



 <p>GIG CYMRU NHS WALES Iechyd Cyhoeddus Cymru Public Health Wales</p>	<p>Name of Meeting Board Date of Meeting 28 March 2024 Agenda item: 4.4</p>
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Hosting Agreement Addendum– NHS Wales Executive	
Executive lead:	Neil Lewis Director of People and Organisational Development
Author:	Neil Lewis Director of People and Organisational Development Pamela Wilson, Programme Manager

Approval/Scrutiny route:	Committees/Groups which will receive or considered this report include: <ul style="list-style-type: none"> • Executive Team • Board • NHS Wales Executive Programme (led by Welsh Government) • NHS Wales Executive project PHW Board
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Purpose
<p>The purpose of this paper is to request approval of:</p> <ul style="list-style-type: none"> • The Hosting Agreement Addendum with NHS Wales Executive which takes into account variations to the Agreement, this is effective from 1st April 2024. The Hosting Agreement ('the Agreement') was approved by the Board on 26 January 2023 and remains extant. • Note the letter from Nick Wood, Deputy Chief Executive NHS Wales Executive, dated 21 March 2024.



Recommendation:

APPROVE

CONSIDER

RECOMMEND

ADOPT

ASSURANCE

The Board is asked to **Approve:**

- The hosting agreement Addendum with NHS Wales Executive which takes into account variations to the Agreement, this is effective from 1st April 2024. The Hosting Agreement ('the Agreement') was approved by the Board on 26 January 2023 and remains extant.
- Note the letter from Nick Wood, Deputy Chief Executive NHS Wales Executive, dated 21 March 2024.



Link to Public Health Wales Strategic Plan

Public Health Wales has an agreed strategic plan, which has identified seven strategic priorities and well-being objectives.

This report contributes to the following:

Strategic Priority/Well-being Objective	All Strategic Priorities/Well-being Objectives
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Summary impact analysis

Equality and Health Impact Assessment	<p>Equality or Health Impact Assessment is not required.</p> <p>If measures are identified that will require an Equality and Health Impact Assessment, this will be undertaken, however it is not felt a requirement at present.</p>
Risk and Assurance	<p>NHS Wales Executive PHW project board manages and monitors risks. Certain risks may also be managed on the organisations Corporate risk register.</p> <p>Robust project and programme governance embedded. Escalation to the programme (led by Welsh Government) is undertaken when appropriate.</p>
Financial implications	<p>A Finance Service Provision document detailing financial scope has been compiled.</p> <p>Hosting fee increased by 3.67% in 2024/25, to a total hosting fee of £361,276.</p>
People implications	<p>Additional staff will transfer to Public Health Wales from 01 April 2024 as part of phase, additional People and OD resources have been identified and supported for 2024/25 with funding provided to PHW for this purpose.</p>



1. Purpose / situation

The Hosting agreement sets out appropriate governance and reporting arrangements for the Hosted Unit. The Agreement is intended to ensure that hosting arrangements are clear and transparent and the rights and obligations of all parties to the Agreement are documented and agreed.

The agreement between PHW and Welsh Government (WG) to Host the NHS Wales Executive was approved by Board on 26 January 2023. The Hosting Agreement commenced on 1 April 2023 and is an agreement of indefinite duration. With effect from 1 April 2024, the NHS Wales Executive will expand to incorporate additional national programmes and functions. The addendum takes account of the expansion of the Hosted Unit and the associated variations to the main Agreement. In accordance with section 14 of the Agreement, this variation is being made in accordance with the Change Control Procedure.

The addendum to the hosting agreement has been produced in collaboration with WG and NHS Wales Executive

2. Background

Background: establishment of NHS Wales Executive.

The decision to establish an NHS Wales Executive function was first announced in *A Healthier Wales* in 2018, and then reconfirmed in the latest Programme for Government. This decision was based on the findings and recommendations of both the 2016 Organisation for Economic Cooperation and Delivery (OECD) Quality Review and the 2018 Parliamentary Review of the long-term future of Health and Social Care. Both reviews called for a stronger centre, additional transformation capacity and streamlining of current structures.

Phase 1

In January 2023, PHW initiated a project to support the wider Programme led by WG. The agreement between PHW and WG to Host the NHS Wales Executive was approved by the Board on 26 January 2023.

Phase 1 of the NHS Wales Executive implementation programme delivered a '*Minimum Viable Product*' on 1 April 2023. This brought together a number of national bodies to operate and respond to a single Mandate and Remit Letter which was issued from WG to the NHS Wales Executive Senior Leadership Team (SLT) on 31 March 2023.

Working on behalf of WG, the NHS Wales Executive provides strong leadership and strategic direction – enabling, supporting, and directing, where necessary, NHS organisations to deliver national priorities and standards, and safeguard and improve the quality and safety of care.



The initial core functions of the NHS Wales Executive from 1 April 2023 included:

- a. **Quality, safety and improvement** – including reinforcing and refocusing national leadership for quality improvement, patient safety and transformation;
- b. **Planning** – including developing national and regional planning capability and support for national decision making alongside regional and local delivery; and
- c. **Oversight and assurance** – including enabling stronger performance management arrangements, financial control, and capacity to challenge.

Phase 2

It has been agreed that the overall objective for Phase 2 of the programme led by WG will be to '**support transition to business as usual and further strengthen the NHS Wales Executive**'. This includes the establishment and delivery of further functions as follows:

- Innovation & value
- Workforce delivery and Emergency planning.
- National Clinical Framework – Implementation arrangements.

The transfer of the following programmes/teams by 1 April 2024:

- Improvement Cymru (IC)
- Value in Health programme
- Strategic Programme for Primary Care
- National Programme for Urgent Emergency Care (6 Goals)
- Suicide and Harm
- All Wales Nursing Programme.

It was also agreed in December 2023 that Tec Cymru will transfer to NHS Wales Executive, this will be effective from 01 September 2024.

3. Description/Assessment

The addendum reflects the changes in legislation since the hosting agreement was previously approved and was produced in collaboration with WG and NHS Wales Executive.

As a result of ongoing discussions, service specifications will be agreed between both parties by May 2024 and in addition, there is agreement to undertake a substantive review of the Hosting Agreement in 2024, which will ensure we can bring together the Agreement and the Addendum, together with our learning

through the first year of operation, into a revised single Hosting Agreement in readiness for 2025/26.

As the NHS Wales Executive is a hosted body, it functions and operates within the governance environment of PHW. An assurance schedule has been developed to ensure PHW receives the appropriate level of assurance that NHS Wales Executive are operating in compliance with these governance requirements.

The NHS Wales Executive hosting agreement addendum outlines that whilst the Host Organisation will provide the overall Caldicott Guardian and SIRO role and function, the Hosted Unit will assign equivalent deputy roles internally to ensure the Caldicott Guardian and SIRO of the Host Organisation receives sufficient information and assurance for them to discharge their role and function in the context of the Hosted Unit.

Budget/Costs

Details of the hosting fee and associated posts are highlighted in the table below, this does not include the additional People and OD related posts which have recently been agreed.

The total hosting fee for 2024/25 has increased by 3.67%, this is in order to meet the increasing demand on PHW functions and covers the inflationary pressures that PHW faces from NHS organisations SLA charges and audit fee increases. The total baseline hosting fee for 2024/25 is therefore £361,276. Further details are set out in the table below.

		£	£
Hosting Fee	Collaborative	104,334	
	FDU	16,159	
	Delivery Unit	68,631	
	Improvement Cymru	0	
	6 Goals and 111	0	
	Value in Health Programme	0	
	Suicide and Harm Programme	0	
	All Wales Nursing Programme	0	
	Total Hosting fee - General Costs		
Finance Support	Collaborative	112,409	
	FDU	0	
	Delivery Unit	0	
	Improvement Cymru	0	
	6 Goals and 111	0	
	Value in Health Programme	0	
	Suicide and Harm Programme	0	



	All Wales Nursing Programme	0	
	Total Finance Support		112,409
HR Support	Band 7	46,954	
	Total HR Support		46,954
Total			348,487
	Uplift for 2024/25 @ 3.67%		12,789
Total Hosting Levy			361,276

Recommendation

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