

**Health Professional Education Investment**

**Report on the Single Set of Arrangements**

**Author - Professor Robin Williams CBE, FRS**

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### **Foreword**

When I was asked to take this work forward I have to admit to being somewhat apprehensive. I have a wide experience of arms length bodies having helped to establish and served on many in Wales and the UK. Having been head of a university I am also familiar with higher education and with the commissioning of health education from the perspective of a provider. I am, however, less familiar with the NHS in Wales and the way it operates. This was a disadvantage in that I faced an extremely steep learning curve but perhaps had the advantage of being able to consider how to address the terms of reference without any preconceived ideas or views. During the learning process I relied on many people and I would like to thank all the stakeholders I met for their tolerance, humour and goodwill in my continuing education.

As a physicist it is always satisfying to reduce fairly complex situations to a few basic principles. During the course of this exercise the broad range of evidence naturally led me to the conclusion that a new single body for health professional education in Wales is the right approach. It was a matter of comfort that the model supported by most I consulted, is well aligned with that proposed in the review led by Mel Evans OBE in 2015. I am convinced that the implementation of the proposals in this report will further enhance the efficiency and quality of the excellent NHS in Wales.

During my many consultations I found:

- an overriding acceptance that change is required, the question as always is the degree of change
- throughout the process individuals have been willing, if not eager to share their views on both current and future arrangements.

I am extremely grateful to those who gave generously of their time and I also wish to express thanks to those who advised me for the clarity of their insight and impartiality which has been invaluable.

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## Report on the Single Set of Arrangements

### 1 Introduction and Background

- 1.1 In a statement made on 3 November 2015, setting out the Welsh Government response to the Health Professional Education Review, the Minister for Health and Social Services stated if we want high quality healthcare we have to invest in our workforce, providing opportunities for healthcare professionals to develop the skills, knowledge and experience they need whilst they are providing healthcare. Workforce design and development is among the most powerful levers we possess in creating a prudent healthcare system. This will require a greater degree of flexibility in terms of education and training.
- 1.2 Traditionally professionals have been trained and developed to work in a system which is primarily based on hospital-based care, whereas the majority of current and future demands for health and social care arise from an increasing elderly population with co-morbidities, whose needs require multi-skilled staff working in an integrated environment across professional and organisational boundaries.
- 1.3 For this reason the Minister for Health and Social Services commissioned a review, in August 2014, into the way in which the Welsh Government currently invests in the planning, development and commissioning of health professional education and workforce development in Wales.
- 1.4 The review was undertaken by an independent panel chaired by Mel Evans OBE, previously chair of Powys Teaching Health Board. It considered the commissioning arrangements and models of operation and systems in other countries, as well as discussions with stakeholders involved in the commissioning and provision of education and training. Its key aim was to ensure it leads to an environment within Wales which builds a culture that supports learning in the working environment.
- 1.5 The general consensus amongst these stakeholders was that the current system and configuration of commissioning and delivering education and training programmes within Wales was unduly complex, not well aligned with policy direction, not meeting the needs of the service, relatively inefficient and required fundamental overhaul. The panel's report was published in April 2015 with the following recommendations:

- the need for a clear, refreshed strategic vision for NHS Wales for 2015-2030, based on the prudent healthcare agenda and which should inform the strategy for the workforce within the same period
- a single body for workforce planning, development and commissioning of education and training must be established
- the NHS in Wales should be the vehicle for developing Wales as a learning culture.

1.6 The Minister for Health and Social Services broadly supported the recommendations but wanted to give individuals an opportunity to comment on the panel's report and to provide feedback on a number of key areas regarding implementation. A six week period of engagement therefore commenced on 25 May 2015.

1.7 The Minister for Health and Social Services agreed the need for change and accepted the report's recommendations. In the case of the recommendation for a single body, however, he requested further work be carried out, stating a single body would need to be underpinned by a single flexible funding stream, freed from arbitrary and historical boundaries. It would need to bring together the functions of strategic workforce planning, development and commissioning of education and training, which would help address the difficulties many individuals and organisations agree exist within the current healthcare training and education arrangements.

1.8 I was asked to take this work forward to scope the new model, including its benefits and costs. I have been supported by specialists who have knowledge in the areas of NHS workforce, the delivery and design of education and training programmes and curriculum and regulation: Professor Donna Mead OBE, vice chair of Cwm Taf University Health Board, Dr Alun Rees the inaugural vice president for Wales of the Royal College of Physicians and Professor Ceri Phillips head of the College of Human and Health Sciences at Swansea University.

## **2 Terms of Reference for the Single Set of Arrangements Work- Stream**

2.1 The terms of reference for this work were clear from the outset: to scope out and to develop a new set of arrangements for Wales which brings together the management of functions relating to strategic workforce planning, education commissioning and organisational design in relation to the NHS workforce.

2.2 The key actions were to:

- establish a set of principles which will underpin the new set of arrangements
- research the arrangements elsewhere in the UK for the exercise of the functions specified
- identify additional functions that align with those specified which could be included as part of the single set of arrangements for Wales
- identify key benefits and disadvantages of the current arrangements in the other UK models
- identify the key legislative changes required, if any, to establish a new set of arrangements for Wales
- undertake a comprehensive cost- benefit analysis of a proposed model for Wales
- identify key implications for organisations within the existing model for delivery in Wales
- identify and communicate with key stakeholders including the stakeholder reference group.

2.3 The timescale for completion of this work was the end of July and while this has been challenging I am clear about the recommendation contained within this report and that there is nothing further to be gained at this stage by taking more time.

### **3. Methodology**

3.1 As part of the original Health Professional Education Investment Review (HPEIR) there were a large number of engagement opportunities which informed the final report and recommendations. These opportunities were a mixture of individual meetings and group meetings. The meetings included representatives of NHS organisations, educationalists, trade unions, regulators and professional groups. In addition, the panel met with representatives of the Scottish and English Governments together with Health Education England and NHS Education for Scotland.

3.2 In addition there were a variety of documents which individuals and organisations had submitted to the panel to help inform their recommendations.

3.3 Following the publication of the report there was a further engagement period which focussed on a number of questions to further elaborate on the issues. There were a large number of responses to the engagement which were made available to me.

- 3.4 At the outset of this work it was clear I would require additional support to assist me in understanding some of the aspects of the health and education agenda. The project group helped to clarify many issues and guided me in identifying priorities. It was clear that in the time available to produce my report there would not be time to re-engage with all stakeholders, but there were key individuals and organisations which the four of us were clear would need to be consulted.
- 3.5 Meetings and discussions have taken place with a wide range of key organisations and individuals to understand the existing arrangements and to seek views on what changes need to be made. A list of stakeholders contacted is attached at Annex H.

## 4. Existing Structures

### Wales

- 4.1 In Wales three of the key organisations involved in supporting high quality health education and training are the Wales Deanery, the Workforce, Education and Development Services (WEDS) and Higher Education Funding Council for Wales (HEFCW). The Strategic Education and Development Group (SEDG) are also relevant.
- The Wales Deanery: This is currently based in Cardiff University and exists to manage education and training systems which address the requirements of the regulatory bodies, the General Medical Council (GMC) and the General Dental Council (GDC) and the initiatives of Welsh Government for the medical and dental workforce in Wales. It delivers innovative and postgraduate medical and dental education for Wales, providing nearly 3,000 training grade doctors and dentists across Wales with access to high quality postgraduate facilities and educational support. Though most staff are employees of Cardiff University, the Deanery is funded by the Welsh Government and works in partnership with local health boards and NHS trusts in Wales. Its aim is to support, commission and quality manage and assure education and training of trainees, dentists and dental care professionals and contribute to continuing professional development for secondary care doctors and general practitioners for Wales. This includes the development of innovative models of education and training delivery, building training capacity, facilitating the delivery of a GP and hospital appraisal system and leading on postgraduate medical and dental education and research. Further information about the Wales Deanery can be found at Annex D.

- Workforce, Education and Development Services (WEDS): Working on behalf of NHS Wales, the Welsh Government and education providers, WEDS supports the service in the development of a workforce with the skills and competences to meet the demands of modern day healthcare. The role of WEDS is critical to NHS Wales in the delivery of its key strategic objectives and in the planning of the future workforce requirements both in terms of numbers and skills. WEDS is responsible for taking forward work on workforce planning and information; education contracting; workforce modernisation and development; education development; NHS Wales careers and Wales health student forum. Further information about WEDS can be found at Annex E.
- The Strategic Education and Development Group (SEDG): This was established to provide a multi professional, multidisciplinary forum to debate the education, training, learning and development needs of the whole workforce. In addition to three subgroups SEDG also had two task and finish groups covering the modernisation of the workforce in both pharmacy and scientific careers. SEDG met on a bi-monthly basis and at its meeting on 28 March 2013 the issue of its effectiveness and ability to undertake the purpose for which it was established was discussed. It was agreed that a separate workshop should be held to explore this matter further. On 18 June 2013 the workshop took place and the view widely held was that SEDG was not fit for purpose and failed to ensure its functions were undertaken across all professions. It proposed there should be one organisation responsible for planning, commissioning and quality assurance of health education across Wales, which would bring together the main elements of the Wales Deanery and WEDS.
- Higher Education Funding Council for Wales (HEFCW): HEFCW looks to develop and sustain internationally higher education in Wales for the benefit of individuals, society and the economy in Wales and more widely. HEFCW regulates fee levels at universities, ensures a framework is in place for assessing the quality of higher education and scrutinises the performance of universities and other designated providers. It uses resources from the Welsh Government and others to secure higher education (HE) learning and research of the highest quality and makes the most of the contribution of HE to Wales' culture, society and economy as well as ensuring high quality, accredited teacher training.

## Scotland

- 4.2 NHS Health Education for Scotland (NES): NES is a special health board responsible for supporting NHS services in Scotland and delivering education and training for those who work in NHS Scotland. NES has a Scotland wide role in undergraduate, postgraduate and continuing professional development and maintains a local perspective through centres in Edinburgh, Glasgow, Dundee, Aberdeen and Inverness.
- 4.3 NES also cooperates and collaborates with regulatory bodies and other organisations which are concerned with the development of the health and care workforce, for example the General Medical Council, universities and other professional bodies.
- 4.4 The approach in Scotland is impressive, ambitious, forward thinking and strategically aligned with the policy imperatives of the Scottish Government. The organisation appears to work well with all partner bodies. One of the key advantages of the Scottish system is the position of the chief executive of NES; this post sits alongside its counterparts in the NHS organisations and is actively a part of the strategic discussions which take place. This has the benefit of ensuring issues relating to the shape and training of the workforce is an intrinsic part of these discussions, not an add-on once decisions have been made. NES appears to also have the confidence of the Scottish Government.
- 4.5 While NES does not undertake strategic workforce planning, it is involved in providing workforce intelligence and making recommendations to Government about the future workforce. It is also responsible for implementing, alongside the NHS delivery organisations, decisions taken by government. The view from NES and Scottish Government was to emphasise the importance of strategic workforce planning with each part of the system understanding its role in the process. It was interesting to note NES does not commission nurse training places, but in conversation they pointed to the arrangements in Wales, in this respect as positive. Some individuals commented that the current arrangements could be improved.
- 4.6 Both NES and the Scottish Government confirmed NES is still on a journey of improvement and continues to develop, but that while it has been in place, there have been significant improvements made in areas such as dentistry and pharmacy. They are also making some progress in terms of inter-professional working but willingly admit this will take time.
- 4.7 Further information about NES is contained in Annex A.

## England

- 4.8 Health Education England (HEE): HEE was initially established as a special health authority (SpHA) in June 2012. It is responsible for providing national leadership and assurance for education and training in England. On 1 April 2015 HEE became a non- departmental public body [NDPB].
- 4.9 Its key functions include:
- providing leadership for the new education and training system
  - ensuring the workforce has the right skills, behaviours and training and is available in the right numbers to support the delivery of excellent healthcare and drive improvements
  - supporting healthcare providers and clinicians to take greater responsibility for planning and commissioning education and training through the development of local education and training boards (LETBs), which are statutory committees of HEE
  - ensuring the shape and skills of the health and public health workforce evolve with demographic and technological change.
- 4.10 Thirteen LETBs are responsible for the commissioning of education and training in their area, informed by providers and overseen by HEE. The policy in this area continues to be developed.
- 4.11 In considering the HEE operation, it is essential that consideration is given to the size of the organisation. The scale of the operation has required it to have an elaborate set of sub-structures addressing the needs of localities in England. Most of the regions covered by LETBs are bigger than Wales. While HEE adopts an England wide approach, there are local processes which play into these discussions and can sometimes inhibit rapid progress. However it is clear from some of the products HEE have delivered during the past 12 – 18 months that progress is being realised.
- 4.12 HEE are responsible for strategic workforce planning and in discussion, the same point made by Scotland was reiterated: the importance of being clear who has responsibility for different aspects of the system.
- 4.13 Further information about HEE is at Annex B. Further information about the characteristics of a special health authority is at Annex F and non- departmental public body is at Annex G.

## Northern Ireland

- 4.14 The arrangements in Northern Ireland comprise of a range of committees and organisations which work with the Northern Ireland Executive (NIE) to co-ordinate activity aimed at ensuring that sufficient, suitably qualified staff are available to

meet the needs of the service overall.

- 4.15 A workforce planning unit within the NIE undertakes a programme of workforce reviews every year which is supported by annual update reviews. The planning reviews are carried out at regional level across the main professions and a number of supporting groups within health and social care (HSC) organisations.
- 4.16 Local staffing arrangements are the responsibility of individual HSC employers, taking into account factors such as service needs and available resources. The department has a role in ensuring sufficient, suitably qualified staff are available to meet the needs of the service overall.
- 4.17 The team's remit also includes the management of the education and training commissioning budgets, the accountability and value for money of several non-departmental public bodies, and policy issues relating to the education and training of HSC employees. This relies on considerable contact with the HSC sector and education providers across Northern Ireland.
- 4.18 Education and training needs of the nursing and midwifery workforce are identified by HSC trusts in Northern Ireland on an annual basis. Priorities are considered by the Education Commissioning Group (ECG). The group is comprised of key trust representatives from all HSC trusts, key personnel from the Department of Health, Social Services and Public Safety (DHSSPS) and public health agency programmes are purchased by the DHSSPS from education providers and form part of the wider - stage commissioning process.
- 4.19 A key element of the arrangements is the Northern Ireland Medical and Dental Training Agency (NIMDTA). This is an arm's length body sponsored by the DHSSPS to train medical and dental professionals for Northern Ireland.
- 4.20 The NIMDTA commissions, promotes and oversees postgraduate medical and dental education and training throughout Northern Ireland. Its role is to attract and appoint individuals of the highest calibre to recognised training posts and programmes to ensure the provision of a very competent medical and dental workforce with the essential skills to meet the changing needs of the population and health and social care in Northern Ireland.
- 4.21 The NIMDTA is accountable to a variety of groups or individuals:
- to the general public to ensure doctors and dentists are effectively trained in order to provide patients with the highest standard of care
  - to doctors and dentists in training
  - to the Northern Ireland Assembly through the Minister for the DHSSPS for the performance of its functions.

4.22 The board comprises of a chair and five members (three lay members, a medical member and a dental member).

4.23 Further information about the arrangements in Northern Ireland is at Annex C.

## **5. Themes**

5.1 As a result of the various stakeholder discussions and consideration of documentation, there were a number of issues which were essential to have in place for the set of arrangements to work. These were:

- the functions to be exercised within the overarching Government strategy for Wales
- strong leadership with clear lines of accountability
- considered as part of the NHS family management group
- decision making free from self interest of either individuals, professions or organisations
- strong mechanisms for securing professional advice
- a single shared purpose which centres on the requirements of the population
- underpinned by a set of guiding principles to measure activity.

## **6. Principles**

6.1 It is important the new body operates within a set of underpinning principles. The new body will:

- be part of the wider NHS family with the chief executive serving as an equal member of the NHS Executive
- be driven by the health requirements of the population of Wales which will drive work around the future shape of the NHS workforce. This will reflect the needs of different parts of Wales
- ensure patient safety is at the heart of all decision making processes
- undertake its functions in a fair and transparent manner, with evidenced based decision making
- ensure decisions are based upon a multi professional team approach which considers the dependencies across the full range of staff groups and professionals
- promote innovation in developing new roles within the NHS
- ensure effective engagement with professions to secure advice on safety and quality issues
- ensure arrangements for planning and developing the healthcare workforce have appropriate integration with the social care workforce

- ensure strong partnerships with universities and education providers to make the most effective use of the skills of educators
- streamline processes and structures ensuring that they are simple, cost-effective and efficient
- provide clarity of roles, responsibilities and accountabilities between the new body, the NHS and other organisations
- reinforce values and behaviours which recognise the wider benefit to society of developing the health workforce and skills, and the need for cooperation and collaboration in doing so.

## 7. Options

7.1 The terms of reference for this review were clear: to scope a new single set of arrangements which bring together workforce planning, organisational role design and education commissioning, underpinned by a single funding stream. This, clearly, ruled out simply recommending the current set of arrangements unchanged.

7.2 It was clear early on in the work there were a range of options which could be put in place and that would fit within the term single set of arrangements. A range of models were considered including the following:

### Strengthen the current arrangements

7.3 It would be possible to continue with the current arrangements by adding an overarching structure to oversee and direct the work of the Deanery and WEDS. This approach could provide a strategic overview and could, in theory, manage the funding streams. It could capitalise on the good practices that exist in both organisations while continuing to develop closer working under the direction of a new overarching arrangement.

7.4 A major difficulty with this approach is the fact that WEDS and the Deanery are parts of different organisational and management structures which could lead to tensions, inefficiencies and conflict of priorities. The arrangement would not be the best for promoting inter-professional developments and would not be the optimum to face the undoubted challenges that lie ahead.

### Concentrate all activities in the Wales Deanery

- 7.5 This would involve transferring all the WEDS activities to the Deanery and could build on the evident good practices of both parties.
- 7.6 The Deanery sits within a corporate structure which has its own governing council which sets its own agenda. The Wales Deanery is responsible to the Welsh Government and the GMC for aspects of its work. This arrangement has in reality led to a complex set of arrangements which has the potential for conflicting priorities and confusion.
- 7.7 This option would mean that the commissioning of health education and training in Wales becomes, ultimately, the responsibility of Cardiff University. Whereas the university has undoubtedly been a good host, my understanding is that this would be unacceptable to most stakeholders.

#### Concentrate all activities within Shared Services

- 7.8 This option would involve transferring the Wales Deanery to Shared Services and again could build on the good practices of the Deanery and WEDS. It would have the advantage of bringing both parties into the governance structure of the NHS.
- 7.9 The option could facilitate integrated workforce planning by building on the existing activities of WEDS. It would also allow a more strategic approach to health education commissioning and could, in theory, be responsive and efficient.
- 7.10 It would be possible to establish a board to oversee and direct the activities and to establish a strategic approach to commissioning. In fact staff from Shared Services submitted an interesting model along these lines.
- 7.11 Though it has some attractive features this is not the model I recommend. As explained later, I believe that the success of any arrangement will be dependent on the recruitment of suitable experts to an overarching board and to the executive. To capitalise on the huge opportunities that exist, I believe that the appointments to an overarching board must be made by the Minister and that the chair should report directly to the Minister. It is difficult to see how this could be realised if the body were part of Shared Services who have their own board and are ultimately responsible to the board of the Velindre Trust.

#### A new arms length body

- 7.12 After extensive consultations and after reviewing arrangements elsewhere in the UK, I have concluded that the needs of the NHS in Wales would be best served by a newly constructed arm's length body bringing together the good work already being undertaken by WEDS and the Wales Deanery and would be the best vehicle for delivering a truly multidisciplinary approach to workforce planning and education commissioning in a way that the options already identified could not. It is only by bringing together the medical and non medical elements of workforce planning and education commissioning into one organisation can we best effectively work differently to meet some of the workforce challenges ahead. A newly formed organisation, underpinned by the principles outlined earlier in this report, would allow for an integrated and agile response to the changing requirements of the health care workforce.
- 7.13 A key requirement for the single body is to have a board of governors composed of members who can reach decision impartially and based on evidence. Members of the board and the chair in particular should have the experience and background to understand the wide range of needs in Wales, including cross-border issues. My recommendations for the form of the new body is detailed in the next section and my overwhelming feeling, after much talking to stakeholders, is that the body proposed would carry general support, and would be timely with the opportunity to make a profound difference to the NHS in Wales.
- 7.14 In establishing a new body, it must be recognised that it is not a question of selecting aspects of WEDS and the Deanery and putting them together under a new board. It will require careful consideration about a new structure and new ways of working, if the new organisation is to maximise its potential for making a difference.

## **8. Detailed Proposals for a 'Single Body'.**

### The role of the body.

- 8.1 The new body will need to understand the patterns of current health needs in Wales, how the needs are changing and what they are likely to be in 10 to 15 years time. Members will need to have an awareness of the different geographical needs of Wales, Welsh medium issues, changing workforce patterns, developments on the horizon, new technologies and cross-border issues. It will need to work closely with the health boards and trusts to understand the nature of the current health workforce and how this is likely to develop over the short term and long term. A major part of its remit will be to estimate the kind of workforce

that will be required and to consider the education and training required to meet those needs. The workforce planning information will inform the development of the Welsh Government strategy for health and will underpin the education and training commissioning process. It will be supported by a single flexible funding stream and will be in a position to take a holistic view and to ensure that investment and planning decisions are based on evidence. Recognising the varied needs of Wales, it will be in a position to utilise some of its resources to incentivise change. It would be for the board to develop its schedule of meetings but I would suggest that they be held in different parts of Wales in turn and that time be allowed for discussions with the health boards and health education providers in those regions. This would enable the new body to better understand the different needs of Wales.

### Governance

8.2 Arrangements for the governance of the new body are crucial to its success. The range of activities covered is large and much of it is highly specialised. The board should have an independent expert chair and the non- executive board members should be appointed based on their outstanding expertise and experience, ability to analyse and see the 'big picture', to understand the varied needs of Wales and to make informed and impartial judgements.

### The Functions

8.3 The body will, at a minimum, have responsibility for:

- strategic workforce planning – providing clarity about how national and local processes will work together
- education commissioning – for all aspects of the workforce, working with NHS organisations to ensure education and training resources at a national and local level are focussed on strategic priorities – to include both undergraduate and post graduate education and training
- organisational role design – identifying roles required within the NHS to address changes in workforce models and changes in delivery of care
- workforce intelligence function – which will build on the current workforce modelling capacity, currently available within WEDS
- NHS Careers – working with key organisations to ensure promotion of the full range of NHS careers

- widening access agenda – to identify and implement a range of opportunities for individuals of all ages to access the appropriate programmes, whether academic or vocational to pursue an NHS career.

### The Board

- 8.4 The body will be accountable to Welsh Ministers and will work within an overall framework provided by Welsh Ministers. The board should be large enough to provide the expertise required but small enough to be nimble and responsive. I suggest nine or ten board members in addition to the chair; seven or eight members, including the chair, will be non-executive, two or three will be executive including the chief executive.
- 8.5 The chair and board members will be appointed by Welsh Ministers through the public appointments process and will be subject to the normal terms and conditions applicable under the public appointments arrangements. They will be appointed for their expertise in specific functions of the body, such as understanding the changing health needs, workforce planning, educational design, quality assurance and equity. One member could represent a lay perspective.
- 8.6 The chair will be directly responsible to Welsh Ministers and will sit alongside the chairs of NHS trusts and health boards as part of a 'team Wales' approach.
- 8.7 The chief executive of the body will sit alongside the chief executive officers of the NHS trusts and health boards and will participate in collective decision making as part of the NHS executive team arrangements.

### Role of the Board

- 8.8 The functions of the board will include overseeing the workforce planning and education commissioning arrangements and organisational role design. It will set strategic direction, define annual and longer term objectives and agree plans to achieve them.
- 8.9 As an intermediary body it will work closely with health boards and trusts, education providers, the Welsh Government, regulating bodies, royal colleges and other stakeholders.
- 8.10 It will ensure that plans and performance are responsive to staff and stakeholder needs and it will monitor performance against objectives.

- 8.11 It will ensure effective financial stewardship and high standards of governance and conduct throughout the organisation.
- 8.12 The board will operate autonomously within the overall framework set by Welsh Ministers and funding decisions will be aligned to priorities set by Welsh Ministers.
- 8.13 It will appoint, appraise and remunerate senior executives.

## **9. Status**

- 9.1 Several options have been considered for the reporting structure and legal base of the proposed arms length single body.
- 9.2 The success of the new body will be crucially dependent on the chief executive, the senior staff and in particular the chair and members of the board. The body must have credibility and the full confidence of the many stakeholders. The recruitment of the highest quality board members will require the body to have clear responsibilities and a direct line of reporting to Welsh Ministers. It should not be an advisory body reporting through other bodies.
- 9.3 Having considered arrangements elsewhere, I am clear that though the new body should be established at arm's length from Government, it will be the Welsh Ministers that set the parameters within which it will operate, updated annually perhaps via a remit document. The legal personality of the body is for Welsh Ministers to determine informed by the legislative possibilities and powers of Welsh Government. I would however anticipate the body to be established along the lines of a special health authority or the equivalent of a non departmental public board.
- 9.4 A name will need to be identified for the new body and I would suggest something along the lines of Health Education Wales (HEW) or Health Education and Commissioning Wales (HECW). I favour the former which in Welsh would be Addysg Iechyd Cymru (AIC).

### Location and Support Functions

- 9.5 For the new body to truly operate as an integrated structure it is essential that the activities be located together. Whilst today's technological advances enable

individuals and groups to communicate through a wide range of options, it is clear that co-location of the different parts is of great importance for the body to maximise its effectiveness. This is particularly important for a new body; it has clearly been an important factor in the success of NES. Currently the management of the Deanery is in Cardiff and WEDS in Nantgarw; they should be co-located with the executive of the new body. There are clear benefits in terms of agility and efficiency in being close to the centre of political power, the regulating bodies and the royal colleges and other stakeholders. It will be for the board to ensure that the new body serves all parts of Wales equally.

9.6 The creation of a new body has clear implications for the organisational structures which undertake these functions currently. The proposals would involve the transfer of staff from Cardiff University to NHS contracts through well established TUPE arrangements. It will be important to ensure that the day-to-day responsibilities of the Deanery are not unduly disrupted during the transition phase to the NHS. The arrangements would also affect WEDS within Shared Services. As part of the transition there will need to be further work undertaken on:

- identifying exactly which aspects of the current organisational funding will need to transfer to this new body
- a clear assessment of asset transfer
- issues associated with the potential transfer of staff from one organisation to another
- final legislative arrangements for the legal architecture of the new body.

9.7 The digital world is of significant importance to the health workforce, both while individuals are in training and subsequently working. There are issues around library and IT facilities, in particular for the Deanery, and many of these could initially be accommodated via service contracts with Cardiff University and with other universities in Wales. This has been achieved successfully in Scotland. Universities in Wales already collaborate to ensure access to their libraries by all health professionals. There are already precedents for this approach, for example, the University of South Wales (USW) and Duthie Library at University Hospital of Wales (UHW) have shared agreements which mean that nursing students from USW can use NHS libraries and Cardiff students can have access to USW resources placed in NHS libraries

9.8 The new organisation will be focused on the main functions exercised on behalf of the Welsh Government and therefore there is merit in some of the support

functions being exercised through an agreement consistent with the operation of other NHS organisations; therefore, back office functions such as payroll, HR services and procurement processes could be provided through the current shared services arrangements. This would avoid the need for separate operating systems to be established and the benefits of a central service to be realised.

- 9.9 In discussions both the Deanery and Shared Services/WEDS helpfully expressed willingness to move quickly to explore the issues relating to integrating procedures and processes. I believe that this should be encouraged and facilitated; a great deal can be done to prepare the way for the operation of the new body while the detailed arrangements for the body are underway.

## **10. Interaction with Other Bodies in Wales**

- 10.1 It is clear that the new body will need to work closely with the health boards and trusts to support the delivery of their strategies. As emphasised in my many discussions, including those with Health Education England, the interface between the responsibilities of the new body and those of the health boards and trusts will need to be clear and well defined; this will be an early responsibility of the new board. There will also be strong interaction with the social care sector in Wales.
- 10.2 Building good working relationships with the various regulating bodies will be essential, bearing in mind the all-UK role of these bodies. The same applies to the royal colleges.
- 10.3 Continuation of the good working relationship with education and training providers will be essential. Education and training will need to support the evolving workforce needs and providers must be included in discussions as early as possible. Sufficient time must be allowed to prepare or amend courses and there is need for longer term assurance of funded places than has been the case in many situations in the past. A more formal relationship with 'Universities Wales' could be considered and for Welsh medium support the 'Coleg Cymraeg Cenedlaethol' could have much to contribute. There will be opportunities to work with the universities and the health boards to support innovative postgraduate training across all professions and to further advance continuing professional development.
- 10.4 The new body will need to interact closely with the Higher Education Funding Council for Wales (HEFCW) which oversees the quality assurance aspects of

teaching and research in the universities. It will need to include many aspects of undergraduate medical training in its strategic developments and advice HEFCW. These will include the number of undergraduates being trained, retention, and how to make Wales an attractive place for young doctors. The training of medical undergraduates is expensive and in the past HEFCW has provided additional funding to universities in the form of 'expensive subject premium'. The large recent reduction in this premium could be a threat to the viability of courses and consequently to the supply of medical graduates into the profession. There are many aspects of research and expertise in the universities which could assist the new body and could be facilitated through close collaboration with the universities, HEFCW and the Chief Science Adviser for Wales.

## **11. Value for money**

- 11.1 For any organisation it is important that value for money is achieved to ensure resources are maximised. This is never truer than when arrangements being put in place are underpinned through public funding. In exercising control over taxpayers' money, it is vital that value for money is interpreted in its widest sense and is not limited to a simple financial analysis.
- 11.2 Clearly the costs associated with the operation of any new arrangements must be transparent; however it is much more complex than a pure financial exercise. Value can be found in a wide range of measures, including:
- a shared understanding of the aims, objectives and outcomes, thereby avoiding wasted effort, confusion and sometimes frustrations of individuals attempting to navigate systems
  - shared values which drive operations through principles and channel operations within a clear direction of travel
  - effective use of data to inform decision making
  - improved education and training outcomes
  - engagement processes designed to agree outcomes from the perspective of end- users.
- 11.3 The Evans Review highlighted that the rate of return on investment in higher education and training of the health professions workforce in Wales was sub-optimal, with supply shortages across many professions and grades being a major cause of concern; coupled with recruitment problems and sickness rates resulting in significant sums being used to finance agency and locum provision across all health boards. These views were fully confirmed in my discussions

with representatives of the health boards. The proposed new body will be in a position to address many of the concerns. It will evaluate the future health needs of Wales; ensure that the development of the workforce reflects the need and commission education and training based on the evidence of need. Long term workforce planning can never be perfect, but the body proposed will be in a better position than any other to analyse and respond to the requirements.

- 11.4 The total annual workforce costs for the NHS in Wales is around £3 billion. Since there are so many variables it is difficult to evaluate the effect that good long term planning but it could easily be 0.1 to 1% which corresponds to tens if not hundreds of millions of pounds annually. Another way of evaluating the rough magnitude of some of the gains is by considering the need to hire staff via agencies. Due to the shortage of trained staff in certain professions, health boards are forced to turn to agencies where the cost to the NHS can be up to twice that of non-agency staff. Inadequate workforce planning will only make this situation worse in the future. Estimates indicate that some tens of millions of pounds are being spent on locum and agency staffs annually in Wales and the figures are rising rapidly. Avoiding locum and agency spend on this scale must surely be a very high priority and the new body will need to immediately address the issue.
- 11.5 Analysis of financial evidence by WEDS indicates that it is an efficient body. The Macpherson Report on the management and location of the Deanery in 2011 did not highlight any issues of inefficiency. By bringing these together in one body there will be both capital costs and additional revenue costs. The one- off capital cost should not be large and there is much experience in the NHS and the education establishments of relocating groups and sections. There will be additional revenue costs, including the potential cost associated with TUPE arrangements. Evidence from other governing bodies suggests that the total direct costs of a board, including remuneration of the chair and members, will be less than £100k – 150k per annum. There will be additional resources needed for management and for workforce planning but there should also be efficiency gains in integrating two bodies and in accommodation costs. The overhead costs paid to Cardiff University for hosting the Deanery is around £1.4M which, though not unreasonable for research contracts in a university, is high by comparison with charges to similar bodies in Wales. Based on experience of many academic moves and mergers, I estimate that the additional cost of running the new body to be between zero and £300k per annum with a one- off capital cost of up to around £300k. Much will depend on the ultimate location of the new body and the need to ensure adequate IT facilities in the short and longer term. This

modest level of investment can potentially lead to savings of tens of millions every year. The full details will need to await the formation of a project delivery group but it is clear that the potential benefits to the NHS in Wales by the establishment of the new body far outweigh the costs by several orders of magnitude.

## **12. Timescales and process**

12.1 This report sets out the framework for a new body for Wales. It sets out the principles fundamental to the successful operation of the organisation, a minimum set of functions, and the benefits that both I and stakeholders consider will be realised as a result of the establishment of this organisation.

12.2 If this proposal is accepted there will be a significant amount of work required to make this happen. While I have set out below a number of key steps, some of which can be taken forward in parallel while others will need to be undertaken in sequence, I have deliberately avoided setting out a rigid timeline, which will be for the Welsh Government to determine.

12.3 I would however propose that the organisation be established in shadow form from 1 April 2017, if possible and be implemented fully from 1 April 2018.

12.4 Key stages in the process will need to include:

- Consultation – Given the nature and scale of the proposed changes, it will be necessary for the Welsh Government to undertake a consultation process. However, throughout my discussions with stakeholders, the sense was that this issue had already been the subject of significant engagement, both during and after the initial HPEI Review and as part of this further piece of scoping work. The majority of individuals I spoke to expressed a wish to see rapid progress in this area and, if consultation is required, the length of the consultation should take account of previous engagement and perhaps a shortened period of between six and eight weeks might be appropriate.
- Project board – To ensure the detailed work required to deliver this new body is undertaken with the least disruption possible, it will be necessary to establish a project board to oversee developments and ensure participation of the appropriate individuals. This board will identify a number of work-streams, each designed to address specific aspects of taking this work forward. The

number and nature of the work-streams will be a matter for the project board, but I would anticipate the following as a minimum:

- Functions - to work with the Wales Deanery, Cardiff University and Shared Services to determine the specific activities to transfer to the new body, and which should and could be undertaken by the NHS Wales Shared Services Partnership. It would also consider whether there are other functions that naturally sit with the specified functions to transfer.
  - Engagement and representation – to consider how the new organisation will ensure it is able to secure appropriate professional advice in relation to its functions and engage with other appropriate organisations both within and outwith Wales. It will also consider the extent to which the organisation is able to represent Wales and when that representation is more appropriate to other organisations, including the Welsh Government. This group would also consider the accountability structures between the new body and the Welsh Government.
  - Implications for existing bodies – to identify and address issues relating to the transfer of functions as they relate to staffing and facilities including the implications of TUPE and any issues around ownership of ICT and intellectual property.
  - Structure and process – to develop high level structure and role descriptions for board and senior executive team within new body.
- 12.5 Appointments to board – early appointment of the chair and chief executive of the new body will be important to enable the wider structure to be agreed and recruited to. It may be appropriate to appoint an interim chief executive to take forward the work associated with transition and review the role once the new body is fully established. This will be a matter for the Welsh Government to determine.

### Scotland

NHS Education for Scotland (NES) is a special health board responsible for supporting NHS services in Scotland and delivering education and training for those who work in NHS Scotland. NES has a Scotland wide role in undergraduate, postgraduate and continuing professional development and maintains a local perspective through centres in Edinburgh, Glasgow, Dundee, Aberdeen and Inverness.

NES also cooperates and collaborates with regulatory bodies and other organisations which are concerned with the development of the health and care workforce, for example the General Medical Council, universities and other professional bodies.

Everything NES does is based on seven ways of working. These are:

- aim for excellence in education
- be open, listen and learn
- take responsibility and lead by example
- respond quickly and confidently
- look ahead and be creative
- respect and value each other
- work in partnership to a clear common cause

The NES board is made up of 14 members: nine are non-executive and five are executive. All board members are appointed by the Health Minister. The role of the board is summarised as follows:

- to set strategic direction, define annual and longer term objectives and agree plans to achieve them
- to ensure that plans and performance are responsive to staff and stakeholder needs
- to oversee the delivery of planned results by monitoring performance against objectives
- to ensure effective financial stewardship
- to ensure high standards of governance and conduct throughout the NES organisation
- to appoint, appraise and remunerate senior executives.

### England

Health Education England (HEE) was initially established as a special health authority (SpHA) in June 2012. It is responsible for providing national leadership and assurance for education and training in England. On 1 April 2015 HEE became a non-departmental public board. The UK Government's stated aim was to:

- put HEE at arms-length from Ministers on a stable, independent footing assured by parliamentary scrutiny
- give HEE a stronger basis to plan, commission and quality assure education and training across England
- strengthen public confidence by securing transparent decision-making processes for strategic workforce development
- give HEE independence so it can put the interests of the patients and users of the NHS and public health system first and be free from political interference
- provide stability for the education and training system.

Its key functions include:

- providing leadership for the new education and training system
- ensuring the workforce has the right skills, behaviours and training and is available in the right numbers to support the delivery of excellent healthcare and drive improvements
- supporting healthcare providers and clinicians to take greater responsibility for planning and commissioning education and training through the development of local education and training boards, which are statutory committees of HEE
- ensuring the shape and skills of the health and public health workforce evolve with demographic and technological change.

Under this system employers and professionals have a greater say in developing the health workforce in the future, through local plans. HEE's aim is for the system to deliver high quality learning and improves outcomes for patients in England. Its success criteria are:

- improvements in patient safety
- improvements in patient experience
- improvements in clinical outcomes
- more innovation in health and public health care.

Thirteen local education and training boards (LETBs) are responsible for the commissioning of education and training in their area, informed by providers and overseen by HEE.

HEE has a directly employed workforce of 2614 and use the nationally determined NHS Terms and Conditions of Service (Agenda for Change) and the national contracts and terms for medical and dental and very senior manager (VSM) staff. It is supported through a budget of £5 billion.

### Northern Ireland

The Department of Health, Social Services and Public Safety (DHSSPS of Northern Ireland) is accountable for the management of a budget to support the education, training and development needs of post-registered nurses and midwives to ensure that this workforce has the skills and competencies to deliver safe and effective care to patients and clients.

Human Resources Directorate within the DHSSPS has in place a programme of comprehensive workforce planning reviews carried out at regional level across the main professions and a number of supporting groups in the health and social care [HSC] organisations.

The main aims of the reviews are to establish information on the supply/demand dynamics relevant to the workforce group, thereby informing the department's decision-making on the number of training places to be commissioned and to develop understanding of the issues impacting on the recruitment, retention and career progression of those employed.

The Northern Ireland Medical and Dental Training Agency (NIMDTA) is an arm's length body sponsored by the Department of Health, Social Services and Public Safety (DHSSPS) to train medical and dental professionals for Northern Ireland.

NIMDTA is accountable to the General Medical Council (GMC) for ensuring that the standards set by the GMC for medical training, educational structures and processes are achieved. NIMDTA enhances the standard and safety of patient care through the organisation and delivery of relevant and valued continuing education courses for general medical and dental practitioners and dental care professionals. It also supports the continuing professional development of general medical practitioners and the requirements for revalidation through the management and delivery of GP appraisal.

NIMDTA has a fundamental role in ensuring that doctors are trained to the standards set by the Postgraduate Medical Education and Training Board (PMETB) and the GMC. It has a similar role in respect of dentists satisfying the standards set by the General Dental Council. In addition, it has a role in overseeing continuing professional development for general medical and dental practitioners.

The agency is responsible for commissioning, managing, and ensuring the delivery of postgraduate medical and dental training. This includes: recruitment; assessment; remediation; educator development; and the quality assurance of trust and general practice based education on behalf of PMETB. NIMDTA manages the delivery of training programmes and the progress of individuals through an educational governance framework of postgraduate specialty schools.

The chair of NIMDTA is appointed by Northern Ireland Ministers, usually for a period of four years under Article 3 of the Northern Ireland Medical and Dental Training Agency

(Establishment and Constitution) Order (Northern Ireland) 2004, the Department's Public Appointment Procedures and based on guidance issued by the Commissioner for Public Appointments for Northern Ireland.

The chair of NIMDTA is accountable to the Minister through the Departmental Accounting Officer for ensuring that NIMDTA's policies are compatible with those of the Department and for probity in the conduct of NIMDTA's affairs.

Relationships between NIMDTA, the Minister and the Department are governed by the arm's length principle, wherein the primary role of the Minister is to set NIMDTA's legal and financial policy and performance framework, including appointments to NIMDTA and the structure of its funding and management. Within this framework, it is the role of NIMDTA to determine its policy and activities, in keeping with its statutory responsibilities and the requirements of the Northern Ireland Executive policy.

## Wales

The Wales Deanery is based at Cardiff University. It exists to manage education and training systems which address the requirements of the regulatory bodies, the GMC and the General Dental Council (GDC) and the initiatives of the Welsh Government for the medical and dental workforce in Wales. It delivers innovative and postgraduate medical and dental education for Wales. It provides nearly 3,000 training grade doctors and dentists across Wales with access to high quality postgraduate facilities and educational support so that they can achieve their career aspirations whilst ensuring high quality care and patient safety in Wales.

The Wales Deanery is funded by the Welsh Government and works in partnership with local health boards and NHS trusts in Wales. Ongoing investment provides some of the most modern medical and dental educational facilities within the UK, whilst leading edge education research activity within the Wales Deanery is of national and international excellence. It also runs over 50 specialty training programmes.

Its aim is to support, commission and quality manage and assure education and training of trainees, dentists and dental care professionals and contribute to continuing professional development for secondary care doctors and general practitioners in Wales. This includes the development of innovative models of education and training delivery, building training capacity, facilitating the delivery of a general practitioner and hospital appraisal system and leading on postgraduate medical and dental education and research.

The Deanery has a workforce of 277 Welsh Government - funded staff (123.4 wte) The Wales Deanery activities are supported by a budget of c£80m, of which £71m provides for the training grade salaries of doctors in training and funding for postgraduate centres and libraries. This funding while allocated as part of the Wales Deanery budget, is not administered by the Deanery.

*The timeline of the key structural changes within Wales are shown in the following table.*

1992	The School of Medicine and School of Dentistry became part of the University of Wales College of Medicine (UWCM)
2001	Formation of Swansea Clinical School and North Wales Clinical School
2002	Formation of Gwent Clinical School
2004	The UWCM merged with Cardiff University The Graduate Entry Programme in Swansea commenced Structural changes to NHS in Wales and creation of 22 local health boards
2008	Medical School in Swansea initiated
2009	Structural changes to NHS in Wales with the formation of seven new local health boards

### **Workforce, Education and Development Services (WEDS)**

In 2005 the National Leadership and Innovation Agency for Healthcare (NLIAH) was established to support NHS service improvement, to develop senior leaders and to introduce innovation into learning technology. Since then it was given responsibility for workforce development and education commissioning as well as a range of additional functions.

A review of NLIAH was undertaken in 2012 to deliver a new and distinctive way forward in supporting the strategic goals of NHS Wales and supporting it in delivering transformational change and sustainable improvement. The functions housed within NLIAH were transferred formally to a number of receiving organisations on 31 March 2013. With the exception of the health professional education and training budget, which remained the responsibility of the Welsh Government, the workforce function transferred to the Shared Services Partnership comprised of:

- workforce planning
- workforce intelligence
- workforce development and modernisation
- education and training commissioning and contracting
- education contracting finance support
- students awards unit.

With the transfer of functions, 36 staff were moved to Shared Services along with a budget of £3,041,414.

Hosted by Shared Services, WEDS working on behalf of NHS Wales, the Welsh Government and education providers, supports the service in the development of a workforce with the skills and competences to meet the demands of modern day healthcare.

The role of WEDS is critical to NHS Wales in the delivery of its key strategic objectives and in the planning of the future workforce requirements both in terms of numbers and skills. It also undertakes a number of strategic pieces of work on behalf of the Welsh Government and the NHS.

WEDS is responsible for taking forward work on workforce planning and information; education contracting; workforce modernisation and development; education development; NHS Wales careers and Wales health student forum.

In addition, each year the Welsh Government provides funding to support an agreed student support package which WEDS manage in year. For 2016/17 the allocation was £85m.

### **Special Health Authority**

A special health authority is a type of NHS trust which provides services on behalf of the NHS. Unlike other types of trust they operate nationally rather than serve a specific geographical area. They are a type of arm's length body along with executive agencies and non-departmental public bodies. Special health authorities are independent but can be subject to ministerial direction like other NHS bodies.

While special health authorities may provide services direct to the public, most are concerned with improving the ability of other parts of the NHS to deliver effective health care.

Under section 22 of the National Health Services (Wales) Act 2006 Welsh Ministers may by order establish special bodies for the purpose of exercising any functions which may be conferred on them or under this Act. A body established under section 22 is called a special health authority. Currently there are no special health authorities in Wales.

An order under section 22 can contain provisions as to:

- the membership of the body established by the order
- the transfer of the body of officers, property and liabilities
- the name of the body.

### **Non- Departmental Public Body (NDPB)**

A non-departmental public body is a body which has a role in the processes of national government, but is not a government department or part of one and which accordingly operates to a greater or lesser extent at arm's length from Ministers. NDPBs have different roles, including those that advise Ministers and others which carry out executive or regulatory functions and they work within a strategic framework set by Ministers.

The UK Government classifies bodies into four main types:-

- advisory NDPBs – these bodies consist of boards which advise Ministers on particular policy areas. They are often supported by a small secretariat from the parent department and any expenditure is paid by that department
- executive NDPBs – these bodies usually deliver a particular public service and are overseen by a board rather than Ministers. Appointments are made by Ministers following the code of practice of the Commissioner for Public Appointments. They employ their own staff and are allocated their own budgets
- tribunal NDPBs – these bodies have jurisdiction in an area of the law. They are co-ordinated by the Tribunals Service, an executive agency of the Ministry of Justice and supervised by the Administrative Justice and Tribunals Council, itself an NDPB sponsored by the Ministry of Justice
- independent monitoring boards – these bodies were formally known as ‘boards of visitors’ and are responsible for the state of prisons, their administration and the treatment of prisoners.

### Stakeholders contacted

- Workforce, Education and Development Services (WEDS)
- Wales Deanery
- Strategic Education and Development Group (SEDG)
- NHS Health Education for Scotland (NES)
- Cardiff University
- Health Education England (HEE)
- Royal College of Nursing Wales (RCN)
- Royal College of General Practitioners (RCGP)
- General Practitioners Committee Wales (GPCW)
- British Medical Association (BMA)
- Professor Sir Ian Diamond FBA FRSE FAcSS
- General Medical Council (GMC)
- Welsh Government Education leads
- Welsh Government Health professionals
- Director NHS Wales
- Scottish Government
- Aneurin Bevan University Health Board
- Powys Teaching Health Board
- Abertawe Bro Morgannwg University Health Board
- Hywel Dda University Health Board
- Betsi Cadwaladr University Health Board
- Welsh Ambulance Service NHS Trust (WAST)
- Velindre NHS Trust
- Public Health Wales