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Bwrdd Iechyd Prifysgol
Abertawe Bro Morgannwg
University Health Board

Our Ref: AH/DL/AM

Date: 7th June 2017

ABMU Health Board
Headquarters
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Private and Confidential

Dr David Lloyd AM
Chair, Health, Social Care and Sport Committee
National Assembly for Wales
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Dear Dr Lloyd

Health, Social Care and Sport Committee Inquiry into GP Clusters

Thank you for your letter dated 16th May 2017, in which you request information on Cluster Development Monies ("CDM"). I have listed below the Health, Social Care and Sport Committee's questions and associated ABMU Health Board responses for your convenience:

When are you notified by the Welsh Government of your CDM allocation for the financial year ahead?

The Health Board received notification of its General Medical Services allocation (which incorporates the CDM allocation) on 28 March 2017. In previous years, where the final details of the agreed allocation have not been able to be settled we have received notification of provisional allocations from Welsh Government in December and January.

At what point in the financial year is the CDM Funding provided to you by the Welsh Government?

CDM funding is included in the overall allocation from Welsh Government. As such, it is drawn down by Health Boards as part of the overall funding provided for the delivery of services.

• Chairman/Cadeirydd: Andrew Davies

• Interim Chief Executive/Prif Weithredwr Dros Dro: Alexandra Howells

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Bwrdd Iechyd ABM yw enw gweithredu Bwrdd Iechyd Lleol Prifysgol Abertawe Bro Morgannwg

ABM University Health Board is the operational name of Abertawe Bro Morgannwg University Local Health Board

www.abm.wales.nhs.uk

What is the process for you to release that funding to the individual clusters in your area?

Over the period of operation of CDM, the Health Board has adopted the principles of "light touch" oversight. The Health Board views its role as one of support to the clusters. It assists each cluster in developing plans based on local evidence of need, and then supports the cluster in implementing those plans.

We notify each cluster lead of the expected allocation of funding (plus any unspent previous year allocation that we have rolled forward) in March / April each year. As such, there is no formal process for releasing funding; once the cluster has been notified of the total funding available to them for the period, they are free to commit expenditure against that funding immediately.

What were your total CDM allocations for the financial years 2014-15; 2015-16; 2016-17; 2017-18?

	2014-15	2015-16	2016-17	2017-18
ABMU cluster allocations	0	£1,045,185	£1,741,975	£1,741,975

What was the total CDM spend for the financial year 2014-15; 2015-16; 2016-17 (with an explanation of any variance between spend and allocation)?

	2014-15	2015-16	2016-17
ABMU cluster expenditure	0	£240,721	£1,637,579

Variance

	2014-15	2015-16	2016-17
ABMU cluster variance	0	£804,464	£104,406

The Health Board has recognised that the best interests of clusters are serviced by maximising the flexibility of expenditure plans. Rather than requiring clusters to utilise funding in each financial year - hence increasing the risk that short term expenditure strategies are pursued at the expense of a more planned and methodical approach - the Health Board has encouraged the carry forward of unspent allocations. Carry forwards are approved upon receipt of an agreed expenditure plan for utilisation in the following financial year.

A breakdown of what the CDM was spent on, including central LHB support to clusters.

The Health Board has not used any CDM for payment of central support to clusters. Whilst the Health Board has incurred significant additional costs for cluster support managers,

project managers etc., this is in addition to the allocations received from Welsh Government.

Key items from individual CDM expenditure plans over the last 12 months include:

- Cluster pharmacists - £462k
- Improvements to information and communications technology – £336k
- Initiatives to reduce likelihood of developing diabetes - £308k
- Targeted mental health support and counselling, cognitive behavioural therapy etc. - £266k
- General practice training and upskilling - £158k
- Increased capacity to support patients with chronic health conditions - £64k
- Young people and early years support - £48k
- Clinical equipment - £46k
- Improving home environments - £45k
- Increasing rates of vaccination and immunisation - £45k
- A range of small schemes to tackle needs identified by individual clusters e.g. sustainability issues, reductions in antibiotic prescribing, premises issues etc. - £280k

On average, for the past three years, what percentage of the CDM funding was held centrally to fund salaries of posts based in the clusters?

No expenditure has been held centrally to fund salaries of posts based in clusters. Where clusters have agreed that they wish to spend their allocations on employing staff, then as a convenience, staff will be employed by the Health Board and pay them through central payroll systems. In the last year, this totalled £460k.

I hope the information provided has answered your enquiries. If I can be of further assistance, please do not hesitate to contact me.

Yours sincerely



ALEXANDRA HOWELLS
INTERIM CHIEF EXECUTIVE

