

# Agenda – Public Accounts and Public Administration Committee

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Meeting Venue:	For further information contact:
Video Conference via Zoom	Fay Bowen
Meeting date: 9 March 2022	Committee Clerk
Meeting time: 09.00	0300 200 6565
	<a href="mailto:SeneddPAPA@senedd.wales">SeneddPAPA@senedd.wales</a>

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In accordance with Standing Order 34.19, the Chair has determined that the public are excluded from the Committee's meeting in order to protect public health. This meeting will be broadcast live on [www.senedd.tv](http://www.senedd.tv)

## (Private Pre-meeting)

(09.00 – 09.15)

### 1 Introductions, apologies and substitutions

(09.15)

### 2 Papers to Note

(09.15 – 09.30)

#### 2.1 Scrutiny of public administration: Letter from Welsh Local Government Association (31 January 2022)

(Pages 1 – 2)

#### 2.2 Barriers to the successful Implementation of the Well-Being of Future Generations (Wales) Act 2015: Letter from the Chair of the Equality and Social Justice Committee to the Minister for Social Justice (15 February 2022)

(Page 3)

#### 2.3 Scrutiny of Accounts – Senedd Commission: Correspondence on use of the term BAME

(Pages 4 – 7)



**3 Governance issues at Betsi Cadwaladr University Health Board:  
Evidence session with the Health Board**

(09.30 – 11.00)

(Pages 8 – 32)

Mark Polin – Chair, Betsi Cadwaladr University Health Board

Jo Whitehead – Chief Executive, Betsi Cadwaladr University Health Board

Gill Harris – Deputy Chief Executive / Executive Director of Nursing And  
Midwifery, Betsi Cadwaladr University Health Board

Sue Hill – Executive Director of Finance and Performance, Betsi Cadwaladr  
University Health Board

**(Break)**

(11.00 – 11.10)

**4 Welsh Government's NHS Wales Escalation and Intervention  
Arrangements**

(11.10 – 12.00)

(Pages 33 – 51)

Judith Paget – Director General Health/NHS Chief Executive

Chris Jones – Deputy Chief Medical Officer/Medical Director NHS Wales

Steve Elliot – Interim Director of Finance

**5 Motion under Standing Order 17.42 to resolve to exclude the  
public from the meeting for the following business:**

(12.00)

Item 6 and the meeting on 23 March 2022

**6 Governance issues at Betsi Cadwaladr University Health Board:  
Consideration of evidence received**

(12.00 – 12.30)



# Agenda Item 2.1

Dr Chris Llewelyn

Prif Weithredwr / Chief Executive

**Cymdeithas Llywodraeth Leol Cymru**  
**Welsh Local Government Association**

Un Rhodfa'r Gamlas

Heol Dumballs

Caerdydd

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Dyddiad / Date: 31<sup>st</sup> January 2022

Ebost / Email: daniel.hurford@wlga.gov.uk

Mark Isherwood MS  
Chair  
Public Accounts and Public Administration Committee  
Welsh Parliament  
Cardiff Bay  
Cardiff  
CF99 1SN

Dear Mark,

## Scrutinising public administration

The establishment of the Public Accounts and Administration Committee is welcome and the wider remit to provides greater scope to scrutinise administrative matters relating to the Welsh Government and Sponsored Bodies.

The remit of the predecessor Public Accounts Committee provided scope to examine broader administrative matters and the Committee previously undertook several inquiries into matters of relevance to local government and local service delivery.

The Committee has received comprehensive evidence from several bodies who have a remit to review and report on public administration and governance within Wales, notably Audit Wales, the Public Services Ombudsman for Wales and the Future Generations Commissioner. The Committee therefore has a broad range of evidence, frameworks and principles upon which to draw to help shape and inform its programme of work and future inquiries.

The Committee will also be aware that local authorities' Audit Committees will be re-established from May 2022, with a broader statutory remit to review matters relating to complaints and performance and will become Governance and Audit Committees. Local authorities will also be required to undertake annual self-assessments and commission Panel Performance Assessments once per term to consider how local authorities are meeting the new performance requirements set out by the Local Government and Elections (Wales) Act 2022. The new 'performance requirements'

refer to the extent to which the local authority:

- is exercising its functions effectively
- is using its resources economically, efficiently, and effectively
- Its governance is effective for securing the above

The Welsh Government statutory guidance on 'Performance and governance of principal councils' is available [here](#) and the WLGA has produced two supplementary notes, a [Discussion Paper](#) on 'Self-assessment: Perspectives and Principles' and an [Advisory Note](#) on 'Developing and Embedding Self-Assessment Approaches'.

Through its consultation, the Committee has already received a broad range of proposed priorities to consider for its forward work programme. Several of the priorities are 'cross-cutting' and will be of relevance to many of the Senedd's Subject Committees, so there may be scope to under-take joint inquiries, should Standing Orders permit.

Although there will be a UK Public Inquiry into the COVID Pandemic, the Committee may wish to consider any lessons to be learned from the Welsh Government's and wider public service response to the pandemic, particularly relating to the development of One Public Service in Wales.

The Committee's ongoing work around the impact of the Wellbeing of Future Generations (Wales) Act 2015 will remain critical. It would be valuable, as part of the work, for the Committee to consider the Welsh Government's approach to multi-year settlements and commitment to review of specific grants, both of which would support longer-term, more strategic financial planning in local government and better alignment with the Wellbeing of Future Generations (Wales) Act.

The WLGA would welcome the opportunity to discuss with the Committee or its Secretariat as appropriate and looks forward to engaging constructively in the work of the Committee during the remainder of the term.

Yours sincerely,



**Councillor Anthony Hunt**  
WLGA Finance Spokesperson

**Y Pwyllgor Cydraddoldeb  
a Chyfiawnder Cymdeithasol**

**Equality and Social Justice  
Committee**

**Senedd Cymru**  
**Agenda Item 2.2**

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Jane Hutt MS  
Minister for Social Justice

15 February 2022

Dear Jane

**Future Generations Commissioner: Review of public bodies subject to the Well-being of Future Generations (Wales) Act 2015**

We held our annual scrutiny session with the Future Generations Commissioner on 7 February 2022.

One of the areas we discussed with the Commissioner was the current review of public bodies subject to the *Well-being of Future Generations (Wales) Act 2015* (the Act). As I noted during the Plenary debate on the Draft Budget 2022-23, we were concerned to hear about the number of additional public bodies currently being considered and the potential impact this would have on the Commissioner's capacity.

It is important that the resources allocated to the Commissioner be commensurate to the work that her office is expected to undertake. I would therefore be grateful if you could provide further information on this review, including the number of bodies being considered and whether you could update us on your consideration of the Commissioner's budget estimate, which asks for a significant increase in the Commissioner's resources.

During our scrutiny session, the Commissioner expressed concern about comments made by the former Permanent Secretary when giving evidence to the Public Accounts Committee in the Fifth Senedd. When asked whether she had had to challenge a Minister regarding an inconsistency between the policy or approach that a Minister wanted to take and the Act, the Permanent Secretary replied that she could not think of any examples. Could you confirm if you agree with this assessment? I would be grateful if you could outline what systems the Welsh Government has in place to ensure that its business and conduct is compliant with the Act.

I am copying this letter to the Future Generations Commissioner, the Chair of the Public Accounts and Public Administration Committee and the Chair of the Finance Committee.

Yours sincerely



Jenny Rathbone  
Chair, Equality and Social Justice Committee

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**Public Accounts and Public  
Administration Committee**

Manon Antoniazzi  
Chief Executive and Clerk  
Senedd Commission

10 December 2021

Dear Manon

**Use of the term BAME**

During the Committee's consideration of its draft report, Scrutiny of Accounts: Senedd Commission 2020-21, there were a number of references to the acronym BAME. One Member asked that this not be used as citizens who represent this community, feel it is offensive. The Committee Members were in full agreement and where the term had been used in the narrative rather than a direct quote from a publication or the Record of Proceedings, it was amended to read 'ethnic minority communities'. I am sure you will have seen this phrase in our recently published report.

The Committee asked that I write to you requesting that the Senedd Commission stops using the term BAME. The Commission on Race and Ethnic Disparities produced an independent Report in April 2021 for the UK Government to investigate race and ethnic disparities in the UK. One of the areas considered, was the use of the terms BAME and BME, and in March 2021, the Commission on Race and Ethnic Disparities recommended that the UK government stop using the term BAME. The UK government is currently considering its response to the Commission's Report.

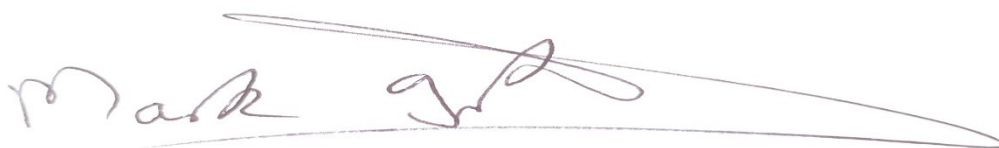
The Committee would welcome the Senedd Commission's views on this request once it has been fully considered.

Croesewir gohebiaeth yn Gymraeg neu Saesneg.  
We welcome correspondence in Welsh or English.

I am copying this letter to all Committee chairs requesting that consideration be given to not using the term BAME in any committee correspondence and publications.

Thank you

Regards

A handwritten signature in black ink, appearing to read 'Mark Isherwood', with a long horizontal flourish extending to the right.

Mark Isherwood MS  
Committee Chair

Prif Weithredwr a Chlerc y Senedd  
Chief Executive and Clerk of the Senedd

Mark Isherwood MS  
Public Accounts and Public Administration Committee Chair  
[by e-mail]

15 February 2022

Dear Mark

Thank you for your letter dated 10 December 2021 regarding the use of the acronym 'B.A.M.E' by the Senedd Commission.

Early during the Autumn term 2021, Commission officials consulted with the Commission's Race, Ethnicity and Cultural Heritage workplace equality network (REACH) regarding its preferences. Network members expressed a number of opinions, and the networks' collective preference was to retain the acronym B.A.M.E. As a result of your letter, the network has worked with the Commission's Diversity and Inclusion team to revisit the position.

The Senedd Commission considered the use of the acronym 'B.A.M.E' at its meeting on 31 January. The Commission considered a paper that set out some of the wider debate surrounding the use of the acronym and recognised the difficulty of capturing the complex histories and cultures of people from ethnic minority backgrounds in a single phrase or acronym.



Commissioners agreed that the Commission would:

- a. Observe context as a key driver for use of terminology and opt for specificity when using terminology wherever possible;
- b. Where specificity is not possible, to replace use of the acronym and collective term B.A.M.E. with the collective term(s) 'ethnic minority' and 'ethnic minority community'; and
- c. regularly review use of terminology and monitor internal and external debate.



In addition they agreed that Commission officials should seek meetings with those Members of the Senedd who are from an ethnic minority background to discuss the matter further, and that the



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information Commissioners had considered should form the basis of a briefing for Members, initially committee chairs.

Commissioners agreed that the guidance contained in the paper would be published internally to support Commission officials in drafting documents.

The Chairs' Forum will consider the item on Thursday 17 February 2022.

You will be aware that the Commission's Sixth Senedd Diversity and Inclusion Strategy is currently being consulted upon. Members have been asked to engage with the consultation process through the Members' Engagement Survey which is currently live. A number of Members have indicated that they would welcome a further discussion with Commission Officials, and these are currently being arranged. Similarly, if Members of the Public Accounts and Public Administration Committee would find a similar conversation helpful, please let me know, and I can make the necessary arrangements.

Yours sincerely



**Manon Antoniazzi**

**Prif Weithredwr a Chlerc y Senedd / Chief Executive and Clerk of the Senedd**

Croesewir gohebiaeth yn Gymraeg neu Saesneg. We welcome correspondence in Welsh or English.



# Agenda Item 3

By virtue of paragraph(s) vi of Standing Order 17.42

Document is Restricted



## **Report by the Betsi Cadwaladr University Health Board (BCUHB) to the Public Accounts Committee**

### **Purpose of the Report**

The purpose of this report is to provide the Public Accounts Committee (PAC) with an updated position in relation to:

- progress against the PAC recommendation for the Health Board contained in the May 2019 '*Governance Review of Betsi Cadwaladr University Health Board : Lessons Learned*' (recommendation 1)
- progress against the requirements set in the Targeted Intervention Improvement Framework
- action ongoing to ensure improvement in line with recent external reports, including vascular surgery and mental health services

### **Update on the recommendation for the Health Board in the May 2019 report “*Governance Review of Betsi Cadwaladr University Health Board : Lessons Learned*”**

The Report made one recommendation to the Health Board, as follows –

*Recommendation 1. We are unconvinced that sufficient resources are being devoted to turnaround action and although the Board has appointed a Director of Turnaround, we recommend the Board consider bringing in additional specialist external turnaround expertise to assist with this.*

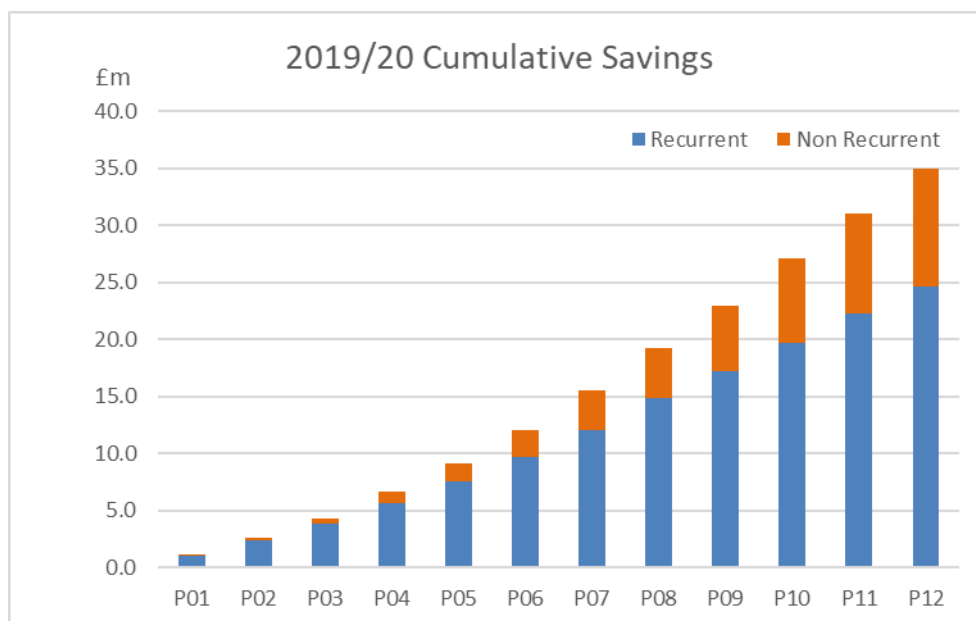
In the May 2019 Report, it was noted that the Chair of the Health Board had commissioned an external review of the Board's financial plan and capacity to deliver sufficient savings to ensure progress towards a balanced financial plan. This work confirmed the underlying financial deficit faced by the Health Board and identified the need for cash releasing savings of £35m to be delivered in 2019/20 in order to achieve the control total deficit of £25m set by Welsh Government.

In response to this report, the Health Board rapidly implemented a revised structure for the delivery of financial recovery. This was led by an experienced external Recovery Director. The Health Board invested in additional Programme Management Office capacity and capability to drive the savings programme and support enhanced financial governance.

A comprehensive Financial Recovery Programme was established in July 2019. This was overseen by a Financial Recovery Group, chaired by the Chief Executive, with input from Executive Directors and the Recovery Director. This Group also benefitted from the expertise of an Independent Financial Advisor to the Board. The Group oversaw a programme of weekly activity which sought new savings opportunities,

ensured the delivery of those schemes identified, and challenged where there were performance concerns, ensuring remedial action was in place. Across the organisation Divisions were engaged in a fortnightly review of their savings identification and delivery. A series of Executive led Improvement Groups were established to drive forward Health Board wide savings initiatives, with similar fortnightly progress reviews.

The combined impact of the external support commissioned and the appointment of the Recovery Director was seen in the growth of the savings programme from month 4 onwards, as shown below:



By the end of the financial year the savings programme had generated cash releasing savings of £34.9m, in line with its target, with £24.6m being recurrent. In addition to the generation of in-year savings, the programme was also building a plan over a three year period to support the drive to achieve financial sustainability.

As well as focussing on savings, the external review also included a review of the Board's financial baseline and key expenditure controls which were necessary to deliver robust financial governance. The review contained 54 recommendations and good progress was made in 2019/20 with implementation, however full completion was compromised by the onset of the COVID-19 pandemic in February 2020, which diverted resources to other priority workstreams. A summary of the implementation of the recommendations as at June 2020 is shown below:

Report Reference	Number of Recommendations	Recommendations Completed	Recommendations Outstanding	% Completion
Financial Baseline	32	26	6	81
Grip and Control - Pay	16	13	3	81
Grip and Control - Non Pay	6	6	0	100
Total	54	45	9	83

The implementation of the Financial Recovery Programme and the enhanced controls which supported it made a significant impact across the Health Board. The financial performance of the Board improved in 2019/20, with the deficit reducing by £1.6m from the level seen in 2018/19, as shown below :

<b>Financial Year</b>	<b>Deficit £m</b>	<b>Deficit as % of Revenue Resource Allocation</b>	<b>Savings delivered £m</b>
2014/2015	£26.60	2.10%	34.90
2015/2016	£19.50	1.50%	34.50
2016/2017	£29.80	2.20%	33.50
2017/2018	£39.00	2.70%	41.70
2018/2019	£41.28	2.77%	38.35
2019/2020	£38.70	2.39%	34.93
2020/2021	0	0.00%	18.39
2021/2022 (M9 forecast)	0	0.00%	17.95

Since early 2020, the impact of the pandemic upon the Health Board’s activities and priorities has been very significant. In line with other Health Boards, the focus upon savings has reduced, however savings of £18.4m were delivered in 2020/21 and forecast savings for 2021/22 are £18m. In 2020/21 the Health Board achieved a balanced financial position after receiving strategic assistance resource from Welsh Government, and is forecasting balance for 2021/22.

Improvements in overall financial management and control have had an increasing impact in recent years. The Audit Wales Structured Assessment 2021 (Phase 2) made the following observations which reflect an improving position:

“Finance reports provide sufficient and timely information on financial position, financial performance, cost savings and progress against the capital programme. Additional deep dives into specific areas of expenditure are periodically used to support understanding and scrutiny. Where there are new or amended contracts and agreements that have a financial implication to the Health Board, the Finance and Performance Committee is appropriately informed and provides appropriate challenge.”

“Over the last six months, we are seeing increasing emphasis on value, return of investment and efficiency at senior levels within the organisation. This is becoming more visible at Finance and Performance Committee, particularly within emerging business cases and is a welcome development.”

The comments above reflect a developing environment for effective financial management and governance within the Health Board, however there is a clear need to implement a more transformative approach to savings, built upon an increasing focus on efficiency and value.

As the Health Board prepares to return to a more stable operating environment in 2022/23, it is critical that the rigor and discipline that accompanied the financial recovery process is maintained, albeit in the context of a broader approach to quality improvement and transformation. Attention to the effective operation of key controls in terms of pay and non-pay expenditure, supported by strong accountability arrangements and challenge in relation to performance delivery will be key to success. This will be built into the Health Board's new operating model from April 2022.

The Health Board's work in developing its Integrated Medium Term Plan (IMTP) for 2022/2025 reflects this approach. Recognising previous observations made in relation to capacity to deliver, the Health Board has established a Transformation and Improvement Unit, which will add greater capacity and capability. Through delivery of transformation programmes, there will be a focus on securing improved services and patient outcomes, whilst in tandem yielding tangible and sustainable financial benefits.

In addition to the development of the Transformation and Improvement Unit, a Finance Improvement Team is being established through restructuring and reallocating resource from existing teams. This will provide increased capacity and capability within the finance directorate to support the savings programme, with a focus on delivering sustainable, recurring efficiency and cost savings across the Health Board.

The draft IMTP contains a requirement to deliver £35m of savings in each of the next three years, totalling £105m over the planning period. This has been informed by the Health Board's analysis of benchmarking and other external reference data. This analysis indicates the opportunity to deliver improvements that could secure financial benefits ranging between £70m and £114m, over a 3 year period. The value range is based on opportunities which have previously been assessed as having a high to medium confidence level in the quality of benchmarking. The opportunities are summarised in the table below -

Transformation Area	Low Opportunity £m	High Opportunity £m
Planned Care	19.8	36.7
Unscheduled Care	11.8	18.7
Mental Health	3.8	5.5
Other *	35.3	53.3
Opportunity Range	70.7	114.2

\*Note – Other includes primary care medicines management, continuing healthcare and workforce

Further analysis will be incorporated as the programme develops, making best use of national and peer benchmarking information to direct focus to areas where indicators show local services as performance outliers. This will lead to the identification of areas for potential pathway change, large scale service improvement and value work which will be progressed with support from the Transformation Team.

## **Progress against the requirements set in the Targeted Intervention Improvement Framework**

In November 2020, following advice and recommendation from the tripartite meeting of NHS Wales, Audit Wales and Healthcare Inspectorate Wales, the Welsh Government stepped the Health Board down from 'Special Measures' to 'Targeted Intervention'. The Health Board is in Targeted Intervention in the following four areas:

- Mental Health Service Management (adults and children)
- Strategy, Planning and Performance
- Leadership (including Governance, Transformation, and Culture)
- Engagement

The Targeted Intervention Improvement Framework uses a maturity matrix approach to evidence progress in the areas of concern. A maturity matrix is in tabular form and describes key elements of good practice along the y-axis, and graduations of 'maturity' along the x-axis; they are used to provide consistent and common language for a transformation programme and to highlight what 'good looks like' in a simple evidence-based road map of improvement.

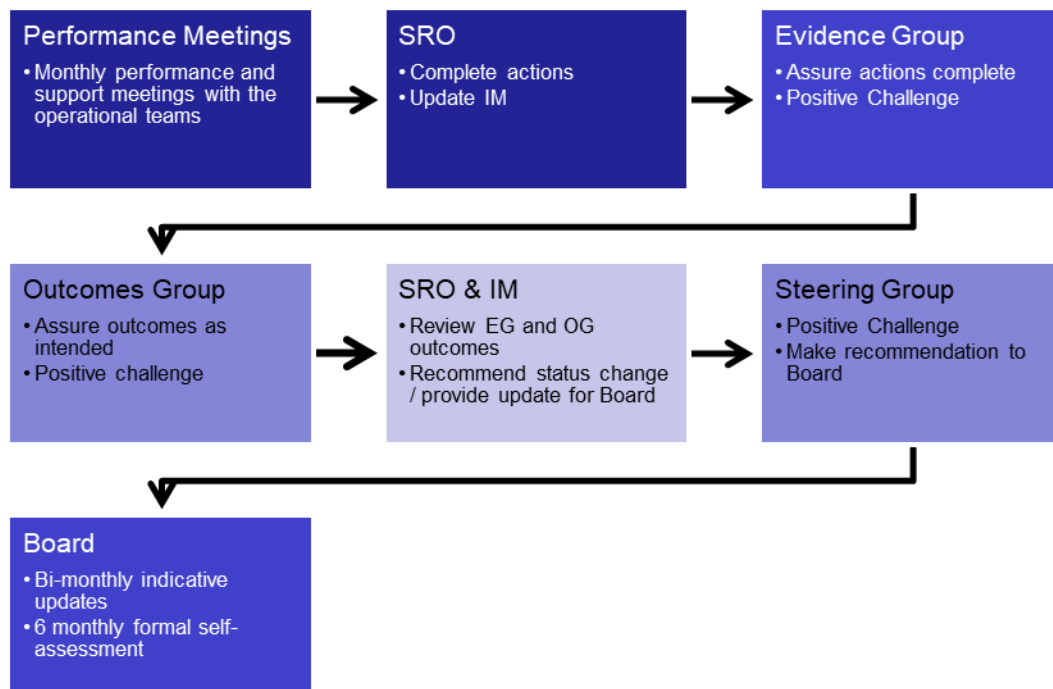
The maturity matrix approach relies upon an effective self-assessment process that rigorously challenges evidence of progress. Within the Health Board, the 'three lines of defence assurance model' has been adopted to support self-assessment and decision making regarding progress. The first line of defence is the operational team presenting the evidence to the domain Senior Responsible Officer (an Executive Director). The second line of defence involves check and challenge by our central Targeted Intervention Team, before being presented to the Evidence Group or Outcomes Group as the third line, which provide assurance for the Board.

The Evidence Group's role is to provide evidence-based assurance that actions within the matrices have been taken; the Outcomes Group's role is to provide evidence-based assurance that the impact of the actions is as intended to meet the required outcomes defined in the Targeted Intervention Improvement Framework.

The Evidence and Outcomes Groups are chaired by an independent (of the process) Executive Director and have representation from staff across the Health Board along with external representatives, including the Community Health Council.

The Targeted Intervention Steering Group checks and endorses the evidence before making recommendations to the Board. In addition, four Independent members have been identified as Link Members, to act as “critical friends” during the check and challenge process, receiving monthly updates and bringing their knowledge and experience into the evidence gathering and assessment process. The Board has also created the time and opportunity at workshops to discuss and challenge the evidence in detail prior to the formal self-assessment being considered by the Board in public.












This process for providing evidence and assurance to the Board is summarised in the diagram below:



A decision making framework is under development, to ensure consistency in making judgments on the effectiveness of completed actions as we move through the matrices.

The Targeted Intervention Improvement Framework seeks evidence of improvement over time, as reflected in progress through the maturity matrices. The Health Board conducted a baseline assessment in May 2021 and then published its first assessment of progress in November 2021. These assessments were presented in full to the public meetings of the Health Board and the outcomes are shown in the diagram below, along with the targets set for the next assessment in May 2022:



Progress Levels	0 - No Progress	1 - Basic Level Principle accepted and commitment to action	2 - Early Progress Early progress in development	3 - Results Initial achievements	4 - Maturity Results consistently achieved	5 - Exemplar Others learning from our consistent achievements
<b>Key Elements</b>						
All Ages Mental Health						
Planning and Performance						
Leadership		 				
Engagement		 				



Reference Point May 2021



Reference Point November 2021



Target May 2022

As may be seen from the above, there has been progress evidenced between May 2021 and November 2021, with all domains reported as Level 1 as at November. Looking forward to May 2022, the Health Board's expectation is that all domains will have progressed to Level 2. Within this level, there is a distinction drawn between a normal score, as shown for leadership, and a high score, as shown for the other three elements. This is a critical distinction and reflects the need to distinguish between evidence of action and evidence of impact. The ability to evidence the impact of changes made is critical to the improvement journey and is a pre-requisite for a high score.

Examples of progress noted between May '21 and November '21 are summarised below:

### All ages Mental Health

- CAMHS - Family Wellbeing Practitioner Service established, supporting the delivery of a primary care based early intervention service for families of children and young people presenting with concerns about emotional wellbeing and behavioural issues.
- Transition policy in place, describing the processes to be followed when a young person within Specialist Children's Mental Health Services requires continuing care from Adult Mental Health or other services eg eating disorders or substance misuse
- Adult Mental Health: Service Framework for the Treatment of People with Co-occurring Mental Health and Substance Misuse Problems in place, showing a closer relationship between the Area Planning Board Executive Board and the Together for Mental Health Partnership Board.

### Strategy, Planning and Performance

- North Wales Medical and Health Sciences School Task and Finish Group established in partnership with Bangor University to provide oversight to the

development of the Health Board's response to the Welsh Government North Wales Medical School Task and Finish Group recommendations

- Approach to Planning: Lessons Learnt Report developed, reflecting on the 2021/22 planning process, to steer future planning processes from Board and strategy level through to programme and operational level. Recommendations made for future years' planning, aligning strategy to the 2022/25 IMTP, and improving engagement within the organisation .

### Leadership, Governance and Culture

- The discovery phase of Mewn Undod mae Nerth/Stronger Together has been completed, engaging with over 1900 colleagues across the organisation. Feedback through our Stronger Together Community and co-design of our future through our People & OD Strategy work is underway. Design principles to improve '*How we organise ourselves*' agreed and engagement well underway on a preferred structure/operating model for the organisation.
- Board Development Programme in place, designed to align with the outputs from Discovery under Mewn Undod mae Nerth/Stronger Together, supported by both the Kings Fund and the Good Governance Institute. Key elements include:
  - Reflecting on the Board's contribution to the current state and commitment to the future state.
  - Reconnecting with the purpose of the organisation and how this aligns to national strategy and local needs.
  - Recognising the requirement to shift the Board's focus, in order to set the vision for the organisation, and the strategies required for achieving this vision.
  - Identifying and delivering changes to its ways of working to create the environment for improvement.
  - Recognising the importance of optimising the styles, experience and knowledge of the Board rather than focussing solely upon function
- Implementation of the new governance framework across the organisation commenced on 1 September 2021 with the aim of:
  - Balancing the focus on strategy, culture, and accountability
  - Improving structural line of accountability and assurance flows between underpinning groups, the executive team, committees, and the Board ie from 'floor to Board'
  - Enhancing focus on the people and transformation agendas

### Engagement

- Long Covid-19 group established, including health professionals and patients, as a collaborative approach to develop a multi-pathway model to access rehabilitation and treatment for Long Covid-19. Patients within the group are

actively involved in external Long Covid-19 support groups and have been prime in sharing information on their behalf.

- Parental Resilience and Mutual Support programme (PRAMS) established. Families can access support; one-to-one; Talking Therapy; actual or virtual groups. It provides a range of services along the maternity pathway beginning with '*You and Your Bump*' and '*You and Your Baby*' sessions continuing for families with children up to 16. Based on success in Flintshire, we are looking to extend the programme across North Wales.
- Staff Engagement in AMH: The on call survey was carried out across the Division to ascertain feedback from staff regarding the current On Call arrangements in the Division. The feedback and themes have been used to develop an option appraisal for consultation, supported by discussions at the MH&LD Joint Partnership Group meeting with staff side representatives.

Improvement and development work is now ongoing to enable further progress to be evidenced in relation to the next formal self-assessment in May '22. The following are examples of key actions which are expected to impact upon the assessed score:

#### All ages Mental Health

- Adult Mental Health; Continuation of service quality improvement aligned to the Ward Accreditation programme and the roll out of more Learning Events across the Division.
- Utilisation of developmental funding as a high priority in line with Board's Plan
- CAHMS; Continuation of service quality improvements aligned to the Access and Crisis work streams
- Transition; Joint training programme to progress further

#### Strategy Planning and Performance

- Development of a Value Based Health Care (VBHC) virtual programme to continue to identify and champion initiatives with strong VBHC principles, aligned with Lean Healthcare methodology
- Develop the IMTP and associated annual plan with clear prioritisation and affordable, deliverable targets.
- Develop of a high-level Clinical Services Strategy aligned to the refreshed Living Healthier Staying Well Strategy and the IMTP.

#### Leadership

- Continuation of the Board development programme and embedding the Governance Model at Board, Committee and Executive level

- Implementation of the new operating model and associated governance arrangements in shadow format from 01 April 2022
- Launch of the Best of Our Abilities programme, to make it easier to get the skills and capacity we need from both within and from outside to support our work

### Engagement

- Work with public and third sector partners to scope and co-design a pan North Wales engagement forum, to support the Regional Partnership Board and Public Service Boards with a co-ordinated approach to public engagement.
- Undertake a review of engagement processes and exercises across the Health Board, to identify the range and scope of engagement currently being undertaken and its impact, future plans and the support that is needed for services to ensure engagement is mainstreamed into core business.
- Use the new BCUHB intranet site to enable the widespread sharing of engagement toolkits and patient stories as well as expanding the range of support for staff online, complemented with offers of bespoke support as required.
- Review how we publish and share news online, including a look back at the performance of our digital communications channels and content to enhance future impact

### **Ongoing action to ensure improvement in line with recent external reports**

In recent weeks the Health Board has received and published three external reports which highlight deficiencies in the quality of care provided to patients. The Health Board has put these documents into the public domain at the earliest opportunity, reflecting the open and transparent manner in which the Board will address these concerns. Action taken to address the findings of these reports is set out below.

### Vascular Surgery

In late January 2022 the Health Board received the second of two reports arising from the invited review it had commissioned from the Royal College of Surgeons (RCS) in relation to vascular services. The Health Board published the report on 3<sup>rd</sup> February and unreservedly accepts the findings highlighted in the report. The quality of patient experience and outcomes described in the report are unacceptable and all Board Members are committed to ensuring that the service now develops, at pace, in the way that was originally envisaged.

The Executive and clinical teams are focused on both rapidly addressing the issues most recently highlighted but also ensuring the long term safety and sustainability of the service, supported in the short term by a closer working relationship with Liverpool University Hospitals NHS Trust and through some changes in the local clinical leadership of the service. Liverpool University Hospitals NHS Trust have

committed in principle to working to support our Multidisciplinary Team (MDT) meetings and these arrangements are to be formalised very soon through a Memorandum of Understanding between our organisations.

The action plan that has been produced in response to Part 2 of the RCS review, building on the existing Vascular Improvement Plan, is clear on the need to seek assurance on the extent of the failings, particularly in relation to note keeping and consent, across the Health Board.

The plan indicates how robust assurance of the effectiveness and sustainability of action will be managed and reported to the the Board and its Committees. In addition, the plans are currently being quality assured independently within the organisation to ensure consistency with our wider quality improvement methodology and the Targeted Intervention (TI) areas. Ensuring a consistent approach to transformation and quality improvement is key to ensuring the sustainable implementation of this essential work and wider impacts across the Health Board.

The Health Board is currently forming a Vascular Quality Panel to review the 44 cases in the Royal College review to ensure appropriate outcomes for patients are delivered and that there is a clear and open communication with patients and their families. The Terms of Reference for this panel are being developed to ensure that wider thematic reviews take place where necessary and an independent Chair for this panel has been appointed.

The action plans are monitored through the monthly Vascular Steering Group (VSG), chaired by the Executive Medical Director. The membership of the VSG includes representatives from the Community Health Council and patient representation. The VSG reports to the Quality, Safety and Patient Experience Committee and each public Board meeting.

### Mental Health

On 25th February two external reports, commissioned by the Health Board, were published relating to deaths which occurred within mental health units in North Wales. Patient D died at the Hergest Unit, Ysbyty Gwynedd in April 2021, while Patient A died at the Ty Llywelyn Medium Secure Unit, Llanfairfechan in October 2021. These are two very tragic cases and the Health Board has apologised to the families of both patients for the failures in their care.

The recommendations of these reviews have been accepted and the Health Board is determined to leave no stone unturned in order to learn lessons from these incidents. All of the recommendations are on track to be implemented within appropriate timescales.

In December 2021, Healthcare Inspectorate Wales published its report following unannounced visits to the Hergest Unit in Bangor. This report identified some immediate areas for action and made a series of recommendations regarding areas for improvement. These areas included the design and fabric of the building, staffing and the practice of nursing mixed cohorts of adults and older people in the same

ward. A detailed action plan was developed and published alongside the report and this is being progressed.

The themes within these reports resonate with previous reports and issues identified from other incidents. In light of this, the Chairman and Chief Executive determined that a single programme of action was required to drive improvement across mental health services. A summit was convened in December 2021, which included the Chair and Vice-Chair of the Board, the Chief Executive, Executive Directors and the senior leadership team from the Division.

The summit provided the opportunity for a thematic discussion regarding previous reports and incidents, leading to the identification of a programme of improvement which is designed to bring about change. The areas for improvement identified are as follows –

- Continued implementation of the ward accreditation programme for all inpatient wards
- Action to end the practice of mixed cohorting of adults and older people in the Hergest Unit
- Action to embed improvement methodologies within teams across the Division, through training and support for staff
- Active adoption of learning across the Division, with impact evidenced
- Development of training and competency assessment in areas such as suicide prevention and risk assessment; supported by audit of effective implementation
- Shared learning from incidents and reviews, with audit of impact
- Cultural interventions to support staff, building on the Health Board's Stronger Together Programme
- Enhanced governance within the Division and connection to Board wide systems

Progress against these interventions will be monitored on a monthly basis through regular meetings of the summit, with Board level leadership maintained to gain assurance regarding positive impacts upon service delivery. These actions will be reflected in the Targeted Intervention Improvement Framework monitoring arrangements.

The Health Board is adopting a consistent approach in responding to each of these separate reviews and work is ongoing to develop this into a standard process for addressing areas of quality concern across all services. This will extend from the identification of triggers to signal concerns early, assessing the implications of concerns and the type of response required (including reviews), adopting a standardised improvement process to drive and demonstrate change, communication with staff and communities, reporting and monitoring of progress. Internationally acknowledged best practice, drawn from the Institute for Healthcare Improvement (IHI) learning, will be used to design this standard process, with

training and development made available to clinicians and other staff to ensure its consistent, successful adoption.

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## Public Accounts and Public Administration Committee

### NHS Wales Escalation and Intervention Arrangements

March 2022

#### Evidence Paper, submitted by Welsh Government

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The Welsh Government welcomes the Committee's inquiry into the NHS Wales Escalation and Intervention arrangements. This evidence paper outlines the current escalation and intervention arrangements in NHS Wales and provides an update on the progress made since the fourth and fifth Senedd's inquiry into governance Issues and lessons learnt at Betsi Cadwaladr University Health Board.

#### The NHS Escalation and Intervention Framework

1. The current NHS Escalation and Intervention Framework was implemented in March 2014 in response to the recommendations from the 2013 PAC report (<https://gov.wales/sites/default/files/publications/2019-04/nhs-wales-escalation-and-intervention-arrangements.pdf>)
2. The escalation and intervention arrangements set out four levels:
  - I. **Routine Arrangement** – this indicates no enhanced monitoring or intervention with routine/ normal practices continuing.
  - II. **Enhanced Monitoring** – This phase is described as pro-active to put effective process in place to drive improvement in areas identified by the tripartite group.
  - III. **Targeted Intervention** – During this phase there will be co-ordinated and/ or unilateral action designed to strengthen capacity and capability of the NHS body to drive improvement.
  - IV. **Special Measures** – Current arrangement requires significant change, this could see Welsh Ministers intervening. This is considered in exceptional circumstances.
3. The principles governing escalation are:
  - The collective arrangements are predicated on effective and regular information sharing between Welsh Government and external review bodies which will be used to determine if there are serious concerns
  - The Welsh Government and external review bodies will inform the NHS body of the reasons for escalation and intervention wherever it is applied.
  - The form and extent of the action taken will be commensurate with the seriousness of the issue and the need to secure timely and effective improvement.
  - The NHS body will normally be expected to make the necessary improvements itself.

- NHS bodies will be expected to provide accurate and timely responses to requests for information, and to co-operate with action taken under these collective arrangements.
  - The Welsh Government and external review bodies will seek to co-ordinate requests for information in order to avoid placing undue burden on NHS bodies.
  - These collective arrangements are not designed to deal with individual complaints, the route for this is through existing channels such as Putting Things Right
  - The operation of these collective arrangements will be subject to regular review by the Welsh Government and external review bodies.
4. The Welsh Government and external review bodies to consider progress at regular tri-lateral Meetings. Tripartite partners have met twice a year and also held four special meetings to provide insight to the Minister on escalation levels of health bodies in Wales. The first tripartite meeting under these arrangements met in July 2014 and the most recent in February 2022.
5. Following each tripartite meeting, the Director General makes recommendations to the Minister for Health and Social Services on the escalation levels of health boards, trusts and special health authorities based on the discussions held during the meeting. All organisations are informed of their escalation status following each meeting. Where decisions are taken to alter the escalation position or concerns are highlighted then a written or oral statement may also be issued. (<https://gov.wales/written-statement-escalation-level-betsi-cadwaladr-university-health-board>)

### **The Current Escalation Arrangements for NHS Organisations in Wales**

6. Following the tripartite meeting on the 11 February 2022, health boards, trusts and special health authority escalation levels are as follows:

Aneurin Bevan University Health Board	Routine Arrangements
Betsi Cadwaladr University Health Board	Targeted Intervention for mental health, leadership, engagement and strategy and planning
Cardiff and Vale University Health Board	Routine Arrangements
Cwm Taf Morgannwg University Health Board	Special measures for maternity, targeted Intervention for quality and governance

Digital Health and Care Wales	Routine Arrangements
Health Education and Improvement Wales	Routine Arrangements
Hywel Dda University Health Board	Enhanced Monitoring
Powys teaching Health Board	Routine Arrangements
Public Health Wales	Routine Arrangements
Swansea Bay University Health Board	Enhanced Monitoring
Velindre University NHS Trust	Routine Arrangements
Welsh Ambulance Service	Routine Arrangements

7. Maternity service in Cwm Taf Morgannwg University Health Board is currently in Special Measures with the quality and governance aspect of the organisation in Targeted Intervention. Betsi Cadwaladr University Health Board, was de-escalated from Special Measures in October 2020 and is now in Targeted Intervention for mental health, leadership, engagement and strategy and planning.
8. Cardiff and Vale University Health Board, Swansea Bay University Health Board (formally Abertawe Bro Morgannwg University Health Board) and Hywel Dda University Health Board were all placed in Targeted Intervention in July 2016. Cardiff and Vale University Health Board was de-escalated to Enhanced Monitoring in January 2019 and then to Routine Arrangements in August 2019. Swansea Bay and Hywel Dda University Health Boards remain in Enhanced Monitoring after having been de-escalated in September 2020.
9. Since the introduction of the current framework, the tripartite partners, together with health organisations, have learnt lessons through the delivery and operationalisation of the arrangements. Many things have changed as a result of this learning. There is evidence that the current arrangements show some evidence of improvement amongst those health boards that have been escalated.

#### **Progress made since 4<sup>th</sup> & 5<sup>th</sup> Senedd's inquiry**

10. Welsh Government submitted a detailed response to the 27 recommendations contained within the 'Wider issues emanating from the governance review of Betsi Cadwaladr University Health Board' report. This was supplemented with the responses from both Healthcare Inspectorate Wales (HIW) and Betsi Cadwaladr University Health Board. A summary of some of the points outlined in that response include:

11. **Independent Member's attendance at Board:** A record of attendance of Board and committee meetings forms part of the evidence for discussions at the Chair and Independent Members meetings and within performance reviews. The Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulations 2009 and the respective membership regulations for the other NHS bodies sets out the for termination appointments if attendance is not to the require standard.
12. **Governance Good Practice:** Chief Executives are appointed as accounting officers with delegated responsibility for effective governance, leadership and accountability. Each organisation has a Board Secretary who has a crucial role in ensuring the ongoing development and maintenance of a strong governance framework within NHS bodies. Independent of the Board, the Board Secretary acts as the guardian of good governance within the organisation. The second edition of the Good Governance Guide was published in 2017 and this is made available to all Independent Board Members as part of their induction.
13. All newly appointed Independent Members participate in a local induction programme within their organisation and it is also a mandatory requirement for them to attend the national induction programme facilitated by Academi Wales.
14. **Independent Reviews:** Where organisations commission independent reviews of issues arising from serious concerns, we expect them to share the outcome with Welsh Government and where appropriate with the wider community, stakeholders and public. We have confirmed this with Health Boards.
15. **Concerns and complaints:** Putting Things Right provides a systematic means of looking into individual complaints and concerns. The NHS Delivery Unit and Welsh Government monitors quality and performance on a monthly basis and discusses any concerns with individual health boards at regular meetings.
16. **Ministerial Correspondence:** The Welsh Government has a government-wide database (called CABS) in place that records and tracks all Ministerial correspondence received. In relation to correspondence on health matters, any correspondence that raises concerns about quality and safety is referred to the Quality and Patient Safety team and the relevant policy team. This ensures that Welsh Government officials can identify and act on any emerging trends in respect of complaints or concerns.
17. **Terms of Departure for Senior Management:** Local health boards and trusts, acting as employers, consider all of the circumstances and options against individual employment rights and contractual obligations before making any determination regarding terms of departure for executives and senior posts. Furthermore, in the event that a termination payment is proposed they are required to consult the Welsh Government in advance.
18. **Reappointments of Independent Members:** Welsh Government continually reviews the re-appointment processes for independent members. Each request is considered on a case by case basis with advice from the Chair. The benefits of re-appointments are always balanced against the advantages of the introduction of fresh thinking to a public body and continuity to a board, as well as the skills

and experience mix of the board needed going forward. Re-appointments are agreed by the Minister for Health and Social Services based on advice from officials, having taken into account the above.

19. **Financial planning:** The statutory framework provided in the NHS Finance (Wales) Act 2014 requires health boards to prepare, on an annual basis, three year Integrated Medium Term Plans (IMTPs) that are financially balanced over the three years. The integrated approach is essential and the planning requirements cover more than just financial plans. The improved guidance and development of the NHS Wales Planning Framework has supported a growing understanding of what integrated planning looks like and how it can sustain and deliver services now and in the future.
20. The Betsi Cadwaladr University Health Board: Lessons Learnt Governance Review made three clear recommendations. All have progressed as demonstrated below:
21. **Turnaround support for Betsi Cadwaladr University Health Board:** Under the period of Special Measures, significant additional support, amounting to over £80 million was provided to the health board including investment to improve mental health and maternity services. In addition recurrent funding of £2.3 million per annum has been made available to support operational care structures. The health board has since been de-escalated from Special Measures and is now in Targeted Intervention. Improvement is required in a number of key areas, particularly in relation to:
  - Mental Health (adult and children)
  - Strategy, planning and performance
  - Leadership (including governance, transformation and culture)
  - Engagement (patients, public, staff and partners)
22. The approach to Targeted Intervention is underpinned by a maturity matrix approach, to track and evidence improvement. The Targeted Intervention comprises of a financial investment package announced on 27 October 2020 totalling £297m up to the end of 2023/24
23. **Publication of Reports:** When reports on failures in care are published the needs of those affected should be the primary concern and we need to ensure they are properly supported. Standard practice is to follow a publication and communications plan that provides the affected parties with copies of the report and expert briefing including an opportunity for them to ask questions of the authors. Health boards are expected to provide other technical and emotional support including, where needed, a helpline or access to counsellors. In line with the standard practice, journalists receive copies of reports and a briefing at the same time as affected parties at different locations. Reports are also shared with Senedd Members and other interested stakeholders.
24. There is always a need to learn lessons from the experience on handling publication of reports and ensure openness and transparency while, at the same

time, being sensitive to the needs of the people involved. This includes ensuring health boards are providing the appropriate information with the right technical and emotional support. This was reflected in how the families and staff were involved in the publication of the Royal Colleges report into maternity services at Cwm Taf.

25. **Commissioned reviews into failings within any Health Board in Wales are established independently of the Health Board in question:** This recommendation has resulted in action being taken to ensure commissioned reviews into failings are not led by the Health Board in question. This was demonstrated when the Minister for Health and Social Services asked for the Royal Colleges review into maternity services in Cwm Taf University Health Board to be commissioned and reported to Welsh Government, to avoid any conflict of interest and maintain independence.

#### Effectiveness of the current escalation framework

26. During the past eight years, the tripartite partners, Welsh Government, Healthcare Inspectorate Wales and Audit Wales, together with health organisations, have learnt lessons through the delivery and operationalisation of the arrangements. Many things have changed as a result of this learning and the framework has evolved accordingly.
27. The ability to convene special meetings has enabled the system to respond to immediate issues and take appropriate action.
28. Health boards have been escalated for a wide range of concerns and the nature of the escalation has helped support them to make the appropriate changes in the system.
29. However, having organisations in Special Measures for a prolonged period of time is not desirable. The longer an organisation stays in a heightened level of escalation the more it becomes the 'norm'
30. The framework as drafted is not clear about what factors would trigger a change in an organisation's status. There has been a tendency to widen the issues included under escalation rather than following due process and escalate issues in the agreed approach.

#### Review of the arrangements

31. Over the last 12 months, consideration has been given by the Welsh Government about the effectiveness of the current arrangements, as highlighted by some of the issues raised earlier in this paper, particularly around the need for clarity about the triggers for de-escalation or escalation.
32. Work on reviewing the arrangements has started. Firstly with a conversation with tripartite partners at two meetings in 2020 (January and August) and secondly a review was undertaken amongst all health boards and trusts in 2021. We have also done an external review on the effectiveness of escalation arrangements

33. The work undertaken so far does indicate that there is need to revise and refresh the current escalation framework. This work will commence in the next financial year and will align with our arrangements for establishing the NHS Executive.