



Bwrdd Iechyd Prifysgol  
Betsi Cadwaladr  
University Health Board

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**Dyddiad / Date:** 19<sup>th</sup> July 2019

Dear Andrew

Building on our discussion this week, I'd like to address two key areas and seek your help and support – firstly, to explain my proposed executive structure to ensure that BCU is better able to deliver our key priorities for this year and beyond, and secondly to seek your support on a number of capacity/capability requirements, which arise from the work we have been doing with Price Waterhouse Coopers (PWC).

## 1. Executive Structure & Portfolios

The Executive structure at BCU has evolved over time to try to ensure appropriate senior capacity is in place to make the improvements we need in specific key areas, whilst also spreading responsibilities across the Directors. to maximise team working and peer support. This process has seen the introduction of a Director of Mental Health & Learning Disabilities Services and an Executive Director of Primary Care and Community Services. The responsibility for acute services has been with the Director of Nursing Services in terms of line management and lead responsibility for unscheduled care delivery, while the Medical Director and the Director of Therapies have taken Lead Exec responsibility for RTT and Diagnostics/Cancer respectively.

Whilst the above changes have helped to establish the key priority given to Mental Health and Primary/Community services, and have helped to maximise joint working across the team, I believe that I need to change them going forward for a number of key reasons. Combining the Director of Nursing role with the lead exec role for acute care and unscheduled care (USC) is a substantial challenge in terms of capacity to deliver both agendas, and from the perspective of quality governance, does raise the risk of being seen to “mark your own homework”. The appointment of Gill to the post of Deputy Chief Executive further extenuates both the capacity and governance issue. The work we have done with PWC, both through their discussions with the senior team and through the focus groups they have done with front line staff, have raised the challenge of ensuring that we maximize the integrated nature of the Health Board, whilst also sharpening clarity of who is responsible for what and where to direct issues at a senior level. In terms of maximising our service integration, as



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we have discussed reorganising the Health Board into say 3 integrated units, with acute, community and primary care under the same leadership team is not our preferred way to address the issue. Instead I think we need our existing structure to work more effectively, but the existing Director structure complicates this as key secondary care accountabilities are spread across 3 Directors. One of whom is the Director of Nursing/Deputy CEO who could and should be a key driver for integration but this is hampered by being the lead for acute care. Lastly, as you know we have appointed an excellent new Medical Director who will bring a focus on service improvement and transformation and will give us stronger senior expertise on mental health, but David does not have a background in issues such as RTT. Whilst I am sure he has the capability to learn quickly, I am not convinced this is the best way for him to help me deliver our key objectives. A further driver for change is the impending retirement of the Board Secretary, who due to having a very broad set of skills and experiences has been leading on a number of key BCU wide issues such as Special Measures.

As such I propose to implement a revised structure as shown in Appendix A. You will see that the key change is the introduction of a Director of Acute Services. This will give us three “delivery Directors” (Acute, Mental Health and Primary/Community), one of which will be a voting member but all of whom will sit on the Board and report to the CEO. As discussed I have also shown the direct reports into the 3 delivery Directors in Appendix A. This change will allow the Deputy CEO to focus on a number of key specifics such as Special Measures but crucially will enable the post to help me orchestrate and coordinate what will be a large team but whilst also strengthening the separation of quality governance from direct leadership of acute services. A dedicated post of Director of Acute Services will give us additional leadership capacity in this key area which will be essential to drive improvements in a number of our key performance measures including unscheduled care, RTT and diagnostics (for which they will be the lead Director) and our financial performance. Clearly, whilst the Director of Acute Services would be the lead Director for our elective and non-elective waiting times, delivery in these, and other areas will of course require all three delivery Directors to work together which will be a key focus for the Deputy CEO and I. In terms of funding, you will be aware that we previously had a post of Director of Acute Services that reported into the Chief Operating Officer – we have tried unsuccessfully to fill this post which will provide the bulk of the funding for a new Board, level post so support from WG will not be required.

## **2. Additional capacity/capability requirements**

Whilst I believe that the matters addressed in item 1 above will make a material difference to our performance, in the light of progress made in Quarter 1, but also reflecting the work we have done with PWC I believe there are a number of key areas where further capacity/capability is required. We discussed a number of these in our meeting on 12<sup>th</sup> June and when we met again this week. I have set out below a summary of the areas where I believe support is required alongside an indication



of cost. Further detail, with a brief description of the case for change/expected impact for each item is contained at appendix B.

<b>Delivery area</b>	<b>Role</b>	<b>Cost</b>
Financial Recovery	Recovery Director	£350k
Secondary Care/Locality System	Secondary Care/Hospital Directors x 3	£230k
Primary Care & Community Services	Associate Director Primary Care & Community Services	£98k
Service Improvement; Delivery Management Office	Additional senior improvement practitioners	£250k
Service Improvement; Delivery Management Office	Senior Programme Management and Data Scientist/analyst capability	£210k

Whilst we are clear that the additions of the capacity and capability will support significant improvement in our operational and financial performance, we are also mindful of the impact that these investments would have on our financial position in year. I would therefore be grateful if you could consider whether the above investments are something that you could support us with. With the exception of the Recovery Director these would be ongoing costs, where part year costs would be incurred this year.

As we discussed this week the Recovery Director (RD) needs to deliver an immediate and significant impact on our run rate and CIP plans over the next two months to enable us to deliver our control total. In order to facilitate this, and as a “spend to save” investment that will be funded through higher savings delivery, we will be bringing in additional PWC staff, supplemented with at least some level of BCU staff, to work directly to the RD for a minimum period of 8 weeks. The cost of this is likely to be just over £0.5m. During this period we will assess the ongoing requirements for this team and how we might begin a process of skills transfer. We will also be reviewing the value for money of the investment and what opportunities there are to reduce the cost through either additional involvement from BCU staff or through other less costly external assistance. In addition to a dedicated team the RD has reviewed our current CIP governance and put forward a number of proposals which we will be implementing over the next few weeks.

I fully appreciate the scale of financial support being requested, but I am confident that the Executive team, with the appointment of the new deputy Chief Executive; Medical Director and Acting Director of Finance and supported by these improvements in our infrastructure will enable us to deliver the changes we need to make to deliver better, sustainable services for the population of north wales.



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Yours sincerely

A handwritten signature in black ink, appearing to read "Gary Doherty".

**Gary Doherty**  
**Prif Weithredwr**  
**Chief Executive**

Cc: Mark Polin

Enc.