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Venue: Committee Room 3, National Assembly for Wales

Title: Monthly Report of the Minister for Health and Social Services

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1. STRATEGY ISSUES:

1.1 "Improving Health in Wales" - Implementation Plan Update

The Director NHS Wales has unveiled proposals to implement the structural reforms for the NHS Wales and Assembly's NHS Directorate.

The proposals include the establishment of a Local Health Board and Partnership Steering Group (LHBPSG) chaired by the Director and the appointment of Mr Bryan Mitchell as Project Director who will oversee the change management process. Mr Mitchell was previously Director, Cabinet Executive at the National Assembly and took up his new role in January 2002.

The LHBPSG's main focus will be the Implementation Plan that will identify and schedule the organisational development work necessary for the successful introduction of the new structures and the management of the transition, both within the NHS and the NHS Directorate and associated groups and individuals in the National Assembly for Wales.

The Implementation Plan will focus on human resource issues within the NHSD, Health Protection and Improvement Division and NHS Wales, systems, policies and processes, transitional management and partnership development and commissioning arrangements. The role currently played by the Specialist Health Service Commission for Wales will be strengthened. In the reformed health service in Wales, the Commission will continue to provide an All-Wales, arms-length, commissioning body, dealing with tertiary and other highly specialised acute services. Post reorganisation a Board will be constituted which is made up of regional representatives of LHBs, Trusts and the National Assembly.

In addition to securing tertiary services, the Commission will be available to provide advice to the NHS in Wales in relation to more specialised secondary and regional services commissioning.

These changes will take place up to and beyond April 2003.

The implementation process will need to harness the experience and knowledge of staff and partners at all levels through workshops and reference groups as well as incorporating the work already commissioned by the Structures Task and Finish Group which includes, the redistribution of the health authority functions, redesign of the professional advisory machinery, reforms to the LHBs and NHSD, costings for new structures and evaluation of current and future ones will all be integrated into the LHBPSGs implementation plan.

Mrs Lloyd has also emphasised the importance of synchronising the work of the LHBPSG with the Implementation Programme of the NHS Plan to ensure the delivery of its service renewal proposals

The Audit Commission and National Audit Office will be closely involved in all aspects of the development work relating to effectiveness, probity, regularity and value for money.

The work programme of the Service Development Group (SDG) will be completed by June 2002. It has already prepared guidance on the Intermediate Care and it is currently assessing the implications of implementing Access and Excellence. The Project Board for the Primary Care Action Plan has been set up and various aspects of health improvement are being considered. The long term agenda being addressed by the Group will be inherited by a planning forum that will be set up to support and advise the service on planning and implementation issues associated with the NHS Plan.

The Health Challenges Group completed its work in December 2001. This group has made significant progress in looking at putting in place cancer and heart coronary disease networks, while looking at a generic approach for the implementation of national service frameworks. All the original undertakings assigned to Group have been reviewed and updated to include identification of lead professionals within the NaFW, priority ratings, progress and or dates for completion, outcomes/products.

The Patient Focus/Public Involvement Group held its final meeting on the 5th February 2002. An outturn report on the work of the Group will be produced which will report on the good work of the group as well as considering issues of organisational development; that is, did the process work and lessons learnt from it. The report will also make recommendations with regard to establishing in the longer term a Patient and Public Involvement Expert Group to review progress in this respect and also advise the Assembly on the development of this aspect of future strategies. One of the groups key activities is to work with the Office for Public Management (OPM) to issue guidance to the NHS ['Signposts- a practical guide to public and patient involvement in Wales']. This identifies best practice on what works best in NHS public involvement and assists in the production of baseline assessments and annual plans by Trusts and Local Health Groups by April 2002 (Chapter 3 of 'Improving Health in Wales').

'Signposts' has been well received by the NHS in Wales and by the Commission for Health Improvement which is using this as a guide to good practice throughout the UK.

The Workforce Group is focused on improving personnel practices and workforce planning. They are currently focusing on areas where they could add value and which would have high impact. These include the use of agency staff, perceptions of NHS Wales as an employer, workforce planning. It is intended that this work will be complete by the end of May 2002.

A new approach to performance management in NHS Wales is in the pipeline following the work undertaken by the **Performance Management Group**. A Performance Management Framework has been produced. In taking forward its work, the Group has sought to work closely with partners and in particular to develop proposals in parallel with those currently under consultation for social services.

The overriding aim of the Group has been to produce a framework for continuous improvement. Performance measurement and management are parts of this process, but not the sole preoccupation of it. The groups report is now being considered with the NHS and partners before implementation.

The **Joint Working Group** will be reconvened in February, and the focus of the meeting will be to consider how to take forward the work on the Public Service Accountabilities but also provided an opportunity for a progress report on the Joint Working undertakings and also the progress on NHS Bill.

The **Public Health Review Group** has completed the first stage of its work in which it has considered the role and positioning of public health in terms of the structural proposals for the NHS. The Review will now continue with a further two stages. Stage II will concentrate on building capability in Public Health in Wales and Stage III, which will be progressed in parallel to Stage II, will concentrate on developing a strategy in Public Health Wales and will lead to the publication of a revised *Better Health Better Wales* strategic document. It is anticipated that Stage II will be completed around June of 2002 and publication of *Better Health, Better Wales Mk II* is anticipated around September 2002.

1.2 Health Facilities Sub Group

The Health Facilities Sub Group is progressing a range of issues relating to the abolition of HAs, the recent NAO report, the development of a National Estates Strategic Framework, hospital equipment, and catering and cleaning issues.

1.3 NHS Estates Issues

The **Auditor General for Wales' report on Managing the Estate of the NHS in Wales** was published on 28 November 2001. The Audit Committee Hearing to consider the report was held on the 24 January 2002. When the findings of the Committee are made available they will be considered by Welsh Assembly Government colleagues, and their response will be laid before the Assembly within 30 working days of the Committee's report being received.

The report is concerned with the need to develop a strategic approach to estate management, the organisation and staffing of the estates function, the performance of the estate itself and the ability to measure this.

I very much welcome this report. I am confident that the Assembly and NHS Wales are addressing many of the problems it identified. However, I recognise that we must have robust performance management structures in place, and appropriate investment in new and existing facilities, if we are to achieve real improvements.

In the past, the NHS estate in Wales has not been given the priority it warrants and I am pleased that the Assembly is committed to redressing this. You will be aware that the Assembly's "Plan for Wales 2001" gave a commitment to ensuring that by 2003-04, 90 per cent of the NHS estate will comply with

statutory health and safety requirements, including fire safety, be sound and operationally safe. On 9th January I announced that a £6 million has been made available for capital projects to help Trusts which are tackling the more difficult **Firecode compliance issues**.

There is to be a **plenary debate on NHS Estates** matters on 14th February 2001 where I will have the opportunity to discuss further the most pressing issues with regard to the estate and to acquaint them with the measures which are already in hand to address the deficiencies.

I understand that that National Audit Office will publish a separate report on the management of the disposal of surplus NHS estate within the next few months and I look forward to receiving this in due course.

1.4 Telemedicine and Telecare Progress - Demonstrator Projects:

The Telemedicine Demonstrator Projects - NOW (North Wales) and P4 (Dyfed/Powys) have been formally initiated with clinicians involved at all levels.

NOW 's objectives include increasing the number of local dermatology treatments, reducing waiting times and reducing the number of transfers to A&E. P4 will develop, pilot, and evaluate an appropriate telemedicine model for treating minor injuries in a rural area.

All Wales Health Capital Renewal Programme 01/02:

Money was released to Health Authorities and NHS Trusts involved in the Scheme in December 2002, and a full spend by the end of the financial year is expected.

Information Task & Finish Group

The Information Task & Finish Group is nearing completion of the National Information Management and Technology Development Plan, and I will be considering their proposals during February. As signalled in *Improving Health in Wales*, I expect expenditure on Information and Communications Technology to increase to at least 2% of health authority revenue expenditure. As a first step I am allocating £3m towards achieving this increase. This funding will be used to begin implementation of the Plan.

2. NHS PERFORMANCE:

2.1 Waiting Times Strategy

The National Assembly Task Group to improve performance in waiting times has been set up. Lead

Managers from the NHS and senior officials from the Assembly have been identified and invited onto the group as well as expert external support and background analysis work has taken place. The first meeting will take place in early February, chaired by Doctor Brian Gibbons.

2.2 Emergency Pressures

The number of weekly emergency admissions remained high throughout January. Figures show that the NHS has been under slightly more pressure this year with 6% (1,100) more emergency admissions reported in December 2001 and 2% (300) more reported so far this January 2002 (week ending 22/01/02). Staff in the NHS continue to work hard to ensure that these pressures are planned for and better managed.

This has inevitably placed great pressure on the NHS and has resulted in very high bed occupancy and the need for operations to be postponed to accommodate emergency patients. There has also been a sporadic outbreak of a community borne gastroenteritis virus, which has forced some hospitals to close several wards, as a temporary infection control measure.

To prepare for the winter months, hospitals reduce planned operations and if pressures rise, re-schedule operations. This is an inevitable consequence of fluctuating emergency admissions. For example, surgeons may receive emergency priority patients, forcing postponement of scheduled operations.

The incidence of flu is being monitored and the Public Health Laboratory Service (PHLS) surveillance reports low levels of acute respiratory virus infections across the United Kingdom and GP consultation rates for influenza or influenza-like illnesses remain low in Wales.

The NHS Direct England and Wales total call rate has increased slightly to a rate of 218 calls per 100,000 in week 3 (week ending 20 January). Cold/flu calls as a proportion of total calls has also increased slightly but remains lower than at the same time last year.

At the end of December and early January, I made several visits to NHS facilities throughout Wales. I visited the new NHS Direct facility in Pontypool, the Rapid Response Team in Blaenau Gwent, the reablement scheme in Brecon, the Acute Response Team in Cardiff and Vale NHS Trust and a visit to North Wales, where I visited a nursing home in Rhyl, opened the education centre at Ysbyty Gwynedd and opened the North Wales region control room for the Ambulance Trust.

The Keep Well This Winter campaign continues and the initial results of this year's flu immunisation campaign are very encouraging with approximately 58% of those people over 65 receiving the jab in the first two months of the campaign. In the under 65 group of people at risk, over 104,000 people have been immunised so far which is a substantial increase on last year.

3. IMPROVING HEALTH AND TACKLING INEQUALITIES:

3.1 Sexually Transmitted Infection Prevention Campaign

A campaign which aims to raise awareness of common sexually transmitted infections such as chlamydia was launched in early December. Posters explaining the facts about sexually transmitted infections and their prevention are being displayed in toilets of universities, colleges, pubs and nightclubs across Wales. The campaign launch was well received by young people, and has had positive media coverage.

3.2 Community Food Initiative

In December 2001 I approved grants of up to £5,000 each for twenty innovative projects across Wales under the Assembly's Community Food Initiative. The initiative, which was launched in 2000, aims to address the barriers to healthy eating by increasing access to healthy food, improving basic skills and addressing issues of cost, preference, accessibility and availability. More than £70,000 is being allocated to projects that actively promote healthy eating at a local level, particularly among disadvantaged and vulnerable groups.

3.3 Health Inequalities Fund

On 21st January 2002, I announced a second tranche of 13 projects to be supported by the Inequalities in Health Fund. The projects will start in April and my announcement now enables them to undertake the necessary preparatory work in advance of this date. The additional projects are also focusing on the priority of tackling coronary heart disease and bring to 67 the total number of new projects that are taking place in deprived communities throughout Wales as a direct result of the Fund.

4. QUALITY REGULATION AND INSPECTION:

4.1 Annual Report Of Chief Inspector: Social Services Inspectorate For Wales 2000-2001

The Social Services Chief Inspector's Annual Report for Wales for 2000-2001 was published on 21 January. The report describes the work of the Social Services Inspectorate for Wales as part of a programme of action in social care by the Welsh Assembly, local authorities and partners in the independent sector. It also underlines the need for strong leadership and partnership in social services to protect vulnerable people and promote independence and social inclusion.

It reports progress on achieving the vision and objectives set out in the Social Services White Paper "Building for the Future" through:

- The establishment of the Care Standards Inspectorate – arrangements are in place for it to fulfil its tasks of improving the regulation and inspection of care services from April 2002.
- Setting up the Care Council for Wales from 1st October 2001: this new body will regulate the workforce and improve the training and quality of all people working in social care.

- Developing a framework for management of performance which will support the evaluation of services.
- Completing half the five year programme of inspections of all local authorities, including the joint reviews commissioned in partnership with the Audit Commission.

4.2 The Carlile Review

In September 2000, I invited a panel of childcare experts, chaired by Lord Carlile of Berriew, QC to review the arrangements and make recommendations about the safeguards of children and young people treated and cared for by the NHS in Wales.

I have received the panel's report, and I have agreed to its publication. I will make a statement on the report at plenary on the 5th March and the report is an agenda item for discussion at the Health and Social Services Committee due on 13 March.

The report contains a number of recommendations for consideration. I have therefore asked Assembly officials to establish an implementation group to consider these recommendations and produce an Assembly response by the date of publication. This response will be considered also on 13 March.

4.3 CHI Report on Bro Morgannwg NHS Trust

The Commission for Health Improvement (CHI) conducted a clinical governance review of the acute services at Bro Morgannwg NHS Trust between April and August 2001.

The review looked at the clinical governance arrangements in place in 3 teams specialising in the areas of:

- Treatment of aortic aneurysm
- Cataract treatment
- Children services

The report concluded that the Trust is an organisation valued by its population, partner organisations and staff alike. They found the environment to be clean and welcoming and the staff happy and friendly. The report also said that the Trust is well organised and that there is a strong commitment from staff and the trust board to deliver good quality care to patients. The Trust has good relationships with its partner organisations, such as health authorities, local health groups, local government partners, the voluntary sector and the local community health council and it involves patient groups with its decision making process. In general the data analysed by CHI illustrated lower death and readmission rates and a greater proportion of patients had shorter lengths of stay in hospital in comparison to other trusts in Wales.

5. SOCIAL CARE:

5.1 Health Act 1999 - Flexibilities

From the £1.9m made available in 2001-2 many authorities are beginning to use the Health Act Flexibilities Framework and are developing schemes with their NHS partners.

A consultation exercise on the proposed terms of next year's Special Grant ended on 14 January and responses are currently being considered. Subject to Assembly approval in Plenary on 12 February 2002, this grant will distribute £4.85m to local authorities in 2002-3. The purpose of the funding continues to be to pump-prime the development of formal partnerships between the NHS and local government which will build on the platform already established from the current year's funding.

5.2 Strategy for older people

The development of a Strategy for Older People in Wales continues to make good progress under the leadership of Dr Brian Gibbons. A range of **literature reviews** of extant research on older people, completed by Bangor University, have been discussed by the Strategy Steering Group. The approach of using research evidence as the basis for development of the Strategy has been well received by the Steering Group. An extensive **consultation programme** involving over 1,000 people has been completed involving focus groups, a Wales conference, regional committee sessions, meetings with Pensioner organisations and written consultation. A number of expert presentations and "champions" papers have also been received by the Steering Group. A comprehensive and rich source of evidence has therefore been considered and the Steering Group are now formulating their findings and recommendations. This work will continue into March and the Committee will be able to discuss the draft Strategy by the end of April, with a full plenary debate in May. The draft Strategy will be published for consultation by the summer.

5.3 Delayed Transfer of Care

Local authorities have all received the first instalment of their share of the £5m made available to local government to help meet immediate pressures tackle delayed transfers of care and support the independent sector.

This money is intended to go towards measures which aim to avoid admissions to hospital, support people in their own homes after discharge and help local authorities in commissioning additional capacity in the independent care sector. Early indications to my officials suggest that the additional money is being used for these measures, including uses to support the independent sector. An interim report will be produced for the Committee in March. This will provide information on the use of the additional funding by local authorities, based on the projected costs of each action in the local authority Delayed Transfers of Care Action Plans.

6. FINANCIAL POSITION:

6.1 Overall Position of NHS

The forecast income & expenditure position of NHS bodies in Wales is currently reported as a deficit of between £11 and £18 million. The deterioration in the position since last month is mainly a consequence of the requirement for the NHS to increase its premium contributions to the Welsh Risk Pool to meet the cost of clinical negligence claims.

The main risk to this reported position continues to be in relation to primary care drugs prescribing where there continues to a significant backlog in un-priced prescriptions and there is considerable volatility in the available monthly expenditure data. This makes it difficult to forecast the outturn position accurately.

The Assembly is closely monitoring the financial positions of Carmarthenshire and Cardiff and Vale NHS Trusts who are unlikely to achieve their financial recovery plan targets in 2001-02. The recovery plans for North East Wales NHS Trust and the joint plan for the Gwent Health Community are expected to be approved by the Assembly before the end of the financial year.

I announced my decision in principle to cancel outstanding debts with Health Authorities and NHS Trusts at the committee on the 23rd January 2002. This decision will have no impact on the financial position for 2001-02 but will result in technical surpluses when the debts are actually cancelled.

The forecast cash out-turn for the Health and Social Services MEG remains a balanced position. This reflects the action I have taken to re-direct £28.8 million of in-year identified underspends to address cost and service pressures, including assisting the NHS to meet the additional costs falling to the Welsh Risk Pool. It also assumes the draw down in March 2002 of funds held in both health and social services and central end year flexibilities to fund the capital renewals programme and to meet commitments made in earlier years on which payments are now falling due.

6.2 Transfer of Resources

In accordance with Standing Order 19.6 I wish to inform the Committee of the transfers of resources during the current financial year which have been agreed with the Minister for Finance, Local Government and Communities.

Amount of Transfer	Transfer from	Transfer to	Reason for transfer
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£75,000	Other Health and Social Services SEG	Health Improvement SEG	To cover the management costs incurred by the Welsh Office for Research and Development (WORD) in undertaking Social Care Research
	Research/Publicity BEL	Research and Development BEL	
	Before Transfer:	Before Transfer:	
	£1,430,000	£14,960,000	
£9,000	After transfer	After Transfer:	To cover the costs of publishing an Annual Report on the Voluntary Sector Scheme as well as maintaining a Code of Practice for funding the Voluntary Sector which is to published as a separate Document.
	£1,355,000	£15,035,000	
	Support for the Voluntary Sector SEG	Other Health and Social Services SEG	
	Support for the Voluntary Sector/ Volunteering BEL	Research and Publicity BEL	
	Before Transfer:	Before Transfer:	
	£5,592,000	£1,355,000	
	After Transfer:	After Transfer:	
	£5,583,000	£1364,000	

Jane Hutt
Minister for Health & Social Services