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Shared Services
Partnership
Specialist Estates Services

Specialist Estates Services Notification 22/12

21 September 2022

For action by:

Directors of Finance, NHS Health Boards and Trusts

For information only:

Directors of Estates and Facilities, NHS Health Boards and Trusts
Chief Executives, NHS Health Boards and Trusts
Directors of Planning, NHS Health Boards, Trusts
DHCW, PHW, HEIW, and NWSSP

Copy to: Department of Health and Social Care, Welsh Government

Dear Colleague

WELSH GOVERNMENT (CAPITAL, ESTATES & FACILITIES) FUNDING PROGRAMME FOR TARGETED IMPROVEMENTS (2023 – 2025)

Introduction

Welsh Government has asked NWSSP Specialist Estates Services to coordinate delivery of the above programme, for which funding has been allocated for the financial years 2023/24 - 2024/25 and comprising the following project categories:

- Infrastructure (inc. Emergency Department facilities improvements for patients, general building and engineering upgrades, Mental Health safety enhancements; and rationalisation)
- Decarbonisation
- Fire Safety

These are schemes that would traditionally be funded through discretionary capital allocations, where capital availability allows. Welsh Government is making available an additional £40M over two financial years and Health Boards/Trusts will be asked to contribute 30% of the total cost of each project, i.e., a total investment of circa £57M.

The allocation for each national programme category is as follows:

- **£24M** for Infrastructure (including a focus on the Emergency Department ‘experience’,

- Mental Health safety improvements, and rationalisation).
- **£6M** for Decarbonisation schemes.
- **£10M** for Fire Compliance works.

Governance – Key points

1. The programme will be managed through the Estates and Facilities Advisory Board (EFAB) that was established in 2021/22. You are asked to confirm your representative/deputy by no later than 10th October 2022.
Please refer to Annex 1.
2. All bids must be authorised by the Health Board/Trust Director of Finance and counter-signed by the Director of Estates.

Timeline – Key dates

1. Bids are to be submitted by **1700 on Monday 7th November 2022**. No bid received after this date and time will be considered.
2. The recommendations of the EFAB will be submitted to Welsh Government on Monday 5th December 2022.
3. It is anticipated that successful bids will be confirmed in writing by Welsh Government no later than 24th December 2022 so that Health Boards/Trusts may firm up project costs and implementation programmes between January and March 2023.

Funding allocations – Key points

1. Funding will be managed as a capital allocation.
2. Funding may be managed across the two financial years. However, a contribution from Health Boards/Trusts amounting to 30% of the overall project cost must be included in the cashflow spend profile within each FY.
3. Under/overspends across a health organisation's EFAB projects may be managed within category.
4. Underspends will be re-allocated by Welsh Government.
5. Inflation risks will be managed through approved allocations, i.e., there will be no central contingency fund.
6. Bids may include costs related to works, fees, equipment, and VAT.
7. Funding may be allocated to bids that are capable of delivery between January and March 2023. This will be subject to available funding.
8. The funding conditions require full expenditure of awarded amounts to be achieved during 2023/24 and 2024/25 as prescribed by the award.
9. Ultimate responsibility for delivery of approved schemes and the expenditure of funds within the prescribed period rests with Health organisations.

Bid process

1. Bids should be submitted using the proformas contained within the attached guidance. **Please refer to Annex 2.**
2. All bids must include a forecast cashflow forecast for planning and monitoring purposes.

Exclusions

The Estates Funding Advisory Board will not be involved with capital projects that fall within the remit of the normal business case process with scrutiny provided through the Welsh Government's NHS Infrastructure Investment Board.

Organisations **must not** divert existing business cases or funding applications (e.g., Refit / WGES etc.) to this application route.

Next Steps

Please refer to the attached guidance, which includes the bid proformas and report template (Annex 2).

Action

Can you please complete and return the attached proforma – Annex 1 - nominating your organisation's representative for the Estates Funding Advisory Board by Monday 10th October 2022.

Should you require any further information please contact Ray Selby, Head of Estate Development on MS Teams or email ray.selby@wales.nhs.uk

Yours sincerely,



NH Davies BSc (Hons), Dip Proj Man (RICS), MBA, MCIQB, FIHEEM
Director Specialist Estates Services
NWSSP Specialist Estates Services, 3rd Floor, Companies House, Crown Way, Cardiff CF14 3UB

ANNEX 1

Estates Funding Advisory Board Nomination

Please confirm a representative and a deputy

Organisation Name	Nominee	Organisational Position	E-mail address	Contact Number

Proposer:

Signed:

Please return your nomination by Monday 10th October to Suzanne Pullen, Business Support Manager, Specialist Estates Services, NHS Wales Shared Services Partnership, via email at suzanne.pullen@wales.nhs.uk

ANNEX 2

WELSH GOVERNMENT (CAPITAL, ESTATES & FACILITIES) FUNDING PROGRAMME FOR TARGETED IMPROVEMENTS (2023 – 2025)

Guidance Note, including Bid Proformas and Report Template:



WG Target
Investment Funding