

## **Explanatory Memorandum to the Local Health Boards (Area Change ) (Wales) (Miscellaneous Amendments) Order 2019**

This Explanatory Memorandum has been prepared by the Department for Health and Social Services and is laid before the National Assembly for Wales in conjunction with the above subordinate legislation and in accordance with Standing Order 27.1.

### **Cabinet Secretary's Declaration**

In my view, this Explanatory Memorandum gives a fair and reasonable view of the expected impact of Local Health Boards (Area Change) (Wales) (Miscellaneous Amendments) Order 2019 and therefore, I am satisfied that the benefits justify the likely costs.

**Julie Morgan**

**Deputy Minister for Health and Social Services,  
under the authority of the Minister for Health and Social Services, one of  
the Welsh Ministers**

25 February 2019

## **1. Description**

This Statutory Instrument amends the Local Health Boards (Establishment and Dissolution) (Wales) Order 2009 and makes associated consequential changes to the:

- Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulations 2009
- Welsh Health Specialised Services Committee (Wales) Regulations 2009
- Community Health Councils (Establishment, Transfer of Functions and Abolition) (Wales) Order 2010
- Community Health Councils (Constitution, Membership and Procedures) (Wales) Regulations 2010
- Mental Health (Regional Provision) (Wales) Regulations 2012
- Emergency Ambulance Services Committee (Wales) Regulations 2014
- Safeguarding Boards (General) (Wales) Regulations 2015

## **2. Matters of special interest to the Constitutional and Legislative Affairs Committee**

None.

## **3. Legislative background**

Welsh Ministers make the Order in exercise of powers conferred on them by sections 11, 203(9) and (10) and 204(1) of and paragraphs 11 of Schedule 2 to the National Health Service (Wales) Act 2006.

The instrument is subject to the Negative Procedure by virtue of section 203(4) of the National Health Service (Wales) Act 2006.

## **4. Purpose & intended effect of the legislation**

The Order amends Schedule 1 to the Local Health Boards (Establishment and Dissolution) (Wales) Order 2009 to provide that Bridgend principal local government area is assigned to Cwm Taf Local Health Board with effect from 1 April 2019 and to change the name of Cwm Taf University Local Health Board and Abertawe Bro Morgannwg University Health Local Board to reflect the boundary change.

The consequential amendments are made to ensure consistency of the law. Principally they reflect the change of name to the two health boards in regulations that include the current health board names. They also reflect the change of footprint where referenced.

The amendment to schedule 1 of the Community Health Councils (Constitution, Membership and Procedures) (Wales) Regulations 2010 renames the relevant Community Health Councils in accordance with the new health board names.

## **5. Consultation**

Details of the consultations undertaken are included within the RIA below.

## **PART 2 – REGULATORY IMPACT ASSESSMENT**

The purpose of amending the Order is to provide that healthcare services for people in the Bridgend County Borough Council (CBC) area will be planned, secured and delivered by Cwm Taf LHB instead of Abertawe Bro Morgannwg LHB. The effect is to ensure Bridgend CBC is not disadvantaged working with multiple-strategic partners across two strategic footprints, and to support the strengthening of regional partnership arrangements, leadership and decision making.

### **Options**

#### **Option 1: Do Nothing**

Leave Bridgend CBC within the area of Abertawe Bro Morgannwg LHB with the need to maintain relationships with a relatively high number of partners and continue to work across two strategic footprints in South Wales.

#### **Option 2: Amend the health board boundary**

Amend the Local Health Boards (Establishment and Dissolution) (Wales) Order 2009 so that:

- (a) healthcare services for people in the Bridgend CBC area are planned, secured and delivered by Cwm Taf LHB instead of Abertawe Bro Morgannwg LHB by assigning the Bridgend principal local government area to Cwm Taf University Health Board; and
- (b) the health board names reflect the new respective health board footprints.

### **Costs and Benefits**

#### *Benefits*

**Option 1:** There are no additional benefits associated with the Do Nothing option. The key impacts and disbenefits of not changing the health board assignment of Bridgend CBC are considered to be:

- the capacity of elected members to engage in effective partnerships is spread over two extensive strategic partnerships, stretching the ability to develop relationships and influence strategic directions;
- scrutiny and democratic participation is more complex than it needs to be and it is more difficult for members of the public, or other organisations to understand where decisions are made;

- there is added complexity in decision-making and governance; and senior officer time is disproportionately taken up with managing increasingly different relationships;
- as the City Deal and other partnership arrangements continue to develop and social services and health integration is strengthened, it will become increasingly challenging for Bridgend CBC to influence partnership arrangements and services on the basis of existing arrangements;
- difficulties in dealing with separate partnership arrangements for related policy areas. For example under current partnership arrangements social care and education services are provided on separate strategic footprints. Services such as youth offending and additional learning needs amongst others need to engage with education and social care;
- as partnership working, including the City Deal, becomes more established over time, the particular challenge for Bridgend CBC is expected to become more pronounced.

The challenges outlined above and associated costs would be expected to increase as partnership working arrangements become more established.

**Option 2:** Amending the Order will ensure Bridgend CBC is not disadvantaged by multiple-strategic partners. The intent would be to simplify arrangements, establish more congruous partnerships across economic activity and health services, and support the strengthening of regional partnership arrangements.

To summarise the key current partnerships:

- healthcare services are provided by Abertawe Bro Morgannwg UHB with partner authorities across Swansea Bay;
- integrated health and social care is provided through the Western Bay regional partnership board, in partnership with Neath Port Talbot Council and Swansea City Council, Abertawe Bro Morgannwg UHB and other partners;
- Bridgend CBC is integrated into the Cardiff Capital Region for economic activity working with local authority partners across south east Wales, none of which have healthcare services provided by Abertawe Bro Morgannwg UHB;
- education improvement services are provided in partnership with Rhondda Cynon Taf Council and Merthyr Council, the two local authorities that have their healthcare services provided by Cwm Taf UHB.

The proposed assignment change would ensure that Bridgend CBC's partnership arrangements for health and social services were more aligned with developing economic and current education partnership arrangements, and ensure that Bridgend's partnership arrangements were consistent with all other local authorities in Wales.

*Costs*

**Option 1:**

This is the Do Nothing option and as such there are no additional costs associated with this option.

It is not possible to articulate specific costs associated with not making the assignment change. The costs arise from the on-going challenge for Bridgend CBC in maintaining current and future partnership arrangements across two strategic footprints which would accumulate over time. Costs would include lost opportunities to improve service outcomes or efficiency by working across service boundaries where they are part of different regional arrangements.

## Option 2:

The Welsh Government has confirmed funding of up to £2.9m to meet the transitional costs of the transfer in 2018-19 following an assessment of costs undertaken by the health boards. £100,000 has been allocated to Bridgend County Borough Council in recognition of costs associated with the boundary change and the process of making changes to partnership arrangements between health boards.

A summary of the costs breakdown for health boards is provided below:

Summary Resource Breakdown	Programme Management	Due Diligence & External Advice	Planning & Decision Making	Transition	Total
	£k	£k	£k	£k	£k
Core Programme Team	£175				£175
Workforce	£100	£50	£150	£300	£600
Governance & Comms			£100	£100	£200
ICT			£100	£400	£500
Performance and Informatics		£50	£50	£50	£150
Finance	£100	£100	£200	£200	£600
Capital and Estates		£50	£150	£50	£250
Clinical and Non-Clinical Services		£0	£100	£150	£250
Partnerships		£50	£50		£100
Quality and Patient Safety		£50	£50		£100
<b>Total</b>	<b>£375</b>	<b>£350</b>	<b>£950</b>	<b>£1,250</b>	<b>£2,925</b>

In addition the health boards have estimated costs associated with the name change to reflect the new footprints will be £100,000 for each health board and have confirmed that this will be met from current budgets. The health boards have indicated they intend to phase in the name change over time taking action to minimise the cost impact.

## Impact

In consultation, some concerns were raised by the voluntary sector about changes to some funding arrangements from the health boards where they are based on current health board footprint arrangements. Funding arrangements may change over time as an outcome of the boundary change to reflect the new footprints.

There are not considered to be other impacts that are not identified in this impact assessment. No service changes are planned as a result of the boundary change.

Impact assessments were undertaken or considered in preparation for the consultation on the boundary change and can be found at:

<https://beta.gov.wales/proposed-health-board-boundary-change-bridgend>

## Consultation

The Welsh Government has maintained a dialogue with the health boards and other key stakeholders throughout the consultation and the planning process with observer status at the health boards Joint Transition Board, regular meetings with the Joint Transition Team and discussion about the boundary change at regular meetings with senior officers of the health boards.

A 12-week public consultation was undertaken on the principle of the boundary change. Organisations and individuals were consulted in a mixture of meetings, consultation events and formal responses to the written consultation.

A summary of the outcome of the consultation is available at:

<https://beta.gov.wales/proposed-health-board-boundary-change-bridgend>

The Welsh Government undertook a 12 week consultation on the proposal to change the health board boundary between 13 December 2017 and 7 March 2018.

In total, 145 responses to the consultation were received, with 8 subsequently discarded as obvious duplicates. From the 137 responses considered as part of the analysis, 70 of the respondents requested anonymity, and 13 returns were sent as narrative responses. Not all respondents answered the questions directly; some chose not to answer a particular question and 13 sent a summary of their views instead of the web-based form.

The following table provides a breakdown of the number of respondents into types based on sector.

Category	Numbers
Health Bodies	11
Third Sector / Voluntary Organisation	10
Local Government	6
Individual / Organisation not stated	90

Elected Representatives	5
Public Boards / Associations	3
Emergency and Other Public Services	5
Others / Trade Unions	7
<b>Total</b>	<b>137</b>

Welsh Government officials attended stakeholder events by invitation within the ABMU health board area to discuss the consultation proposal.

A summary of responses has been published and can be found at:

<https://beta.gov.wales/proposed-health-board-boundary-change-bridgend>

Following formal consultation on the boundary change a proposal was made to change the names of the respective health boards to reflect the changed geographical areas. Proposal for the name changes were made by the health boards to the Welsh Government following a period of engagement with their key stakeholders.

Cwm Taf University Health Board undertook a process of engagement with stakeholders and staff between 24 October 2018 and 7 November to gauge view on the potential name change. An online survey was issued via email to a total of 9,718 stakeholders. This comprised of 266 external stakeholders and 9,452 internal stakeholders (NHS Wales staff). The survey was also shared via social media channels to raise awareness of the engagement process. A majority of respondents agreed that the name should be changed and out of a choice of two names 'Cwm Taf Morgannwg' was supported by the majority.

Abertawe Bro Morgannwg University Health Board undertook a process of engagement with staff and stakeholders through letters to stakeholder representatives inviting comment, an online survey, engagement through the Board's other social media platforms and, with staff, through the Board's intranet. The online survey was available from October 24. All responses to the survey (online, email or hard copy) were requested no later than November 7 at 12pm. In response to a question asking which of the name proposed would better reflect the geography and footprint of the populations and communities the Board would serve a majority of respondents chose Swansea Bay University Health Board / Bwrdd Iechyd Prifysgol Bae Abertawe (option 1) and 10.67% chose Western Bay University Health Board / Bwrdd Iechyd Prifysgol Bae'r Gorllewin (option 2).

A separate consultation has not been undertaken on the consequential amendments.

### **Competition Assessment**

A competition assessment has been undertaken – the Regulations are unlikely to have a significant detrimental effect on competition.

### **Post implementation review**

The Welsh Government will work with the health boards and other stakeholders to ensure that the impact of the Order is understood.