

6. LHBs or Trusts must agree to accept any revenue consequences arising out of the enabling or advanced works.

7. For enabling works or advanced works to proceed, the LHB or Trust must own or have leased the site of the works and, if leased, have received written permission from the landlord for the works to be undertaken.

8. Enabling works need to comply with all relevant Health and Safety requirements before starting on site.

9. Enabling works or advanced works should not be let as Compensation Events. They need to be fully designed and market tested with **complete** Works Information. They should be let as a separate project contract based on the NEC3 ECC form of contract and associated Designed for Life: Building for Wales conditions. Liability for design and construction elements should be clearly identified and comprehensive insurance arrangements put in place for the construction works.

10. Enabling works or advanced works costs must be reconciled within the cost envelope established in the Outline Business Case.

11. Enabling works or advanced works should be limited to:

- Site security;
- Site access needs;
- Site clearance, demolition and/or asbestos removal;

- Discharge of specific planning conditions;

- Replacement car parking to release a site for development;

- Temporary accommodation to house staff displaced to release site for development;

- Ground preparation;

- Service diversions;

- Highway and road diversions;

- Land drainage;

- Bringing services to site boundary;

- Any environmental conditions that are time constrained e.g. bat relocation, tree felling or replanting etc.

It is not intended that substructure or superstructure works form part of any enabling or advanced works package.

Project Bank Accounts (PBAs)

Overview

The Welsh Government is committed to using procurement as a lever for driving economic, social and environmental benefits and supporting jobs and growth. Public procurement should help promote Wales as a good place for doing business and should provide mechanisms that allow suppliers of all sizes to flourish.

Project Bank Accounts (PBAs) are a mechanism that supports this ethos. PBAs represent best practice in ensuring fair and prompt payment in the supply-chain. It is important to ensure cash flow through supply chains to reduce the risk of supply chain failure for Welsh businesses and enable more rapid circulation of money through the economy and local communities. Although PBAs have been developed in response to poor supply chain payment practices that persist, in the construction industry, they can be applied in any contract that relies on sub-contractors.

Welsh Government's PBA Policy has been informed by the experience of PBA implementation by UK Government Departments (Highways England) the Northern Ireland Executive and Scottish Government supplemented by a series of pilot projects in Wales between 2015 and 2017.

Background

Small to medium enterprises (SMEs) play critical roles in the delivery of public sector projects through sub-contracting arrangements. Access to finance and cash flow are vital to any business and no more so than smaller businesses with limited resources. It is therefore essential that public sector clients ensure fair and prompt payment, not only to our tier 1 contractors but throughout their supply chains when delivering public contracts. Indeed this is a statutory requirement of the Public Contracts Regulations 2015 (PCR) which stipulates that public contracting authorities must ensure that they include conditions of contract requiring payment of their tier 1 contractors within 30 days of submission of an undisputed invoice and that these terms are reflected down the supply chain.

Project Bank Accounts (PBAs) provide a mechanism to meet the statutory requirement of the PCR facilitating fair and prompt payment with the added benefit of streamlining the process for clients, contractors and sub-contractors.

Welsh Government recognises that the use of PBAs within the public sector contracts represents a change in traditional payment practices. However, the benefits of PBAs to both the contracting organisation and the supply chain of using PBAs outweigh the impact of this change in payment practice. Research by the UK Fair Payment working group mapped typical traditional existing payment regimes against a Fair Payment best practice process; that research indicated that savings in the region of 1% could accrue for Fair Payment and Project Bank Accounts. These savings could rise over time if the supply chain were able to reduce overheads relating to debt chasing and administration. The additional knock-on benefits of greater productivity and a reduction in construction disputes, and supply chain failures are difficult to quantify but they could be substantial.

All public projects should make use of the approach where it is appropriate.

Key benefits of a PBA include:

- Effective mitigation to the risk of payment delay and cost associated with it;
- Reduction of the risk of supply chain failure by improvement of cash flow;
- Transparency of supply chain spend and payment flow;
- Easier measurement of payment timescales across the supply chain;
- Acceleration of payments for the supply chain;
- Cost benefits to supply chain resulting from early and certain payments;
- Surety and confidence for all parties that monies paid into the account are secure;

Construction and infrastructure projects part or Grant funded by Welsh Government requiring a PBA be applied unless there are compelling reasons not to do so, and Welsh public sector bodies are advised to apply PBAs in the delivery of self funded construction and infrastructure projects where appropriate.

Existing framework agreements should incorporate PBAs as soon as it is feasible. Suitable projects will largely depend on the duration of the project and the subcontract packages involved. As general guidance, the following criteria may be used to identify suitable projects:

- Construction/Infrastructure or other public contracts with a significant sub-contracting supply chain of over 6 months duration and valued at £2 million or more;
- In all cases where a PBA is applied Tier 2 or lower Tier suppliers will be engaged as follows:
  - Tier 2 or lower Tier suppliers who account for at least 1% of the main contract award value must join the PBA; or
  - Tier 2 or lower Tier suppliers who account for less than 1% of the main contract award value, should be allowed to request to join the PBA. Acceptance of such a request to join the PBA will be subject to the agreement of the trustees and the main contractor.

Exemptions to the £2m threshold:

- Projects shorter than 6 months
- If the successful bidder (i.e. tier 1) gives a firm undertaking to self-deliver and/or use subcontractors (i.e. tier 2) from within the parent company to which the tier 1 also belongs, such that one, other or a combination of both is more than 75% of the main contract award value, then the commissioning body may choose whether or not to proceed with the PBA.

When implementing PBAs consideration should be given to:

- Governance requirements in order to set up PBA
- Obtaining specialist training and support for Client Team
- Identifying changes needed for tender documents
- Wording to put into OJEU notices
- Preparing briefing packs for contract documentation
- Briefing for tenderers as part of the procurement process
- Briefing of the wider supply chain on PBA and benefits.

Summary of the different sources of funding to support capital investment in health and social care in Wales

Direct Funding

1. Discretionary capital (£79 million in 2018-19)

This is Welsh Government grant funding allocated to the different health organisations to be spent in line with its own priorities. The funding is un-hypothecated and based an historic assessment of the condition and performance of the estate.

2. All Wales Capital Programme ((£270 million in 2018-19)

This is Welsh Government grant funding provided to support strategically prioritised schemes. Allocated to support individual programmes and projects. Includes national programmes for such things as imaging and IM & T as well as major infrastructure projects such as the construction of new hospitals and refurbishments of existing hospitals.

3. Specific Capital Grants

There are a limited number of Welsh Government specific grants for specific programme or polices such as substance misuse and the integrated care fund. Each grant will have specific terms and conditions. For example the integrated care fund requires for the projects for investment agreed though the Regional Partnership Boards.

4. Invest to Save loans

Characteristics: Applications made to the Invest to Save fund and considered on a case by case basis. Funding to be repaid through revenue savings. Terms of repayment of the loan are subject to negotiation. Operates on tranches of available funding and bidding rounds. Bids assessed by a panel. Examples include Hywel Dda Switchboard projects, ABMU health records modernisation.

5. Energy Efficiency Schemes

Opportunities exist for health boards to access invest to save resources specifically in relation to delivery energy efficiency revenue savings.

6. Partnership arrangements with third parties

This covers a range of different innovative financing models including the mutual investment model currently being developed for the construction of the new Velindre Cancer Care Centre and the third party development of primary and community care centres as part of the primary care pipeline.

Capital funding sources accessible through agreements with delivery partners

7. Financial Transactions Capital

Financial Transactions Capital is funding allocated to the Welsh Government by the UK Government. This capital can be deployed only as a loan to or equity investment in a capital project delivered by a private sector entity ('private sector' is defined here using the Office of National Statistics classification and includes charities and universities).

The private sector must use FT capital to invest in related infrastructure. These schemes are required to comply with all the following conditions:

- The capital project must deliver policy objectives and be suitable for delivery by the private sector.
- There is a private sector entity for the department to invest in.
- The sponsor body must have the legislative authority to enter into this type of transaction.

Mutual Investment Model (MIM)

The Welsh Mutual Investment Model (MIM) has been developed by the Welsh Government in order to assist in the successful development and procuring of infrastructure schemes on a revenue funded basis. There is a pipeline of indicative schemes across several sectors, including health. This model provides additional options for the public sector given the scarcity of capital and could be referred to as a type of private public partnership (PPP) scheme.

Given the high value and potential complexity of the schemes there is a requirement to closely follow the existing Welsh Government MIM guidance and requirements if you are considering such a scheme. Further details can be obtained from the sponsoring government department.

In summary, the MIM model is characterised by the following key policy features:

- the opportunity for Welsh Government to take a minority equity stake (up to a maximum of 20% of issued share capital) in the company developing and then managing the scheme;

- enhanced stakeholder involvement through the right of the Welsh Government to appoint a director to the Board of Project Co and any Hold Co;

- no 'Soft' Services on Accommodation projects;

- the ability of the Trust/Board to carry out low value changes and adoption of a rigorous change procedure;

- proper and ongoing scrutiny of the construction and operations carried out by Project Co, together with stringent performance monitoring; and

- genuine Community Benefits.

In line with general market practice for PPP projects the MIM schemes will be procured using the competitive dialogue procedure. Standardised procurement template documents eg. pre-qualification questionnaire and invitation to participate in dialogue templates have been produced and should be used as a base for these schemes.

Further, in order to embed key policies within the structure of MIM projects, successful participants will be required to enter into the MIM Standard Form Shareholders' Agreement, in addition to the MIM Standard Form Project Agreement (Accommodation Version) or the MIM Standard Form Project Agreement (Roads Version). These documents are provided on the Welsh Government website[1] and will be updated from time to time.

General approach

The MIM Standard Form Project Agreements have been developed against a background of revenue funded accommodation and road investment plans, at a time when public funds for infrastructure investment, whether capital or revenue, are severely curtailed. They maintain the basic principles that:

- the private sector will provide the relevant Authority with serviced accommodation/roads;

- payment will only commence once the accommodation/road is complete and ready for use; and

- the relevant Authority will pay for available facilities/roads and deductions will be made from the Annual Service Payment if the facilities/roads are not available, or the Services are otherwise not provided in accordance with the Authority's requirements.

In the case of accommodation projects, differences in operation between revenue funded facilities and facilities procured using conventional capital funding have been minimised as far as possible on the basis that an Authority should be free to operate its revenue funded facilities in the same way as facilities provided using conventional capital funding and that good estate management practices should not depend on the financing route that was used to make the investment in the facilities.

As such, a relatively narrow scope of hard facilities management services has been proposed for the MIM Standard Form Project Agreement (Accommodation Version), under which the private sector will provide planned maintenance (including lifecycle replacement), reactive maintenance to the buildings and hard landscaping. In turn, this should produce a simplified Service Level Specification and associated performance monitoring and contract management arrangements for Authorities.

The approach has been:

- to promote maximum value for money through commercially reasonable risk transfer consistent with the principles outlined above and in line with statistical classification requirements;

- to adhere to the MIM principles approved by the Welsh Government;

- to simplify the documents as far as possible consistent with a robust commercial structure and 'bankability'; and

- to minimise transaction costs with a standard that should be reasonably acceptable to contractors, investors and funders as well as procuring authorities.

Approach to Standardisation

More information on the MIM can be obtained from the Welsh Treasury's Innovative Finance team or one of the MIM Transactor who are embedded with the relevant sponsoring department.

Standardisation is increasingly a valuable feature of the larger infrastructure project market – focusing cost and effort for all parties – and MIM is no exception. The key principles embodied in the MIM Standard Form Project Agreements will be familiar to those who operate in the UK 'PPP' market. The MIM Standard Form Project Agreements are based on various UK precedent and standard project agreements, updated in order to accommodate the specific needs of the Welsh Government's infrastructure programme and Welsh Government policy. Account has also been

taken of Council Regulation (EC) 549/13 on the European system of national and regional accounts in the European Union, together with the Manual on Government Deficit and Debt, published in March 2016, and EPEC/EUROSTAT's Guide to the Statistical Treatment of PPPs, published on 29 September 2016 (**"EPEC/EUROSTAT's Guide"**). Welsh Government has also incorporated lessons learned from recent construction industry events. In brief, key defining features of the MIM Standard Form Project Agreements include:

- no controls or vetoes on the operations of Project Co;

- no sharing of rewards for the procuring Authority;

- a move to traditional "Project Co Event of Default" compensation on termination for Corrupt Gifts;

- provisions to ensure Welsh Language Standards are complied with;

- provisions to reflect BIM, ethical employment standards and requirement for genuine Community Benefits;

- more detailed provisions to deal with the treatment of equipment, snagging, completion requirements and certification of Works; and

- amendments required to reflect legal jurisdiction.

In addition, the MIM Standard Form Shareholders' Agreement introduces Welsh Government Shareholder investment as another key feature of the Welsh Mutual Investment Model.

Community Benefits and Procurement

This information will be monitored on a quarterly and annual basis, and figures are based on per £M invested in the Contract.

A	B	C	D	E	F	G	H
Target area	Metric	Proposal based on Column F	Example	Reporting Timescales	Benchmark Minimum Value (per £M)	Measure Definition	Consequence of non delivery
Jobs created (NEET/LT Unemployed)	Person weeks per £m invested		As definition of person and weeks.	Quarterly	52	Person weeks per £m invested.	£463.61 per week
Jobs created (NEET/LT Unemployed)	Number of FTE £m invested (based on 52 weeks provision)		Relating to the number of weeks for individuals who have been employed i.e.1 person employed for 52 weeks.	Quarterly	1	Number of individuals employed per £m invested.	Nil Consequences
Training (including graduates, work placements, pupil placements)	Person weeks of training provided per £m invested (included in the overall person weeks per £m)		Welsh graduate engineer sponsored; Welsh year out student; Work experience.	Quarterly	30	Person weeks of training provided £m invested.	£349.28 per week
Apprenticeships	Number of apprentices per £m invested (included in the overall person weeks per £m)		Relating the number of weeks for individuals who have been employed; Promote use shared apprentice schemes.	Quarterly	1	Number of apprentices per £m invested.	£207.20 per week

A	B	C	D	E	F	G	H
Target area	**Metric**	**Proposal based on Column F**	**Example**	**Reporting Timescales**	**Benchmark Minimum Value (per £M)**	**Measure Definition**	**Consequence of non delivery**
School Engagements (STEM)	Number of pupil interactions per £m invested		School assemblies or individual lessons. Assembly with 70 children = 70 interventions. Maths lesson with 30 children = 30 interventions.	Quarterly	30	Number of pupil interactions per £m invested.	Nil Consequences
School Engagements (STEM)	Hours donated per £m invested		Wider team involvement – interviews, careers fairs.	Quarterly	10	Hours donated per £m invested.	£48.00 per hour
Labour Force	Percent of workforce from postcode		Use postcode of the project and measure visits, e.g. SA.	Annual	30%	% of workforce from postcode area.	Nil Consequences
Labour Force	Percent of workforce from Wales		Measure visits to site in duration.	Annual	60%	% of workforce from Wales.	Nil Consequences
WG measurement Tool	Complete WG measurement Tool		Complete on completion of the project and annually if contract more than 12 months.	Annual	11	Complete annually or on completion.	Nil Consequences
Supply chain initiatives	Percent spend in Wales per project		Value of contract and location of supplier. e.g. CBME electrical contractor Cardiff postcode £100,000 contract value expressed as percentage.	Annual	60%	Percent spend in Wales per project.	Nil Consequences

A	B	C	D	E	F	G	H
Target area	Metric	Proposal based on Column F	Example	Reporting Timescales	Benchmark Minimum Value (per £M)	Measure Definition	Consequence of non delivery
Supply chain initiatives	Number and type of materials produced in Wales		e.g. Welsh steel, Welsh slate	Annual	2	Number of products	Nil Consequences
Supply chain initiatives	Value of materials		£ per tonne (Steel), £ per metre squared (slate) etc.	Annual	£10	per tonne or M^2 or M^3 depending upon material.	Nil Consequences
Supply chain initiatives	Volume of materials		Tonnage (Steel), number of metres squared (slate), etc.	Annual	£25m^3	Per tonne or M^2 or M^3 depending upon material.	Nil Consequences
Supply chain initiatives	Percent Welsh subcontractors per project		Total number of contractors used with welsh postcode expressed as percentage	Annual	60%	% Welsh sub contractors per project.	Nil Consequences
Supply chain initiatives	Number of supply chain engagements per project		Meet the buyer event	Annual	2	Met the buyer events etc.	Nil Consequences
Supply chain initiatives	Use of Sell 2 Wales to advertise opportunities		Advise opportunity for subcontractors through sell2wales	Annual	3	per opportunity as a package, per project.	Nil Consequences
Fair payment	Payment within 21 days by client		Audit percentage of payments	Annual	100%	client response	Nil Consequences
Fair payment	Payment to subcontractors within 28 days		Audit percentage of payments	Annual	100%	contractor response	Nil Consequences

A	B	C	D	E	F	G	H
Target area	Metric	Proposal based on Column F	Example	Reporting Timescales	Benchmark Minimum Value (per £M)	Measure Definition	Consequence of non delivery
Environmental	Percent waste diverted from landfill		Measured from waste transfer advice note.	Annual	90%		Nil Consequences
Environmental	Amount of waste produced tonnes/£m		Measured from waste transfer advice note.	Annual	10 tonnes max	tonnes (based on project £8M total)	Nil Consequences
Community	Community Initiatives per project		Work with local scout group to repaint hall.	Annual	2	e.g.2 minimum initiates per project	£1,000 per event
Community	Community newsletters per project		Letter sent out to local residents.	Annual	2	e.g. 2 minimum newsletters per project	£500 per newsletter

Annex 14

Table of Proposed Community Benefits Benchmarks

Method Statement

How are you going to achieve the target set out in Annex 13?

- Outline the agencies you will work with and the training initiatives you will utilise to achieve TR&T the targets

How will you create the opportunities for the long term unemployed and disadvantaged individuals?

How will you advertise and notify job vacancies?

How will you work with your sub-contractors and suppliers to ensure successful delivery of your proposed TR&T engagement activities?

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How will you create opportunities and support for SMES to bid for work packages?

Prompt payment is required.
What assistance will you provide to further support you supply chain and how will you monitor sub-contractors payments?

Please describe additional social benefits and what innovation will you bring to help achieve an impact on deprivation and to meet socio-economic needs for this project.

Please describe your proposal for community and education initiatives that you will undertake on this project.

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Who within your organisation has responsibility for the delivery of community benefits programme?

Design Guidance
Older Person Friendly Environment

Introduction

As the population of Wales ages, the pattern of admission across Welsh Health Estates has changed. This pattern of older emergency and elective admissions and outpatient of older emergency and elective admissions and outpatients contacts is across the whole estate, with the obvious exceptions of paediatrics and maternity.

The average age of acute emergency medical admission to hospitals is now reported as 82-85 years, similar age profiles exist on surgical wards in A&E and across outpatients departments. It is therefore essential we begin to "design in" across the whole NHS Wales estate an approach that takes into account the needs of frail older people who are likely to have hearing, mobility or visual impairments.

We must also make sure hospital and NHS premises including community and primary care environments are accessible and less confusing, as we know that dementia incidence increases as people age and 1 in 4 people over 80 will have some degree of cognitive impairment.

There are two aspects to this for estates departments, the routine refurbishment of environments and new build proposals. We now expect all such proposals to have formally considered what adaptation should be built in to every estates proposal small or large in the hospital or community setting.

A comprehensive approach to design and planning needs to include consultation with a range of specialists from inception through to post project evaluation including infection prevention and control specialists. Older people are at increased risk of acquiring healthcare associated infections and it is essential that hazards associated with infection risk should be identified and assessed and measures taken to manage these risks whilst addressing the needs as outlined above. For example, designers and planners need to consider

- the choice of materials and surfaces – that can be cleaned, disinfected if necessary and maintained
- avoiding unnecessary surfaces that can become contaminated with infectious agents.

In September 2013 we asked LHBs for good practice examples for this work and were pleased to receive examples of good practice from every LHBs in Wales, although largely based in dementia units. The challenge is to take this learning and ensure it becomes the new normal provision across the estate.

Guidance

We have agreed based on evidence from Sterling University[1], and the Kings Fund[2], we will in future expect consideration to be given to the following minimum standards;

Signposting $\longrightarrow$ Large clear picture signage for toilets, dining rooms and bathing facilities etc.

$\longrightarrow$ Large script for directions to specific locations within the hospital; consider additional picture signage.

Large picture signs on all toilet doors which across the Welsh NHS estate should move to **bright yellow** to assist identification for the elderly. We have on the basis of evidence; decided this will become the colour for toilet doors in every unit in Wales on a rolling basis, as **furbishment is required**. Toilets seats should be a contrasting colour to the chinaware such as red or blue, and of traditional design so the elderly can access and use the facilities easily; similarly this will be a rolling programme for new and replacement provision.

Floors should be designed to be 'non shiny/non reflective' and one colour to prevent fear of mobilisation as well as causing problems for those people with visual impairments.

Clock faces should be large and ideally have day and date on the clock too.

Automatic lighting when door open for en suites with handrails fitted routinely. Dimmed lighting levels at night to promote a calm environment.

For Dementia and Older Persons Units memory frames/boxes should be available by single rooms to help people orientate themselves and find their rooms easily. More specifically, the Kings Fund[3] has developed assessment tools for supportive design for people with dementia.

There will be other good practice initiative more specific to environment such as safe access to appropriate outdoor space for dementia units, and social eating space provision you will wish to draw on initialising the following Kings Fund/Sterling University work, which while relating to dementia design have clear applicability to all areas where older people are cared for.

1 **http://dementia.stir.ac.uk/design**
2 **www.kingsfund.org.uk**
3 **www.kingsfund.org.uk/projects/enhancing-healing-environment/ehe-design-dementia**

Better Business Cases

Training

There are three Better Business Cases training courses available, two of which are accredited. It is recommended that they are pursued in order; however not everyone will need to attend all three.

The accredited **Foundation course** is for anyone keen to understand the process, terminology and content of a "Better Business Case".

The accredited **Practitioner course** is aimed at those heavily involved, or tasked with developing and writing a business case.

The **Reviewer course** is designed for those tasked with reviewing the end product.

To find out more information about the available training products, including where to find information on Accredited Training Organisations, contact the Better Business Cases mailbox:

BetterBusinessCasesMailbox@gov.wales

Network

A Welsh **Better Business Cases Network** has been established which is aimed at business case practitioners employed in the public sector. It is led by Welsh Government with participation from across the wider Welsh public sector. The Network typically convenes on a quarterly basis.

Key note speakers are invited and members are given an opportunity to talk to each other, share best practice, build working relationships and develop expertise.

If you would like to be included on the Network mailing list, or find out more information, contact the Better Business Cases mailbox:

BetterBusinessCasesMailbox@gov.wales