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WALES

Iechyd Cyhoeddus
Cymru
Public Health
Wales

Name of Meeting
Board
Date of Meeting
26 September 2019
Agenda item:
7.2.1.260919

Establishment of NHS Executive for Wales

Executive lead:	Phil Bushby, Director of people and Organisational Development
Author:	Phil Bushby, Director of People and Organisational Development

Approval/Scrutiny route:	Business Executive meeting
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Purpose

The background of creating an Executive Function for the NHS in Wales which was first outlined in 'A Healthier Wales'.

Recommendation:

APPROVE <input type="checkbox"/>	CONSIDER <input checked="" type="checkbox"/>	RECOMMEND <input type="checkbox"/>	ADOPT <input type="checkbox"/>	ASSURANCE <input type="checkbox"/>
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The Committee is asked to:

- **Consider** Welsh Government's intention to create an Executive Function for the NHS in Wales and the potential implications for Public Health Wales and its staff.

Link to Public Health Wales [Strategic Plan](#)

Public Health Wales has an agreed strategic plan, which has identified seven strategic priorities.

This report contributes to the following:

Strategic Priority	1 - Influencing the wider determinants of health
Strategic Priority	2 - Improving mental-well-being and building resilience
Strategic Priority	3 - Promoting healthy behaviours
Strategic Priority	4 - Securing a healthy future for the next generation through a focus on early years
Strategic Priority	5 - Protecting the public from infection and environmental threats to health
Strategic Priority	6 - Supporting the development of a sustainable health and care system focused on prevention and early intervention
Strategic Priority	7 - Building and mobilising knowledge and skills to improve health and well-being across Wales

Summary impact analysis

Equality and Health Impact Assessment	None required in relation to this paper
Risk and Assurance	The topic does not, at this stage appear on the risk register – once more is understood relevant risks will be considered
Health and Care Standards	This report supports and/or takes into account the Health and Care Standards for NHS Wales Quality Themes All themes
Financial implications	The financial implications will be further understood in the coming period as more information becomes available from Welsh Government.
People implications	There is a potential impact in relation to this report as some staff will be transferring into the NHS Executive Function. The implications will be further understood in the coming period as more information becomes available from Welsh Government.

1. Purpose / situation

The purpose of this report is to present an overview of the creation of an Executive Function for the NHS in Wales by Welsh Government.

2. Background

The notion of creating an Executive Function for the NHS in Wales was first outlined in 'A Healthier Wales: A plan for health and social care' which was published in June 2018. This stated that:

"We will strengthen national leadership and direction, linked to a regional focus for integrated local health and social care delivery. A new national executive function will speed up decision making and make the system more responsive to national priorities. This will include a shared planning approach at national, regional and local levels, supported by levers for change and quality statements."

More detail was provided in a letter dated 14 August 2019 from Andrew Goodall, Director General and Chief Executive NHS Wales, to chief executives which is attached as appendix 1.

3. Description/Assessment

The detail outlined in the letter has two immediate implications for Public Health Wales. First, and most importantly, that this will mean the transfer of 162 members of staff who are currently employed by Public Health Wales to the new organisation. These are either core members of our organisation or employed by us as part of a 'hosted' arrangement. The breakdown is shown in the table below:

1000 Lives	HC: 62	WTE: 59.27
Finance Delivery Unit	HC: 13	WTE: 12.85
Collaborative	HC: 87	WTE: 79.12
TOTAL	HC: 162	WTE: 151.25

Further detail of staff affected is available but not attached due to the personal nature of the data.

Secondly, we have been advised that the secondment of Joanna Jordan, Director of Mental Health, NHS Governance and Corporate Services as outlined in the letter from Andrew Goodall, will be a secondment into the NHS Collaborative.

There is no further detail currently available. Phil Bushby has met with Helen Arthur Director of Workforce and Department for Health and Social Services in Welsh Government and is awaiting further detail on the timing of the transfer and also the detail of the secondment for Jo Jordan. Welsh Government have advised that they will inform us as soon as possible.

Next Steps

- Work with Welsh Government to identify timescales and detail.
- Identify resource within PHW to ensure a successful transfer of 162 members of staff.

4. Recommendation

The Board is asked to:

- **Consider** Welsh Government's intention to create an Executive Function for the NHS in Wales and the potential implications for Public Health Wales and its staff.

Cyfarwyddwr Cyffredinol Iechyd a Gwasanaethau Cymdeithasol/
Prif Weithredwr GIG Cymru
Grŵp Iechyd a Gwasanaethau Cymdeithasol

Director General Health and Social Services/
NHS Wales Chief Executive
Health and Social Services Group



Llywodraeth Cymru
Welsh Government

To All Chief Executives

cc: All Chairs and Vice Chairs

Our Ref: AG/JJ/SB

14 August 2019

Dear Colleagues

ESTABLISHMENT OF AN NHS EXECUTIVE FOR WALES

I thought it might be helpful if I wrote to you to provide you with a more formal update on the plans for the establishment of the NHS Executive which you may wish to share more widely.

As you know, the decision to establishment an NHS Executive was announced in *A Healthier Wales*. This decision was based on the findings and recommendations of both the OECD Quality Review and the Parliamentary Review of the long term future of Health and Social Care published last year – both called for a stronger centre, additional transformational capacity and streamlining of current structures.

Our aim is to create an organisation that provides the strong leadership and strategic direction which any complex system requires if it is to be capable of change. It will ensure a consistent approach to planning, priority setting based on outcomes, performance management and accountability. It will both support and challenge health organisations in Wales and facilitate the development of capacity and capability across the systems.

We are currently mobilising a formal establishment programme and related team to deliver the new organisation following recent key Ministerial decisions on governance, leadership and outline functions. Whilst the programme to establish the organisation will be run from within Welsh Government, I do want to assure you that there will be full engagement with NHS colleagues in the detailed work that will now begin. This will include close engagement / consultation with those staff both within the NHS and Welsh Government likely to be affected by the creation of this new organisation.

Our aim will be to have made substantial progress on the establishment of the new organisation by the end of this year – this may involve it operating some of its functions in shadow form. Some elements of the organisation – such as the Finance Delivery Unit – were set up with a view to the establishment of the NHS Executive and are likely to be amongst the first assimilated into the new body.

Governance and Organisational Structure

The Minister for Health and Social Services has now determined that the NHS Executive will take the form of a Special Health Authority (SHA), using his powers under the NHS Wales Act 2008 – this was the preferred governance model proposed by the NHS Chairs group. However, it is intended that this SHA will have a lighter governance structure and accountability requirements than other NHS bodies. This lighter structure is appropriate as it is not intended, in the first instance, to transfer any formal powers to the new organisation – either from Government or from other NHS bodies. The NHS Executive will operate against a Mandate from Government and will be able to call on Welsh Government / Ministerial powers where necessary to deliver against the Mandate. There will be a formal duty and related Ministerial Direction for existing NHS organisations to co-operate with the SHA.

The NHS Executive will have an independent Chair appointed by the Minister under the normal public appointments process and who will be directly accountable to the Minister. It is likely that the Chair will be supported by just two other independent members.

For at least the initial two year establishment period, the dual role of Chief Executive of NHS Wales / Director General of Health and Social Services Group will continue and I will therefore act as the Chief Executive of the new organisation. This will ensure the direct line of accountability for the new organisation to the Minister. However, the organisation will be run on a day to day basis by the Deputy Chief Executive of NHS Wales. This arrangement will be formally reviewed in 2 years time.

Location

The Minister has agreed the main hub for the NHS Executive will be at Riverhouse (the current base for the NHS Collaborative). This decision was taken on the basis of minimising disruption to existing staff, availability of additional space, value for money, location and existing PSBR links. It is intended that there will be further smaller hubs located in North Wales (potentially in the Welsh Government's Llandudno office) and further west. This arrangement is intended to ensure the NHS Executive has presence across Wales and is accessible to all NHS bodies.

Functions

The more detailed functions for the new organisation will be settled as part of the establishment programme. However, the Minister has agreed the new organisation is being established to:

1. Strengthen planning capability

- Providing a central resource to develop a strong national planning capability and support national decision making alongside local delivery.
- Providing a dedicated central resource to support and challenge local IMTP development – including ensuring local organisations are maximising opportunities for integration through regional planning mechanisms, in particular with other public sector partners.

2. Reinforce and refocus national improvement, transformational and delivery capacity

- Providing common leadership for national programmes and networks.
 - Providing a single point of operational authority and decision making for national programmes and networks.
 - Ensuring synergy and alignment between Welsh Government priorities, and the focus of national programmes and delivery unit work programmes.
3. Enable stronger performance management and quality improvement support arrangements
- Building highly skilled additional capability and capacity to support organisations at risk of, or in escalation, that can be deployed flexibly across Wales.
 - Developing and implementing a Wales-wide system of levers and incentives – with the ability to draw on Ministerial powers of Direction where necessary.
 - Developing bespoke mechanisms for the system to learn from transformational success and share best practice – with a greater expectation of compliance across the system.

Building the new organisation

The new organisation will draw together and where necessary repurpose existing capacity in the system into a single harmonised delivery and accountability structure. In the first instance this is likely to include the following existing NHS infrastructure:

National Delivery and Improvement capability:

The following existing functions that currently sit within the NHS:

- NHS collaborative
- Finance Delivery Unit
- Performance Delivery Unit
- 1000 lives/Improvement Cymru
- Some elements of the National Clinical Commissioning Unit

National Clinical Programme capacity and capability:

- Clinical Networks and Implementation Groups
- Clinical Change Programmes
- The National Clinical Plan development team

Strategic national service change programmes – for example

- Imaging
- Digital Pathology
- Genomics
- WCCIS

The process of reviewing the existing Networks, National Programmes and Implementation Groups has now begun in order to ensure their governance, roles and functions are aligned

with those of the new organisation and will directly support the delivery of the agreed mandate.

Many of the Welsh Government's planning, quality and performance management and intervention functions will be undertaken by the new SHA - and the resource to deliver these functions and support local organisations will be enhanced and strengthened to enable more rapid deployment. This includes a national resource to support transformation across both health and social care.

Joint Committees

As recommended by the Parliamentary Review, the governance and hosting arrangements for the existing Joint Committees will be streamlined and standardised. It is intended that the NHS Executive will become a member of the Joint Committees Boards in order to ensure there is a stronger national focus to decision making. However, the joint committee functions will not be subsumed into the new SHA.

Appointments to the NHS Executive Board

The final composition of the Board will be settled as part of the Establishment Programme. However, it is intended that it will include medical and nurse leadership roles (working closely with the CMO and CNO for Wales who will remain within Welsh Government) as well as National Programme Director roles. The Welsh Government's Director for Social Services will also form part of the Board.

Appointments to the new posts will be made over the coming months but a number will be filled by transfers or secondments from Welsh Government or those already undertaking the roles within the NHS. As a first step, I have agreed that Jo Jordan will be seconded from Welsh Government to the newly formed National Programme Director for Mental Health to provide more immediate support to Carol Shillabeer as the lead Chief Executive. This early move is intended to ensure that the new body has a strong focus on mental health from its initial inception.

Existing NHS Board

We are due to meet later this month and I would welcome a discussion about the future role and purpose of our monthly Chief Executive meetings. The Leadership Board will not have oversight or authority over the NHS Executive as its reporting line will be directly to Welsh Government and will act as its agent. However, I would envisage the new Board being a key leadership board to support me in my joint role and inform and advise on national decisions and priorities as it does now. I have proposed that I will be looking for a representative Chief Executive around the NHS Executive Function Board, to support the oversight of its functions and delivery, and to act as a bridge back to the system.

Yours sincerely



Dr Andrew Goodall CBE