



COUNCIL – 24TH NOVEMBER 2022

SUBJECT: REGIONAL INTEGRATION FUND

REPORT BY: CORPORATE DIRECTOR FOR SOCIAL SERVICES AND HOUSING

1. PURPOSE OF REPORT

- 1.1 This report is provided to Council to consider the financial liabilities and implications of the new Regional Integration Fund (RIF) and its tapered funding model.
- 1.2 Council are asked to comment on the intended use of the RIF, its associated rules and financial liabilities.

2. SUMMARY

- 2.1 Part 9 of the Social Services & Wellbeing (Wales) Act 2014 required local authorities and Health Boards to establish Regional Partnership Boards. RPB's were established on Health Board footprints with consequently seven Boards being established. The RPB for this area is titled the Gwent Regional Partnership Board.
- 2.2 Previously the RPB has been supported by grants via the integrated Care Fund (ICF).

3. RECOMMENDATIONS

- 3.1 Members are asked to consider the report together with the rules and use of the RIF.
- 3.2 Members comments are sought on the tapering arrangement in place between 2023 and 2027.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 Welsh Government are clear on their intentions on the intended use of the RIF together with the associated tapering arrangements around the grant funding over a 5 year period. This tapering requirement will result in financial pressures on the authority as the tapering funding can only be replaced by taking funding from other budget areas or in budgetary growth.

5. THE REPORT

5.1 RIF Definition

5.1.1 The Regional Integration Fund (RIF) is described by Welsh Government as a key lever to drive change and transformation within the health and social care system, with Regional Partnership Boards tasked to consider how they deploy their collective resources, including both partnership funding and wider core resources to meet their objectives. The RIF, brings together previous funding streams provided to RPBs into one source of strategic revenue funds, providing £26.8m for Gwent annually, from April 2022 to March 2027.

5.1.2 The key features and values of the Regional Integration Fund are identified as:

- A strong focus on prevention and early intervention
- Developing and embedding national models of integrated care (also referred to as models of care within the guidance)
- Actively sharing learning across Wales through communities of practice
- Sustainable long term resourcing to embed and mainstream new models of care
- Creation of long term pooled fund arrangements
- Consistent investment in regional planning and partnership infrastructure

5.1.3 Regional Partnership Boards are required to utilise funding to deliver a programme of change over the next 5 years. There is emphasis on the learning from both the Integrated Care Fund and the Transformation Fund, and the desire to create sustainable system change through the integration of health and social care services.

5.1.4 The RIF aims to have established and mainstreamed at least six new national models of integrated care at the end of the five year period so that citizens of Wales, where ever they live, can be assured of an effective and seamless service experience in relation to. There are 6 models of care prescribed by Welsh Government:

1. Community based care – prevention and community coordination
2. Community based care – complex care closer to home
3. Promoting good emotional health and wellbeing
4. Supporting families to stay together safely, and therapeutic support for care experienced children
5. Home from hospital
6. Accommodation based solutions

5.1.5 The RIF will support the further progress and mainstreaming of these models of care by:

- Helping regions to share learning through Communities of Practice
- Designing 'blueprints' for these national models of care
- Measuring impacts against a nationally agreed outcomes framework and using data to shape and improve delivery 16
- Securing mainstream 'match funds' alongside a tapering of WG funds to ensure mainstreaming of these integrated models of care
- Leave a longer term 'pooled fund' legacy to continue sustainable delivery of these models of care

5.2 Ministerial Expectations

5.2.1 Ministers have explicitly set their expectations within the RIF guidance, and also in subsequent dialogue during RPB quarterly meetings, these are summarised below:

- Efforts should be focussed on accelerating the progress of A Healthier Wales (Appendix 1) to secure the best care, support and outcomes for the people of Wales.
- The Regional Integration Fund is provided to embed models of care developed through the Integrated Care Fund and Transformation Fund, whilst maintaining some scope for the continued development of new ones.
- Expectations are set for Regional Partnership Boards to continue to provide strategic support within their region to deliver seamless services that support ongoing response to system pressures, including the covid-19 pandemic.
- Ministers are clear that the new funding architecture hardwires in the sustainability planning and investment for the new models of care relying on partners to bring forward match funds and a firm commitment to long-term mainstreaming of effective new models of care. Whilst recognition is made to the challenge of providing match funding, unless investment is made in transforming our core system we will not achieve the transformation we are seeking.

5.3 RIF Rules

5.3.1 All activity funded by the Regional Integration Fund must directly support the development and delivery of the six national models of integrated care (see para. 5.1.4).

5.3.2 Regional Partnership Boards will have some flexibility to determine which projects and services align to which model of care but essentially all RPBs will need to ensure that:

- They invest in the development and embedding of the six priority models of care
- That they are able to demonstrate that projects and services are evolving to meet the needs of the relevant population groups within each of the models of care (noting some priority groups will be more relevant than others for each model of care)
- That they are maximising the use of key enablers to ensure their models of care are innovative, integrated and transformative.
- Across all population groups every opportunity is taken to increase the 'active offer' of integrated services through the medium of Welsh. Partners are able to 'shift' core resources to invest as match funding to ensure sustainable long term delivery of new models of care.

5.3.3 RPBs must consider how they will meet the specific needs of the priority population groups identified within the RIF guidance (informed by the Social Services & Wellbeing Act):

- Older people including people with dementia
- Children and young people with complex needs
- People with learning disabilities and neurodevelopmental conditions
- Unpaid carers
- People with emotional and mental health wellbeing needs

- 5.3.4 Delivery of the national models of integrated care must be underpinned by the four fundamental principles within the Social Services and Wellbeing Act; voice and control, prevention and early intervention, wellbeing, and coproduction.
- 5.3.5 To effectively deliver the national models of care that will be developed by the RIF, RPBs must consider and make good of key enabling tools; integrated planning and commissioning, technology and digital solutions, promoting the social value sector, integrated community hubs, workforce development and integration. By maximising effective use of the identified key enablers, RPBs can ensure they strategically align resources and capabilities in order to create integrated systems and services that will support better outcomes for priority population groups.
- 5.3.6 RPBs will be expected to invest a minimum of 5% of the RIF into direct support for unpaid carers, a minimum 14% for children and young people with complex needs, and a minimum 20% in the social value sector.
- 5.3.7 RPBs must adhere to the RIF tapered funding model as described below:

1. Fully Funded National Priorities Fund (100% WG funded - £2.825m)

Ring fenced funding provided to Regional Partnership Boards at 100%, no tapering or resource match required for initiatives within this category. This includes Dementia ringfenced funding, and the Integrated Autism Service.

2. Acceleration Change Fund (90% funded via RIF, 10% tapering)

Funding to test and develop new models of care, for a maximum period of 2 years. Following robust evaluation these models can be considered to move into the embedding fund.

3. National Delivery Model Embedding Fund (70% funded via RIF, 30% tapering)

Projects successfully tested can move into the embedding fund with a clear business case for sustainability. Embedding funding can be received for a maximum of 3 years. If appropriate, projects can move into the mainstreaming fund at the end of this period.

4. 50/50 Integrated Mainstreaming Fund (50% funded via RIF, 50% tapering)

After a project has concluded its three years funding under the Embedding Fund it should now be ready to be mainstreamed. Partners must agree and commit resources to ensure that the project or model of care will be sustained long term. This fund will take the shape of a recurrent pooled fund with partners contributing 50% and Welsh Government contributing the remaining 50%

- 5.3.8 The tapering element of the RIF will only be applied to projects run by LHBs and LAs. For third sector led projects, statutory partners should work in collaboration with those providers to develop longer term sustainability and mainstreaming plans.
- 5.3.9 All RIF funding decisions must be determined collaboratively by the Regional Partnership Board. RPBs are expected to put in place a memorandum of understanding that sets out the agreed governance, accountability and decision-making processes including appropriate arrangements to enable scrutiny of investment decisions by relevant sovereign bodies.

Regional Partnership Boards must put in place mechanisms to ensure effective management of funding allocated, including to third sector partners and other alternative delivery models, to ensure that schemes successfully achieve identified outcomes on time and on budget, including assurances of match funding and resources where necessary.

5.4 Development Process

- 5.4.1 Recognising the level and range of services enabled by partnership funding, thorough assessments were undertaken to demonstrate the learning and potential risk within the system should services need to cease due to funding availability. The evaluation and assessment approaches focussed on supporting sustainability planning, to identify areas of good practice and learning able to be shared to introduce or strengthen regional models of delivery. The outcomes and impact of the projects, along with weighted prioritisation scoring and workforce implications were all included within detailed consideration packs for each strategic partnership to aid this process.
- 5.4.2 Gwent Regional Partnership Board reviewed the Strategic Portfolio Assessment at the meeting of 16th November 2021.
- 5.4.3 RPB approved the approach to develop strategic programmes, to bring together activity from different funding streams into single related strategic programmes.

5.5 Consequences of Tapering

- 5.5.1 As the RIF funding model prescribes a tapering arrangement during the course of the 5 year programme, budgetary match liabilities have been identified as a reflection of the status of individual projects, i.e. projects identified as accelerate, or embed agreed at strategic partnership development sessions.
- 5.5.2 The liabilities associated with the Regional Integration Fund are identified against the relevant delivery organisation, reflected within the table below.

Caerphilly CBC Specific schemes (See Appendix 2 for full breakdown)

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Funding Source	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Welsh Government grant funding	£2,252,360	£1,770,069	£1,645,371	£1,365,412	£1,365,412	£1,240,714
Additional funding required from Caerphilly CBC	£0	£482,291	£124,698	£279,959	£0	£124,698
Cumulative funding required from Caerphilly CBC	£0	£482,291	£606,989	£886,948	£886,948	£1,011,646

- 5.5.3 The above liabilities are reflected within RIF Executive reports that have been drafted for Directors across all health and social care to aid organisational consideration of liabilities within necessary governance mechanisms. A timeline of consideration has been developed, which identifies late October to mid-November for completion of considerations.

- 5.5.4 Consideration will be needed on schemes developed in partnership via the Regional Partnership Board to agree shared liabilities. The schemes to which this relates are included in the table below:
Regional Integration Fund – Regional Schemes

Funding Source	Project Name	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Welsh Govt grant funding	Various	£2,337,308	£2,012,207	£1,636,116	£1,544,746	£1,544,746	£1,168,654
Additional funding required from RPB	MYST Leadership Costs	£0	£88,767	£0	£59,178	£0	£0
	Shared Lives	£0	£8,104	£16,208	£0	£0	£16,208
	Home First	£0	£179,942	£359,883	£0	£0	£359,884
	My Mates	£0	£48,288	£0	£32,192	£0	£0
	Total	£0	£325,101	£376,091	£91,370	£0	£376,092
Cumulative funding required from RPB	Various	£0	£325,101	£701,192	£792,562	£792,562	£1,168,654

- 5.5.5 As identified within the development process, monthly updates regarding the funding model development have been provided to both Region Leadership Group and Regional Partnership Board. A special meeting of the Regional Partnership Board was arranged on 1 February to consider the draft guidance and implications of funding. It was acknowledged during this meeting that budget setting for the 2022-23 financial year had already been undertaken, therefore, no availability of budget to allow for tapering within year 1 of the programme.

5.6 Evaluation Framework

- 5.6.1 Results Based Accountability remains the methodology prescribed by Welsh Government for the evaluation of the Regional Integration Fund. As a reflection of the learning from both ICF and TF evaluations, Welsh Government have prescribed an Outcomes Framework for the evaluation of the Regional Integration Fund.
- 5.6.2 The outcomes framework, and associated technical guidance provide near 100 pages of guidance on the outcomes by model of care, associated indicators and methods for capturing data. This framework does not provide a recommended approach for measuring social value added. For preventative activity, social value added can be a useful evaluation metric. There are a wide range of methodologies available for this purpose; it may be appropriate to scope and test approaches to enable the Regional Partnership Board to agree a method for calculating social value added.
- 5.6.3 The continued programme development work in 2022-23 will focus on benefits realisation plans and evaluation strategies for each programme. A monitoring and evaluation framework has previously been developed for the RPB, aligned with the Results Based Accountability principles. There have been limitations to the data previously captured, lessons from this recognises for any evaluation framework to be

successful, regular and consistent data reporting from partnership organisations is vital.

5.7 Conclusion

- 5.7.1 The regional Integration fund is clearly the mechanism via which Welsh Government intend to fund Regional Partnership Boards in future. The new concept of tapered funding presents a financial challenge/pressure to the local authority which could ultimately require the authority to allocate further growth to Social Services or for the Directorate to cease or reduce some of its activity.

6. ASSUMPTIONS

- 6.1 None made.

7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

- 7.1 None anticipated.

8. FINANCIAL IMPLICATIONS

- 8.1 The financial consequences of the tapering arrangements are set out in paragraphs 5.5.2 and 5.5.4.

9. PERSONNEL IMPLICATIONS

- 9.1 There are no personnel implications associated with this report.

10. CONSULTATIONS

- 10.1 This report came before the Social Services Scrutiny Committee on Tuesday 11th October 2022.
- 10.2 The committee expressed significant concerns with regard to the tapering arrangements and in particular the consequences outlined in Table 5.5.2 of the report. Following a full discussion Members agreed they did not support the proposed tapering arrangements. Concerns were expressed re impacts on the Council's budgets going forward.
- 10.3 The Chair suggested that a letter outlining these concerns should be sent to the Welsh Government. The Cabinet Member for Social Care advised that she planned to write a letter to the Minister highlighting her concerns over the Fund's tapered funding model and this would reflect the views of the Scrutiny Committee.

11. STATUTORY POWER

- 11.1 Social Services and Wellbeing (Wales) Act 2014.

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Councillor Nigel George, Cabinet Member for Corporate Services and Property
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Appendix 1 [Welsh Government: A Healthier Wales: Our Plan for Health and Social Care](#)

Appendix 2 [Regional Integrated Fund – Growth Requirement for 2022/23 to 2027/28](#)