

Cyfarwyddwr Cyffredinol Iechyd a Gwasanaethau Cymdeithasol/
Prif Weithredwr GIG Cymru
Grŵp Iechyd a Gwasanaethau Cymdeithasol

Director General Health and Social Services/
NHS Wales Chief Executive
Health and Social Services Group



Llywodraeth Cymru
Welsh Government

Nick Ramsay AM
Chair
Public Accounts Committee

Our Ref: AG/HR/SOT

20 August 2019

Dear Mr Ramsay

NHS Finance (Wales) Act 2014 – Agency Staffing

Thank you for your letter of 23 July 2019. Please find at Annex A, our response to the questions on agency staffing with NHS Wales that were not reached on 15 July.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Andrew Goodall'.

Dr Andrew Goodall CBE



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Agency staffing

Question 1 and 2 – Data collection

Since we introduced the Circular in November 2017, all organisations are now reporting regularly to their Boards on their expenditure and any breaches of the controls and the reasons for any breaches. The main challenge with collecting all Wales data is ensuring that all organisations collect and categorise information in a consistent way using robust definitions and data collection systems to enable all Wales benchmarking and reporting.

We introduced a refined data collection protocol in June 2019 based on experience from the initial phases of this work and aim to produce a more robust analysis for the next financial year. The refined data collection system is designed to collect data on deployment of both agency and substantive NHS staff working additional hours.

Question 3 – Vacancies

NHS organisations in Wales identify their workforce plans and requirements through the IMTP process and this includes an analysis of where there are recruitment challenges and the strategies for addressing them. This may include recruitment to vacant posts through substantive recruitment, but also will include organisational redesign and development to maximise the deployment to multi disciplinary working or to shift the balance of care closer to the patients home, in line with Healthier Wales. Current data on vacancies is based on those posts which have been advertised for substantive recruitment and so does not provide a full picture of the dynamic staffing needs of the NHS in Wales. The development of the new Workforce Strategy for Health and Social Care will provide a more strategic approach to meeting the workforce needs of the NHS in Wales and more robust data to underpin its delivery.

Question 4 – How are we addressing recruitment and retention and what are the barriers

The NHS workforce has increased in each of the previous 6 years, from a total of 72,001.7 WTE in 2012 to 79,054.4 in 2018, an increase of 9.8%. All major staff groups have grown over the same period, with notable increases in medical and dental staff (10.5%) and nursing, midwifery and health visiting staff (5.6%).

Nonetheless there remains a demand for temporary staffing capacity and we have introduced a number of measures across Wales to address recruitment and retention into the NHS workforce in Wales. These aim to minimise gaps in the substantive workforce through approaches aimed at recruitment into the substantive workforce, more effective deployment of existing staff and developing the strategic landscape to provide long term solutions to the workforce challenges.

Healthier Wales sets out our plans to focus on both the health and wellbeing of the workforce to enhance recruitment and retention but also the development of a more coherent workforce strategy to provide for the future needs of the NHS in Wales. We have also established Health Education and Improvement Wales to align the workforce strategy and planning and development of the workforce more closely with the needs of the NHS in

Wales and to meet our aspirations for strong multidisciplinary working to deliver care closer to home.

We have had some notable success through our **Train:Work:Live** programme which aims to recruit into the substantive workforce, through the promotion of NHS Wales careers and highlighting the benefits of training, working and living in Wales. The campaign includes a number of elements including a digital and social media campaign supported by attendance at high profile profession led exhibitions and conferences.

As part of the government commitment to attract more doctors to Wales and in support of the national and international marketing campaign, GP specialty training has been incentivised through two schemes. The targeted scheme offers £20,000 to GP trainees taking up training posts in North West Wales, North Wales Central, North East Wales, Ceredigion, Pembrokeshire and Powys, with a commitment to work in Wales for one year, post completion of training. Historically these areas had a trend of low fill rates and specifically fill rates of less than 75% over a 5 year period. The universal scheme offers a one off payment for all GP trainees, to cover the cost of one sitting of their final examinations. Both incentive schemes have been extended for a further year, covering the 2019 intake. The campaign was extended to include core psychiatry training which was experiencing a downward trend in filling training places. In 2017, an incentive scheme for core psychiatry trainees was introduced, to cover one sitting of the MRCPsych membership examinations and has been extended for a further year, covering the 2019 intake.

These actions have had a positive impact on speciality training fill rates. For GP training, from a recruitment target of 136 places, in 2017 - 144 places were filled; in 2018 - 134 places were filled and this year - 131 places have been filled after only the first of three recruitment rounds. HEIW also report positive interest from doctors applying through the round 1 re-advert recruitment window, with an increase in applications received. For psychiatry core training, in 2018, 11 of the 14 places were filled which is an increase on the previous year where only 6 of the 18 places were filled. This year, following round 1 re-advert of recruitment, 100% (21 of the 21) of the posts have been filled.

The campaign, as well as targeting doctors, has also included a nursing phase and was recently extended to promote pre-registration pharmacy training, with a focus on primary care and multi-disciplinary working in GP practices. We are about to work with stakeholders to review Train:Work:Live to ensure that we build on its successes and identify areas where we could do more to boost the impact of this programme.

Alongside the recruitment campaign, we have increased investment in Training and Education for the fifth consecutive year funding to support health professional education and training in Wales has increased. £114m will be invested in 2019/20, an increase of £7m available in 2018/19 to support a range of education and training programmes for healthcare professionals in Wales. This is a record level of funding and will support the highest ever number of training opportunities in Wales.

This package of support will maintain investment in training places for nurses, health visitors, midwives, physiotherapists, occupational health workers, paramedics, radiographers and speech and language therapists. The establishment of Health Education and Improvement Wales provides greater opportunities to consider both current and future workforce challenges and how education and training can support the changes required to address these challenges. Greater emphasis on multi-professional teams may require fundamental changes to the way education and training programmes are identified,

commissioned and delivered in the future and HEIW, working with key partners will provide leadership in this area.

These measures have been having an impact on recruitment and the number of individuals within the NHS workforce is at a historic high level. However, the demand for NHS services continue to rise so creating additional demand for substantive recruitment to the workforce and this is made more difficult by a competitive international market for highly trained and skilled health service workers.

Question 5 – Why hasn't expenditure fallen in all Health Boards

We introduced a standardised control framework across Wales to address some of the generic issue affecting deployment of agency staff and overall this has resulted in a reduction on medical agency expenditure. However, there are significant local factors which affect demand for and delivery of services within different NHS organisations which are reflected in the expenditure profiles for the different organisations. Some of the Health Boards had historically high locum expenditure compared to their total pay bill and so they had greater opportunity to deliver savings, whilst others who had traditionally lower expenditure have increased slightly towards the national norm.

There will always be a need for temporary staffing capacity within organisations to cover unpredictable circumstances such as sickness absence or staff turnover and the impact of these events will fluctuate in time. Also organisations may decide to draw on some temporary staffing capacity to provide flexibility during periods of organisational change or during preparation local service redesign. In addition, factors outside the control of NHS organisation and Welsh Government such as the impact of tax and pension arrangements introduced by the UK Government can have an impact on substantive NHS staff willingness to undertake additional duties and so increase the need for locums supplied by external agencies.

So we would not necessarily expect spend to follow a smooth downward trend, the critical issue is ensuring that any change in expenditure has been clearly scrutinised, the reasons for the deployment is clearly understood and action is in placed to minimise deployment of temporary staffing capacity where this is practical.

Question 6 – Increase in temporary nursing expenditure and impact of the Nurse Staffing (Wales) Act

There has been increased expenditure of some £14m between 17-18 and 18-19 as a result of an increase in the number of nursing staff being deployed. The reasons for increased deployment are likely to be multifactorial and some of the increase is likely to be a result of the significant increase in demand on NHS Wales services during last winter (following record levels of activity in Emergency Departments during the Winter months compared to the previous year).

It is also likely that some of the increase is due to the introduction of the first full year of the requirements of the Nurse Staffing Levels (Wales) Act, which in addition to placing specific requirements on nurse staffing in medical and surgical wards, has also heightened awareness for the need of appropriate staffing levels across all services. The recruitment and retention measures which are in place should enable the NHS to make appointments into the workforce to meet the demand for substantive nursing capacity staff which is not just as a result of the seasonal factors. Whilst the demand and overall level of spending has

increased, we are achieving improved value for money as 96% of the deployment is provided through the All Wales Framework Contract.

Question 7 – leadership in the system

The NHS Wales Strategic Workforce Deployment Steering Group has been established to provide leadership across the NHS to coordinate and deliver action on the next phase of the work on agency and locum deployment. This Group of senior leaders from across the NHS in Wales will support the development and delivery of a work programme aimed at the most effective deployment of the workforce, through finding more effective ways of delivering priorities, building capacity, sharing best practice and developing 'Once for Wales' solutions as appropriate. The initial focus will be to prioritise and accelerate the programme of work addressing the fundamental underpinning causes of agency and locum expenditure across the NHS in Wales.

Membership of the group includes senior representatives from Welsh Government, health unions and NHS Wales including Directors of Workforce & OD, Directors of Nursing and Medical Directors. The first meeting was held on 13 August 2019 where the discussion focussed on prioritising actions to deliver greatest impact to tackle some of the issues underpinning agency and locum spend which will form the key elements of the next phase of action across Wales. As a result we are developing a programme plan to ensure that resources, technology and staffing capacity are in place to deliver this work effectively.