

Public Accounts Committee - Governance Issues at Betsi Cadwaladr University Health Board (BCUHB)

Evidence Paper

The first section of this evidence paper sets out the timeline of events at Betsi Cadwaladr University Health Board leading up to it being placed in special measures. The second section outlines the reports and progress post being placed in special measures that includes details on mental health services and intervention support and the third section presents updates in relation to specific recommendations in previous PAC reports the Committee had noted were still to be implemented.

SECTION 1

➤ Timeline of events at Betsi Cadwaladr University Health Board leading up to being placed in special measures:

2009-2012

The **reorganisation of the Welsh NHS in 2009** led to the development of larger and integrated health boards. Betsi Cadwaladr University Health Board (BCUHB) came into being to deliver health services for the North Wales area following the amalgamation of two former trusts and six local health boards.

Concerns started to emerge during its formative years that the leadership arrangements at BCUHB were not driving the organisational and cultural integration that was necessary for the new organisation at sufficient pace. In 2012 this was further impeded by challenges associated with the financial position; the need to reconfigure services and on-going instability at senior Board leadership levels due to staff turnover and sickness absence.

2012-13

Meetings were held between The Wales Audit Office (WAO), Healthcare Inspectorate Wales (HIW) and Welsh Government to discuss and share concerns about BCUHB. As a result, it was agreed that HIW and WAO would undertake a joint review - *An Overview of Governance Arrangements – Betsi Cadwaladr University Health Board (BCUHB)*, which was published in **June 2013**.

The report is available to view on the link below:

https://www.audit.wales/system/files/publications/BCUHB_Joint_Review_English_2013.pdf

The joint report found that:

- the BCU governance arrangements and procedures did not adequately address the gap between the ward and the Board;
- routine governance arrangements within BCU had not paid sufficient attention to infection control;
- the effectiveness of the Board had been significantly compromised by a breakdown in working relationships between some senior leaders in the organisation; and
- the Board collectively lacked the capacity and capability to provide appropriate levels of scrutiny in relation to service delivery.

The National Assembly for Wales Public Accounts Committee (PAC) undertook an inquiry into the governance arrangements at BCU and how they were being addressed during 2013.

During this time there was a change in senior leadership with Peter Higson appointed as the Chair of the Health Board in September 2013. He led on the recruitment for a new Chief Executive who came into post in June 2014.

PAC published its report in December 2013 and received regular written and oral updates on progress against the recommendations from Welsh Government and BCUHB, taking account of further reporting by the WAO and HIW.

The Tawel Fan Ward, an older people's mental health ward in the Ablett Unit at Ysbyty Glan Clwyd, was closed in December 2013 following concerns being raised about the quality and safety of care provided. The Health Board had undertaken internal investigations resulting in some staff being removed from clinical duties. As a consequence, patients were transferred to other care settings.

As a result of Tawel Fan and wider concerns Mental Health Services in BCUHB were formally placed under enhanced monitoring by Welsh Government in December 2013.

2014

In January 2014, BCUHB commissioned an independent external reviewer, Donna Ockenden, to look at the concerns raised on patient care on the Tawel Fan ward

The **NHS Wales escalation and intervention arrangements** were reviewed and new more formal tripartite arrangements introduced in April 2014, responding to a recommendation from the 2013 PAC report. The advice and trigger to changes of escalation status is now managed through a tripartite process involving HIW, WAO and Welsh Government together. Under these arrangements, the Welsh Government meets with the WAO and HIW twice a year to discuss the overall position of each health board and NHS trust and this information is published. Ad hoc or special meetings are also arranged in between these meetings if necessary.

The framework has four escalation levels:

- ☐ Routine arrangements

- ☐ Enhanced monitoring
- ☐ Targeted intervention
- ☐ Special measures

The Board were updated on the Donna Ockenden review progress in July 2014. In September 2014, the Ockenden Report was shared with North Wales Police who confirmed that they would formally investigate.

BCUHB were aware of the need for a more formal, clinical investigation to take place to consider the need for formal disciplinary/professional sanctions processes against members of staff and to meeting the requirements of the “Putting Things Right” regulations.

The more formal clinical investigation could not begin until the North Wales Police investigation had been concluded.

In November 2014 BCUHB moved from ‘enhanced monitoring on mental health’ to ‘the whole organisation being under targeted intervention’ under the new escalation and intervention arrangements. The reason for the escalation related to significant challenges to the financial plan for 2014/15, significant concerns around the delivery, safety and quality of mental health services and the management and control of capital schemes and governance concerns

The first stage of BCUHB targeted intervention was a diagnostic review undertaken by Ann Lloyd between December and February 2015 (published June 2015). The report is available on the following link:

<http://www.wales.nhs.uk/sitesplus/documents/861/Ann%20Lloyd%20Report.pdf>

2015

The Ockenden report was published in May 2015 and attracted intense media interest. The report provided a view of care on the ward, drawing on information from 40 members of staff and 18 family members and close friends. The report concluded that there was a culture on the ward that resulted in institutional abuse. The report was accepted by the Health Board, who determined that Ockenden’s findings warranted further investigation to achieve a full picture of the care provided on the ward prior to its closure.

North Wales Police also in May 2015 advised that no criminal charges were to be brought in relation to the concerns raised regarding care on the Tawel Fan ward. Investigation and enquiry process in relation to Tawel Fan is outlined in more detail in the introduction section of the final HASCAS report.

<http://www.wales.nhs.uk/sitesplus/documents/861/HASCAS%20report%2C%20May%202018%20%28eng%29.pdf>

On 8 June 2015, the Minister for Health and Social Services notified the Chair of the BCUHB that it was being placed in special measures due to failings in service delivery, organisational effectiveness, and the quality and safety of care in a range of

areas, including the provision of mental health services, maternity services and primary care including out-of-hours services. This was in line with the NHS Wales Escalation and Intervention Arrangements and intervention powers contained in sections 26 and 27 of the NHS (Wales) Act 2006. This was the first time Welsh Government had placed a health board in Wales in special measures. Under the special measures arrangements in place for BCUHB the Board has remained responsible for progress and actions, led by the Chair and Chief Executive and Welsh Government has not taken over the operational management of the Health Board. The Minister statement to the National Assembly on the 9 June is available on the link below:

<http://www.assembly.wales/en/bus-home/pages/rop.aspx?meetingid=3169&assembly=4&startDt=01/06/2015&endDt=15/06/2015#C223738>

Following the Minister's decision, BCUHB suspended its Chief Executive with immediate effect. The Minister asked Simon Dean, Deputy Chief Executive of the Welsh NHS, to undertake the interim chief executive role.

SECTION 2

➤ BCUHB Special Measures Reports and Progress

Following being placed in special measures BCUHB updated the public and the Welsh Government regularly updated the National Assembly on arrangements and progress.

A series of 100-day plans, commissioned by the interim chief executive, were put in place across the health board in June 2015. As a result extra 27 midwives were appointed following a recruitment drive and all the key milestones in the GP out-of-hours services plan were delivered. A report on the end of the 100 day period was reported and published by BCUHB in September 2015 and is available to view on the link below:

<http://www.wales.nhs.uk/sitesplus/documents/861/100%20Day%20Update%20-%20September%202015.pdf>

In August 2015, BCUHB in recognition of the need for further investigation and review of the care and treatment provided on the Tawel Fan Ward, commissioned an independent comprehensive investigation from HASCAS Consultancy Limited. This encompassed thematic lessons for learning report, individual patient reports to support the Putting Things Right process and individual staff reports to support employment processes. Alongside the HASCAS investigation, a governance review was commissioned from Donna Ockenden. The review was to focus on the governance arrangements relating to the care of patients on Tawel Fan Ward prior to its closure and current governance arrangements in older people's mental health services within the Health Board.

The Deputy Minister for Health issued a statement on the 22 October 2015. This informed Assembly Members BCUHB would remain in special measures for a minimum of two years recognising that longer term plans were needed to build on the initial phase of stabilisation in order to tackle the more fundamental challenges, particularly to improve mental health services in North Wales.

<http://www.assembly.wales/ministerial%20statements%20documents/bcuhb-special-measures-update/151022%20betsi%20eng.docx>

A further statement by the Deputy Minister in November 2015 outlined the intervention support being provided under special measures

<http://www.assembly.wales/ministerial%20statements%20documents/betsi-cadwaladr/151104betsien.docx>

The support included:

:-

- Ann Lloyd, former Chief Executive of NHS Wales, providing oversight and supporting board governance work, including work on behaviours and etiquette; the development of the board assurance framework and review and restructuring of the committee structures;
- Specialist planning expertise commissioned to scope the planning requirements to develop a medium term plan;
- Peter Meredith-Smith providing advice on progress under mental health and also focussing on ensuring BCUHB kept pace with the Wales-wide child and adolescent mental health service (CAMHS) improvement programme;
- Dr Chris Jones, former Chair of Cwm Taf University Health Board, providing advice in respect of out-of-hours improvement and support some specific cluster development opportunities;
- Provision of resources to develop the engagement capacity and capability within the organisation. Ann Lloyd would also provide oversight on evaluating the success of BCUHB engagement activity.

In January 2016, a statement was published on the special measures improvement framework setting out the milestones for BCUHB to achieve by May 2016, November 2016 and November 2017.

<http://www.assembly.wales/ministerial%20statements%20documents/betsi-cadwaladr-university-health-board-special-measures-improvement-framework/160129specialmeasuresen.docx>

BCUHB published its first progress report on meeting the special measures milestones in May 2016;

http://www.wales.nhs.uk/sitesplus/documents/861/16_91%20Special%20Measures%20Improvement%20Framework%20End%20Phase%201%20Report%20v1.0.pdf

On 24 June 2016, the Deputy Minister for Health issued a statement on progress under the first phase of the improvement framework and conclusions from the discussions at the tripartite meeting under the escalation and intervention

arrangements. This noted significant progress in maternity, primary care and out-of-hours services. The statement also set out expectations on the further progress needed in transforming mental health services, especially on the development of the longer-term strategy and more immediate assurance on implementation of recommendations from HIW reports including shared learning across North Wales.

<http://www.assembly.wales/ministerial%20statements%20documents/betsi-cadwaladr-university-health-board/160624%20vg%20betsi%20-%20english.doc>

The BCUHB progress report on the second phase of milestones set out under the special measures framework was published in November 2016:

<http://www.wales.nhs.uk/sitesplus/documents/861/Special%20Measures%20Improvement%20Framework%20End%20Phase%202%20Report%20v3.0%20website.pdf>

In January 2017, the Cabinet Secretary for Health, Well-being and Sport wrote to North Wales Assembly Members, Health spokespeople and Chair of Health, Social Services and Sport Committee on his decision to set up an independent oversight panel for the HASCAS investigation and the independent governance review relating to the care and treatment of patients on Tawel Fan ward. The panel was established to provide assurance on the integrity of the investigation and governance review and ensure they were concluded in a timely way.

The follow up review by HIW/WAO published in June 2017

<http://www.assembly.wales/laid%20documents/agr-ld11088/agr-ld11088-e.pdf> recognised there was evidence of progress under special measures against the milestones set in the special measures improvement framework. This included successful recruitment to improve medical and midwifery staffing levels in maternity services, delivery of a new model of primary care in Prestatyn, improved governance arrangements and working in partnership to develop and agree a mental health strategy *Together for North Wales*. The review also noted that BCU continued to face a number of significant challenges including its financial position, its plans for service change and concerns relating to mental health services.

BCUHB published its third progress report under the special measures improvement framework milestones in January 2018:

<http://www.wales.nhs.uk/sitesplus/documents/861/BCU%20Special%20Measures%20Improvement%20Framework%20End%20of%20Phase%203%20Report%20v2.0%20Final%20Approved%20subsequent%20submission%207.2.181.pdf>

Review of progress made by BCUHB under special measures was considered with the external review bodies under the escalation arrangements in early December 2017. On February 1 2018 the Cabinet Secretary for Health and Social Services announced due to progress made, maternity services was to be de-escalated as a specific special measures concern but finance and some areas of performance would now come under the 'special measures' arrangements. The statement

<http://www.assembly.wales/ministerial%20statements%20documents/update%20on%20escalation%20status%20review%20of%20health%20organisations%20and%20additional%20support%20for%20betsi%20cadwaladr%20university%20health%20board/180201%20update%20on%20escalation%20status%20review%20of%20health%20organisations%20-%20english.doc> also reported on the further support being put in

place for the organisation and detailed the key milestones to April 2018 against which BCUHB would be measured to ensure it was making adequate progress.

On May 8 2018, the Cabinet Secretary for Health made an oral statement <http://record.assembly.wales/Plenary/4981#A43428> on the findings of the HASCAS report, progress being made in mental health services and also published the special measures improvement framework May 2018 – September 2019. You can view the framework on the link below:
<https://gov.wales/docs/dhss/publications/180508bcu-improveen.pdf>

A further oral statement outlining progress was made on 5 June 2018 at the third anniversary of BCUHB being placed under special measures arrangements <http://record.assembly.wales/Plenary/4987#A43885>. The statement noted the improvements made in maternity services that had resulted in the service being removed from special measures and continued investment in the estate and services with the major on-going significant refurbishment work, involving over £160million investment on the Ysbyty Glan Clwyd site due to be fully completed in December this year and the Sub Regional Neonatal Intensive Care Centre (SuRNICC) opening in summer 2018. This has repatriated specialist care from other regional areas and involved a successful recruitment campaign to attract specialist doctors and nurses. A further £2.2 million of funding has also been provided from Welsh Government to convert a theatre at Ysbyty Glan Clwyd to a hybrid theatre capable of performing complex vascular surgery. This will bring patient benefits and is already increasing the attractiveness of the Health Board in terms of recruitment of consultants and improvements in surgical training. It is important to note the Health Board has continued to recruit and currently at its highest level of workforce (on record) despite the special measures category and this has helped reduce areas of spend in agency and locum posts materially. The statement also focused on the ongoing challenges in finance and some areas of performance.

The Cabinet Secretary for Health also made a statement on the 17 July 2018 in the National Assembly following the publication of Donna Ockenden's Governance Review. <http://record.assembly.wales/Plenary/5000#A45073>. The statement noted the findings that had drawn on other reports, reviews and inspections of the Board since 2009. It also reported on recent improvements in mental health services especially in relation to the management structure and findings from the latest HIW annual report that noted areas of continuing concern, but also, overall, patients were happy with the care they received, staff felt supported, and there was good evidence of patient-focused care. It also highlighted that BCUHB had been open and responsive throughout its involvement with HIW and, importantly, that the leadership has strengthened since 2013 and is more effective following fundamental changes to its structure.

In July 2018, the Cabinet Secretary agreed a further £6.8 million investment under special measures arrangements to strengthen governance and accountability through joint working with clinicians and partners to deliver substantial improvements in planned and unscheduled care, across all acute specialties.

The funding will increase the health board's capacity and capability in the following areas:

- £4.6m (£2.3m per annum) will be used to strengthen delivery, planning and service improvement capacity in the operational secondary care structure;
- £1.7m (£892,000 in 2018/19 and £826,000 in 2019/20) will support the turnaround process by strengthening programme management and analytical demand capability;
- £0.5m will increase capacity within the mental health and learning disabilities division by extending the pilot project 'Right Care and Repatriation Programme'. This will ensure patients receive the care they need through the correct care package, in the right environment and that timely transfer or discharge occurs when clinically appropriate to do so.

The new Chair, Mark Polin, took up post in September 2018 having evidenced a good appreciation of the challenges faced by the organisation through the appointment process. Early observation would suggest that he is already bringing clear direction and leadership for improvement. The recruitment of a new Vice-Chair and independent and executive appointments has renewed the Board and will provide more rigorous and consistent oversight at Board and Committee level

BCUHB reported on progress on the expectations set out in its current improvement framework at its Board meeting on the 1 November. The report is available on the link below:

<http://www.wales.nhs.uk/sitesplus/861/opendoc/334794>

The Cabinet Secretary for Health updated Assembly Members on progress in an oral statement on the 6 November, 2018:

<http://record.assembly.wales/Plenary/5361#A46441>

He highlighted the improvements led by the new Chair in renewing and realigning Board business and committees work and establishing a more robust appraisal and assurance system. He also noted the increased commitment to and impetus on partnership working from the board to support 'A Healthier Wales' and the transformation agenda and the results of the NHS staff survey 2018 showing positive changes since 2013 and 2016, most notably in staff engagement. That includes an 18 per cent increase from 2013 of staff who say that they are now proud to work for BCUHB. Improvements reported in mental health services included confirmation of a new and visible senior management team, appointment of a new mental health nursing director, creation of listening leads across front-line staff and the launch of the 'Today I can'.

Further updates are required in April and October 2019. To be considered for de-escalation from special measures the Welsh Government will need to be assured that progress is being made in key areas and that they are sustainable, these include:

- Sustainable improved performance in areas of quality, unscheduled and planned care;

- Progress in delivering the mental health strategy and actions agreed in response to the recommendations in the Deloitte, HASCAS and Ockenden reports;
- Approved three year plan for 2019-2022 developed in partnership with staff and partners;
- Continued improvements in compliance with relevant mental health targets including those set out under the mental Health Act and Mental Health (Wales) Measure;
- Financial plans are delivered as agreed and demonstrating an improved position as set out in the three-year plan.

On a strategic level, the Welsh Government continually reviews progress in regular oversight meetings with BCUHB. Recent meetings have highlighted the most recent statistics show that there 6,574 patient pathways over 36 weeks which is a decrease of 3,034 (32%) compared to October 2017 and no one is waiting over 14 weeks for therapies treatment.

It is also important that in focusing on areas of improvement needed under special measures we do not overlook and report on areas of good practice, including work on population and public health, for example immunisation measures and Ysbyty Gwynedd being the first acute hospital site in Wales to be awarded the status of being a dementia friendly site.

SECTION 3

➤ **Update on progress against the recommendations from the previous two PAC governance issues at BCUHB Reports during the Fourth Assembly.**

The Committee has asked specifically for an update on recommendations 18 and 19 of the first report on 'Governance Arrangements at Betsi Cadwaladr University Health Board' published in December 2013 and paragraphs 104 – through to the conclusions and recommendations on page 42 of the follow up review on the 'Wider issues emanating from the governance review of BCUHB'.

Recommendations 18 and 19 in the first report focused on the importance of sharing findings of external reviews so they are widely utilised to learn lessons and improve processes and that senior leaders set a clear vision for their organisations to respond to the three challenges of developing service, workforce and financial plans. Recommendation 19 also noted 'given the issues around governance arrangements at BCUHB, it is imperative that the new senior management of the Board renew and reunite the Executive and non-Executive leadership team, and close the gap between the Board and wards'.

I can confirm the sharing of findings of external reviews are routinely disseminated to the wider NHS in order to ensure we learn lessons and drive improvements. This has included the Trusted to Care, HASCAS, Ockenden and the Deloitte financial

governance reports being shared with all NHS bodies and Chief Executives specifically asked to consider the findings and recommendations in respect of their own organisations. In the case of learning from Trusted to Care, the programme of unannounced independent spot checks to all district general hospitals across Wales provided an opportunity to identify a number of wider system improvements. The Learning from Trusted to Care – One Year On report published in September 2015 made further recommendations at a national level and these continue to help inform our approach in delivering high quality care.

We also disseminate information and seek assurance on concerns prompted at an organisational level, for example, this was done following the recent concerns regarding maternity services at Cwm Taf University Health Board.

'A Healthier Wales' also in the drive for transformation sets out how we will use 'design principles' to align, learn and deliver change in health and social care. The 'design principles' include evidence in learning from and working with others and ensuring that good practice scales up from local to regional to national and across teams and organisations. As a learning system, the 'design principles' will be reviewed in three years and refined as needed.

Welsh Government is also ensuring lessons learnt from placing the first health board in Wales under special measures inform our future thinking and plans in relation to the escalation and intervention arrangements. We will during 2019 work with HIW and WAO on reviewing the escalation and intervention arrangements introduced in 2014.

Our planning guidance has moved on considerably since the previous PAC reports were published with the statutory framework provided in the NHS Finance (Wales) Act 2014 requiring all LHBs to produce IMTPs against national guidance and the need for formal approval. 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. The Parliamentary Review also called for the IMTP planning process, as the bedrock of our planned system in Wales, to be strengthened. *A Healthier Wales* therefore provides a commitment to better align IMTPs with Area Plans, and wider Well-being Plans, as well as setting out the challenge to streamline the IMTP process itself. We need to ensure the end point is not the physical development of a plan, but rather an engrained planning philosophy and process and the work to strengthen this is ongoing.

In BCUHB, since the publication of the reports, there has been significant change at a leadership level at both Executive and non-Executive on the Board to renew and drive improvement. The new Chief Executive started in post in February 2016 and during the same year a new Director of Mental Health, Medical Director and Executive Director of Nursing was appointed. Further changes to the Executive team has included a new Executive Director of Public Health and in 2018 an Executive Director of Workforce and OD started in post in April an Executive Director of Primary Care in September and Executive Director of Planning and Performance in November. Eight of the nine Executive Director positions on the Board have changed since BCUHB was placed in special measures. On a non executive level a new

Chair and Vice Chair started in post in September 2018 and six new non executive members have also been appointed since June 2015.

Since starting in post the new Chair has introduced improved governance arrangements that include a new appraisal system with more frequent (quarterly) appraisals for Independent Members and the Chief Executive and a requirement for Committee Chairs to submit Assurance Reports to the Board that include mitigating actions for concerns and risks identified. He has also led on revising the schedule of Board meetings, mainstreaming of special measures expectations into committee business, and committee membership in order to support good governance.

A new schedule of Board member walkarounds commenced in November 2018. In addition, some Board members have also attended Board meetings at other organisations deemed to be high-performing, for good governance benchmarking purposes.

Paragraph 104– through to the conclusions and recommendations on page 42 of the follow up review report focuses on mental health services. BCUHB has provided regular updates on progress in mental health services in its reports on the milestones set under the special measures improvement framework and its response to the recommendations in both the HASCAS and Ockenden Reports. Links to the special measures progress reports are provided under section 2 of this paper. BCUHB in its recent progress update published in November 2018 under mental health services notes ‘improvement actions initiated during the three phases of the first improvement framework have been built upon, to ensure a fully operational management structure, the implementation of the ‘Together for Mental Health’ Strategy, compliance with targets, quality improvement, appropriate responses to Health & Social Care Advisory Service (HASCAS)/Ockenden recommendations and the elimination of service user out of area placements.’