

SCRUTINY SESSION WITH THE HEALTH AND SOCIAL CARE COMMITTEE – 17 JUNE 2015

NATIONAL ASSEMBLY FOR WALES: HEALTH AND SOCIAL CARE COMMITTEE

Date: 17 June 2015

Venue: Senedd, National Assembly for Wales

Purpose

1. This paper provides an update on those areas of interest identified by the Committee in its letter of 5 May.

2014-15 END YEAR PROVISIONAL FINANCIAL OUTTURN OF LOCAL HEALTH BOARDS AND TRUSTS

2. The audited year-end accounts for local health boards and NHS trusts are expected to be laid before the National Assembly for Wales by 14 June. The following table sets out the provisional year-end position reported by each LHB and Trust in their draft unaudited 2014-15 accounts:

NHS organisation	End of Year Provisional Outturn Surplus / (Deficit) £m
Local health board	
Abertawe Bro Morgannwg	0.1
Aneurin Bevan	0.5
Betsi Cadwaladr	(26.6)
Cardiff and Vale	(21.4)
Cwm Taf	0.0
Hywel Dda	(7.5)
Powys	0.0
Trust	
Public Health Wales	0.0
Velindre	0.0
Welsh Ambulance	0.1
Total NHS Wales provisional outturn	(54.8)

3. As I indicated in the scrutiny session on 19 March, I anticipated that three health boards - Betsi Cadwaladr, Cardiff and Vale, and Hywel Dda University Health Board, would not be able to manage within their allocation in 2014-15. The draft accounts confirm that position. I am disappointed by the provisional outturn for these three organisations, particularly as they have received their resource allocation share of the extra £200m that the Nuffield Foundation said was needed to achieve a satisfactory outcome in 2014-15.

4. During the year, I made it clear to all NHS bodies that, following the additional allocation, they needed to achieve a balanced position without compromising quality or patient safety. The combined deficits in the three health boards detailed above have been covered within the overall Welsh Government health and social services budget.
5. Thus, in overall terms, the health and social services budget is expected to break even in 2014-15 despite the NHS overspend. I will make a formal announcement of this in due course when the audited position is further progressed.

ADDITIONAL RESOURCE FOR WINTER PRESSURES 2014-15

6. On 15 January, the Finance Minister allocated an extra £40m to the NHS in 2014-15 to support winter pressures. This extra investment, which comes from the Welsh Government's reserves, followed the announcement that an additional £700m was being allocated to the NHS in England without any consequential funding being provided to Wales.
7. Further to the allocation of £8m to the Welsh Ambulance Services NHS Trust, I indicated in the scrutiny session on 19 March that I would use the remaining £32m as follows:
 - to recover some ground on planned care performance that had been adversely affected;
 - to cover additional costs caused by winter pressures for those health boards who were delivering to their approved plans; and
 - to hold some funding back as a central contingency to help cover the significant deficits outlined earlier.
8. This was supplemented by ongoing discussions and monitoring of the position with the three bodies that had reported deficits by my officials, to ensure that these bodies did not have to take adverse decisions on quality or performance in order to balance their books.

The funding has been issued as outlined in the table below:

Description	Amount £m
WAST	8.0
Planned Care performance	6.8
Health Board Winter pressures	6.8
Total allocated to NHS organisations	21.6
Funding held back as central contingency	18.4
Total	40.0

9. The total additional allocations from central department of health and social services funds issued to health boards in the last two months of the financial year are detailed in the table below. This includes adjustments to resource limits

after the end of the financial year but before the completion of the annual accounts.

Description	Amount £m
Winter pressure funding (as outlined above)	21.7
2014-15 Pay award funding	18.9
Funded Nursing Care	2.2
Final tranche of diagnostic waiting times funding	2.3
Clinical excellence awards (Qtrs 3 & 4)	2.6
Additional pharmacy allocations	1.9
Substance misuse funding (final LHB allocations)	2.9
Other routine allocations	0.6
Technical adjustments (impairments and depreciation)	6.0
Total allocations in February and March	59.1

INVESTMENT IN PREVENTATIVE HEALTH

10. Identifying the resources attached to preventative spend is complex, and conclusions will vary depending on definitions and criteria used. Broadly, prevention can be divided in three aspects:
- i. **Primary prevention** aims to stop diseases before they start. Approaches to help people to achieve good health and maintain their wellbeing, such as good housing, educational attainment, safe workplaces, crime reduction, and so on, are all part of primary prevention. A large part of primary prevention is about providing education and environmental change to help people help themselves. However, immunisation is also an example of this approach, and one which involves a healthcare intervention.
 - ii. **Secondary prevention** aims to identify health problems at an early and treatable stage, prompting the necessary treatment. Most secondary prevention involves some kind of healthcare intervention, such as a screening test.
 - iii. **Tertiary prevention** is focused on people who already have a longstanding health condition, such as diabetes, and can pick up any predictable complications and manage them as effectively as possible. Diabetic retinopathy screening is an example of this approach. A great deal of tertiary prevention takes place in primary care, as part of looking after people with chronic health problems.

11. Caution is needed when considering the implications of preventative spend. Prevention has sometimes been promoted as simultaneously improving public health and saving money, but no linear relationship of that sort is likely. Preventing preventable harms releases money for other health and social care purposes. An important distinction, therefore, needs to be drawn between possible savings within a particular disease area and reducing the NHS and social care budget overall. The former are important and worth pursuing even if the overall effect on the latter is more complex.

Primary prevention

12. As noted from the definitions above, primary prevention activity takes a variety of forms and will be funded from budgets across the Welsh Government. Even within the Health and Social Services MEG a range of primary prevention activities will be funded, though it is difficult to disaggregate them from broader activity. For instance, a significant amount of time will be spent by primary and community care professionals providing health promotion advice and support (e.g. health visitors supporting new mothers, fathers and their babies or GPs considering taking into account the holistic needs and circumstances of individual patients presenting for consultations). This Government's policies, such as the plan for primary care services for Wales, are aimed at ensuring these approaches of supporting population health are deeply rooted in the Welsh NHS, but quantifying the discrete spend on them is highly complex.
13. Public Health Wales (PHW) is funded by the Welsh Government to provide a range of primary prevention measures aimed at preventing ill health, alongside a number of other public health functions. £81.7m core funding was allocated to Public Health Wales for 2015/16. The funding allocation is not ring fenced for any particular activity to allow maximum flexibility for PHW in managing their resources to meet a wide range of priorities and commitments. It covers a number of programmes such as smoking cessation services and the Welsh network of healthy school schemes.
14. £17.6m will be allocated in 2015/16 for immunisation programmes – including expansion of the flu programme to include for the first time children in primary school reception classes and school years 1 and 2; a new Meningitis B programme for infants which will commence in the autumn and the continuation of the shingles vaccination of 70 year olds along with a catch up programme for 78 year olds. These programmes will build upon the existing routine immunisation schedule to protect against preventable diseases.
15. The impact of immunisation programmes can be demonstrated by recent research into the rotavirus vaccine for infants. Since its introduction in 2013, there has been an 88% reduction in confirmed cases in children aged younger than one year and a 19% reduction in GP consultations for the infection in the same age group. Apart from the obvious health benefits to individuals, immunisation programmes contribute towards improving the general health of the population and reduce pressures on NHS services.

16. £8.5m is set aside to support the Welfare Food Budget, including the *Healthy Start* and *Nursery Milk* schemes, which are UK-wide statutory schemes providing a nutritional safety net to vulnerable pregnant women, new mothers and children in families in receipt of benefits.
17. The *Healthy Start* scheme is administered by the Department of Health on behalf of England, Wales, Scotland and Northern Ireland. Healthy Start provides vouchers for money off fruit, vegetables, milk and formula and free vitamin coupons for pregnant women and children in families in receipt of benefits (all pregnant women under 18 are also eligible). Around 27,000 have registered for the scheme, which represents around three quarters of those who would be eligible. 2014/15 actual spend stands at £4.41m.
18. The *Nursery Milk* scheme entitles all children under five, attending approved day care facilities for two hours or more, to 1/3 pint of milk (including babies aged less than 12 months - who can receive dried baby milk). 2014/15 actual spend stands at £3.44m.
19. The Welsh Government's *Healthy Working Wales* work and health programme provides employers with access to advice and support to develop policies and practices to improve the health and well-being of their staff, reduce the impact of ill-health at work, and encourage early intervention to rehabilitation. More than 2,400 organisations have received support and advice through the *Healthy Working Wales* programme, supporting almost 31% of the working population of Wales. The programme is jointly funded with the Department for the Economy, Science and Transport, with a contribution of £0.280m from the Health and Social Services MEG.
20. The *Change4Life* social marketing campaign is focussed on, and addresses obesity, healthy eating, physical activity and alcohol and has over 76,000 people signed up to receive information. Our social marketing campaign has become a recognisable brand amongst professionals and families who are seeking to improve their lifestyles; as well as supporting those working in the field of population health improvement.
21. A campaign was launched earlier this year that focused on "sugar swaps" and was aimed at families with children between four and 11 years of age, suggesting simple swaps that could reduce sugar in the diet. The advertising and PR work supporting the Welsh campaign focused on Communities First areas, as levels of overweight and obese children in deprived areas is higher. During the four week campaign, over 6,500 new families registered for Change4Life. To date, over 72,000 people are signed up to the programme and many more have accessed advice from the website, Facebook and Twitter. Funding of £0.3m has been agreed for 2015-16 to take forward the *Change4Life* programme.
22. £1.0m is allocated to support investment in high quality data at both national and local level such as the Welsh Health Survey and Health Behaviour in School-aged Children survey to support investment decisions and track the impact of policies.

23. £0.07m has been allocated to *Add to your Life*, the health and well-being check for people aged 50 or over in Wales and which was rolled out nationally in April 2014. The £0.07m is funding a 4-month extension period (April – July 2015), during which we are developing a range of firmer proposals for the sustainable development of *Add to Your Life*, working with PHW, NWIS and other potential partners.
24. £0.1m is allocated to support the provision and delivery of Long Acting Reversible Contraception (LARC) within substance misuse services in Wales. The aim of the intervention is to reduce unintended pregnancies by using LARC as a way of delaying conception in drug dependent women until such time as their recovery has progressed to allow them to parent effectively. Substance abusing parents are at a high risk of unplanned pregnancy. Greater proportions of substance misusers fail to use contraception than non-users and report unplanned pregnancies. Parental substance misuse is well established as a major factor in care proceedings leading to the removal of children from their parents. The expenditure per annum equates to the cost of one child being cared for in a local authority home for six months.
25. The voluntary sector plays an important role in primary prevention, given its areas of expertise, its trusted status with various client groups, and its targeted outreach activities. The Welsh Government has entered partnership and/or funding arrangements with the voluntary sector to support primary preventions. Examples from the Health and Social Services MEG include:
- £0.2m has been awarded to Alcohol Concern Cymru (ACC) to raise awareness of alcohol misuse issues; monitoring and reporting on questionable alcohol labelling and promotions; leading on information campaigns; issuing good practice guidance and undertaking research. Some of the key actions which Alcohol Concern Cymru have delivered in the first year of funding are a refresh of the *Drink Wise Wales* website; launch of the 2015 *Dry January* challenge (with over 900 formal sign-ups in Wales); a Communities Together project in Pembrokeshire, showing how techniques of community development and co-production can be used to address alcohol-related harms; provision of evidence-based policy and research work; awarding of grants to Boys and Girls Clubs of Wales, Taff Housing Association, Willows High School and Project 2020, through the *It's the drink talking* project to promote young people's engagement with alcohol issues.
 - £0.2m is allocated to the *Healthy Ageing* programme which is run by Age Cymru on behalf of the Welsh Government. The programme is aimed at addressing the needs of older people and helps support them to enjoy good physical, mental and emotional health and well-being. Results Based Accountability (RBA) performance measures have been developed to measure the outcomes of the programme. Currently 95% of older people have reported an increase in their physical activity as a result of participating in Nordic Walking and 100% of older people participating in LIFT. 94% of older people participating in Nordic Walking have reported a health benefit.

- £0.2m supports *Lets Walk Cymru*, which is delivered by the Ramblers Association which co-ordinates and develops health related walking projects in Wales, targeting the least active adults. The project complements the Welsh Government aims to increase physical activity levels in Wales alongside improving access to the countryside and the coast of Wales. There were 14,500 registered walkers in 2014 with growing links with Communities First areas.
- £0.08m has been allocated to fund the 6 current projects under Health Challenge Wales Voluntary Sector Grant Scheme. The aim of the scheme is to develop the capacity and capability of national voluntary sector organisations in Wales to work in partnership with the Welsh Government and other voluntary sector organisations to promote sustainable health and well-being through support for core and project activities. The six projects currently being funded are:
 - MIND Cymru - Perinatal Mental Health and Resilience – Early Support;
 - The Prince's Trust - Active Youth Project;
 - Clybiau Plant Cymru Kids' Clubs - Project Title: Play, Learn and Grow Healthy Project;
 - Sustrans Cymru - Healthy Universities Project;
 - Sustrans Cymru - Healthy Hospitals Alliance Project;
 - Breast Cancer Care Cymru - Best Foot Forward Project.
- £0.1m has been awarded to ASH Wales to support the delivery of aspects of the tobacco control action plan for Wales, which aims to reduce smoking prevalence in adults across Wales to 16% by 2020. The current smoking prevalence rate is 20%. Some of the key actions which ASH Wales has delivered in the first year of funding are setting up an illegal tobacco working group making recommendations on the issue; supporting seven local tobacco action groups across Wales, and the Directors of Public Health across Wales to tackle priority areas (illegal tobacco, young people, and smoke-free spaces); leading a research sub-committee focusing on tobacco control and smoking research which has commissioned studies such as the annual e-cigarette survey and a feasibility study of 'The Filter' project; and working with local authorities to implement smoke-free playgrounds across Wales.
- Food safety is another area of primary prevention. Local Authorities fund a number of food safety measures. £3,242,000 was provided from the HSS MEG to fund the FSA in Wales in 2014/15.

Secondary and tertiary prevention

26. A significant proportion of secondary and tertiary prevention work will be undertaken in primary and community care, though the spend on the preventative elements of work will not be easily identifiable. The spend on

Primary Healthcare Services in 2014/15 (excluding prescribed drugs and appliances) was £853m.

27. Screening is an important preventative service where costs are more readily identifiable. Public Health Wales provide national population screening services directly to the people of Wales; these include well established screening programmes such as Newborn Bloodspot Screening Wales, Newborn Hearing Wales, Breast Test Wales and Cervical Screening Wales together with newer programmes such as Bowel Screening Wales and the recently introduced Wales Abdominal Aortic Aneurysm Screening Programme. As noted earlier, Public Health Wales core funding allocation from Welsh Government is not ring-fenced for any single activity, but we know PHW allocated a budget of £34.37m for screening in 2014/15. Health boards are also responsible for delivering the Antenatal Screening Wales programme with oversight from Public Health Wales.
28. The impact of such programmes in identifying health problems at an early and treatable stage is highlighted in some of the statistics below:
 - In 2013/14 over 104,000 women were screened for breast cancer and uptake was 72.1%. Nearly 1,100 cancers were diagnosed amongst women aged 50-70 who were routinely invited.
 - Over 210,000 women were screened for cervical cancer in 2013/14. Coverage at five years for women aged 25-64 was 78.6% meaning that about eight out of ten women attended their screening appointment. 8,800 women had further colposcopy and 2,400 had moderate or high Cervical Intraepithelial Neoplasia (abnormal or pre-cancerous cells) or worse diagnosed.
 - Over 161,500 bowel cancer test kits were validated in 2013/14. Uptake was 52.6%, showing an improvement on the previous year. Around 2,500 had colonoscopy investigation and approximately 250 cancers were diagnosed as a result of the screening test.
 - Over 15,000 65 year-old men were screened for abdominal aortic aneurysms in 2013/14 and nearly 200 aneurysms were detected.
 - Over 33,500 babies were screened for hearing loss in 2013/14, which is 99.4% of eligible births. Nearly 450 babies were referred for further investigation. Approximately 30 babies were diagnosed with a hearing loss by the programme.
 - In 2013/14 more than 17,000 pregnant women were screened for Down's syndrome during their pregnancy and over 560 were identified with a possible risk to their baby. Over 31,600 women were screened for Hepatitis B, syphilis, HIV and rubella susceptibility. Over 6,000 women were screened to identify carriers of sickle cell or thalassaemia genes.
 - Of the 115,344 results reported from diabetic retinopathy screenings during the 2013/14, 29.8% were found to have some degree of diabetic

retinopathy. In 3% of cases, potential sight threatening retinopathy was found.

29. There are both national and local programmes and policies which fall into this category of prevention, also nationally funded schemes which fall into this bracket of prevention. For example, at a national level there is the National Exercise Referral Scheme (NERS) that enables a wide range of patients to access physical activity through GP referral. Retention figures for 2013-2014 demonstrate that 91% would not have taken up physical activity without NERS; 83% completed the programme and were still exercising at 16 weeks; and 63% were still exercising independently at 52 weeks. An assessment of the 2012/13 NERS scheme showed that all participants in the scheme had higher levels of physical activity than those in the control group, with this difference being significant for those patients referred for coronary heart disease risk factors. There were positive effects on depression and anxiety, particularly in those referred for mental health reasons.
30. An example of a local initiative is the Optimising Outcomes policy adopted by Cardiff and Vale University Health Board that aims to help patients improve their chances of successful surgery. Evidence shows that smokers are more likely to suffer complications during surgery, have a higher risk of infection and will spend longer in hospital. Weight can also dramatically increase risk levels in a variety of elective surgeries. Patients who smoke or have a high body mass index are referred by their GP to a smoking or weight reduction course and would be expected to complete it before their outpatient appointment.
31. Another area where secondary prevention spend can be identified is in the area of substance misuse. *Working Together to Reduce Harm* is the Welsh Government's 10 year strategy for tackling the harms associated with the misuse of alcohol, drugs and other substances. The strategy is supported by the Substance Misuse Delivery Plan 2013-15 and almost £50m of revenue and capital funding. A new 3 year development plan for 2016-18 is being developed which will set out the specific actions that we will take forward during this period.
32. The Welsh Government invests £32m from our Substance Misuse Action Fund, including £22m which goes to seven Area Planning Boards (APBs) which commission substance misuse services for the region. £5.072m worth of capital funding is also made available to the APBs.
33. In addition, a further £17.1m is ring-fenced for substance misuse services within the health boards' discretionary allocation.

Budget	2015-16 £m
SMAF Revenue APB Allocations	22.663
All Wales Schools Liaison Core Programme	2.200
Operation Tarian	0.500
European related spend, including	0.600

proposed ESF out of work service	
Drug and Alcohol Policy Initiatives	1.012
SMAF Capital APB Allocations	5.072
LHB Ring-Fenced Funding	17.134
Total	49.181

34. In 2013, there were 135 drug misuse deaths (involving illegal drugs) and 208 drug poisoning deaths (involving both legal and illegal drugs) in Wales. The drug misuse deaths were unchanged from 2012 figures, whilst the drug poisoning deaths in Wales decreased by 2.8% from 2012. Both drug misuse and drug poisoning deaths have continued to fall since 2010 when both reached a peak of 162 and 224 respectively.
35. In 2013, there were 467 alcohol related deaths in Wales, a decrease of 7.3% from 2012. The overall number of alcohol related deaths has declined from 541 in 2008, although the year on year trend across this period has been inconsistent.
36. Latest data from 2013/14 shows that 87.2% of all substance misuse clients were referred to treatment within 20 working days. This has risen year on year from 75.2% in 2008/09.

PROGRESS ON THE CONSIDERATION AND APPROVAL OF LOCAL HEALTH BOARDS' PLANS FOR 2016-17 TO 2017-18

37. In accordance with the NHS Finance (Wales) Act 2014 and the NHS Planning Framework (October 2014), all NHS organisations submitted 2015/16 integrated medium term plans by 1 April 2015.
38. Plans have been through a robust challenge and assessment process to test the extent to which they address service priorities, quality, and performance and workforce requirements within the resource envelope that was set out in the 2015/16 approved budget.
39. As Minister for Health and Social Services, I am required to approve plans and will not approve any plans until I can be satisfied that they are fit for purpose.
40. Performance against approved plans will be tracked through Chief Executive and Chair bilateral discussions; Quality, Safety and Delivery meetings; and Joint Executive Team (JET) meetings.
41. Where there is an unacceptable level of variance from the agreed plan, an organisation will be subject to increased monitoring and challenge, support and escalation arrangements and may lose the privileges associated with being part of the Medium Term Planning regime.

42. The organisations without approved plans recognise their specific challenges and are committed to continuous improvement of their planning approach and aim to develop robust IMTPs for entry into the 2016/17 cycle. It is anticipated that each organisation will need tailored support over the next 6-12 months to ensure progress is made in developing plans that meet the requirements of the NHS Planning Framework.

43. An update will be provided at the meeting.