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Y Gweinidog Iechyd a Gwasanaethau Cymdeithasol
Minister for Health and Social Services

Julie Morgan AS/MS
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Deputy Minister for Social Services

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Deputy Minister for Mental Health & Wellbeing

Our Ref: MA/EM/3244/23

Russell George MS
Chair
Health and Social Care Committee

SeneddHealth@senedd.wales



Llywodraeth Cymru
Welsh Government

27 February 2024

Dear Russell

Following the Health and Social Care committee's draft budget scrutiny session scheduled for 17 January, we are writing to provide you with the further information and papers that were requested during the session.

Firstly, we agreed to provide you with a copy of the letter setting out the NHS Wales Planning Framework 2024-27 issued to health boards in December. Please find this attached to letter.

We also agreed to provide figures for the estimated cost of offering an additional 1% uplift to medical and dental staff. This was in reference to the position of industrial action being taken by junior doctors. Please note, this is just to provide figures and it is not an offer to increase the pay award for medical and dental staff in Wales for 2023-24. The Doctors and Dentists Remuneration Body (DDRB) made recommendations for a 6% pay award for doctors and dentists. In addition to a 6% uplift, it also recommended that junior doctors pay points also had a consolidated pay rise of £1250.

The costs for meeting DDRB in full on top of the 5% award already given this year would cost in the region of an additional £21.8m recurring (this includes the additional 1% plus the £1250 consolidated for junior doctors).

The costs for meeting just the 1% increase on medical and dental would be £13.2m recurring. Broken down as follows by doctors and dentists:

- Consultants: £5.5m
- Specialty and associate specialist doctors: £1m
- Junior doctors (1%): £2.9m
- Junior doctors £1250 uplift consolidated: £8.6m
- General medical practitioners: £1.8m
- General dental practitioners: £2m

The 5% pay offer has been made consistently to all NHS staff groups, including Agenda for Change, all hospital medical staff (including junior doctors) and primary care GPs and dentists. The total costs of an additional 1% pay uplift for all NHS staff groups in 2023-24 would be around £58m.

Next, you asked for the cost of the recent industrial action, broken down by health board, both in terms of staffing and levels of activity. NHS Wales has been working on collating the overall net impact of the recent industrial action by junior doctors. Organisations have been validating information to be clear on those who did participate and those who did not. It is taking longer than expected to work through every aspect of where some of those impacts fall and the exact costs. Organisations are working on producing a net cost after taking into account any cost reductions, for example, due to activity being lower from cancelled procedures. This is happening as part of their normal monthly reporting cycle.

The indication we have so far is only from draft returns but suggests that the net financial impact will be between £3m to £4m. This estimate will be refined further once organisations have completed their analysis.

You also asked if we could make an assessment of how much of the agency spend over the last few years is represented as profits for private companies. Unfortunately, it is not possible to provide an assessment of levels of profit in staffing agencies supplying the NHS. This information is not available publicly and cannot be reasonably deduced from published financial information, therefore we cannot speculate on the levels of profit in these private companies. It is worth noting that many of these companies also deal with other customers outside of the NHS.

The Deputy Minister of Mental Health and Wellbeing agreed to provide further details of how the resources for the children and family pilots were being targeted. The Children and Family Pilots (branded PIPYN) are based on the Public Health Wales' [Every Child Wales 10 Steps to a Healthy Weight](#). The intervention consists of one-to-one family support within a wider systems-based approach that looks to enable families and their young children to be more active and eat more healthily. The intervention is aimed at families with young children (age three to seven) who are obese or are at risk of becoming obese. As part of the one-to-one support, an initial conversation takes place with the family.

The Family Support Worker helps the family to set personalised goals based on the following themes:

- Activity Levels (active play and recreation as a family)
- Dietary Choices (what food is bought)
- Family food environment (regular meal times, snacks)
- Parenting (food as reward, screen time, sleep routines, cooking from scratch)
- Parents model healthy behaviours (parent's food and activity choices)

The family support workers help the family to meet these goals through weekly sessions over eight weeks. If the family need help buying healthy food, this could include helping the family to put together a weekly meal plan on a budget. If families rarely cook meals from scratch, the support could include referral to their local 'Come and Cook' provider. Come and Cook with your child is a Nutrition Skills for Life programme in which nutrition and practical cookery skills are held for parents and their children at a local school. Come and Cook is a programme that is being supported by the three children and family pilots in Cardiff, Anglesey and Merthyr as part of their wider systems-based approach. Betsi Cadwaladr University Health Board are also supporting Come and Cook and have expanded the programme into secondary schools as part of their Healthy Weight Healthy Wales whole system approach. In Merthyr alone, almost 200 families

have completed or are signed up to the programme and 38 families have completed the cooking sessions.

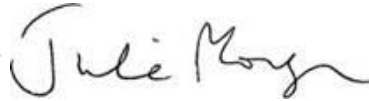
Finally, on 7 February the Deputy Minister of Mental Health and Wellbeing wrote to the committee on the subject of substance misuse services, and we trust this satisfies your request for further information.

We hope this information is useful.

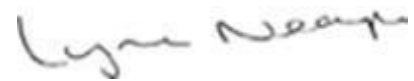
Yours sincerely



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Deputy Minister for Mental Health
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Our ref: MA/EM/3060/23

NHS Chairs

18 December 2023

Dear Colleagues,

NHS Wales Planning Framework 2024-2027

I am writing to set out the statutory planning Directions for NHS organisations that clarify the requirements for the coming year. This will set the ambition and direction for your plans over the three-year period.

Integrated planning, rather than through the market, is the way that NHS services are delivered in Wales. The NHS (Wales) Act 2006, as amended by the NHS Finance (Wales) Act 2014, sets out requirements for NHS planning in Wales. Under the legislative framework, local health boards and NHS trusts, have a statutory duty to prepare a plan, which is submitted to and approved by the Welsh Ministers, and which sets out how their organisation will secure compliance with their financial break-even duties while improving the health of the people for whom they are responsible and the provision of healthcare to such people. To satisfy these duties, the boards of those organisations must submit a three year Integrated Medium Term Plan (IMTP) for my consideration.

This Framework is set in the most challenging circumstances that the NHS has had to deal with since its inception. This is primarily as a result of the legacy from covid and Brexit, the challenging financial outlook and the wider system pressures on workforce and the cost-of-living position. Given the unprecedented challenges, operational, workforce, demand and financial pressures, it is crucial that our resources are optimised to deliver the best care and treatment for the people of Wales. Organisational plans will set out the improvements to be made to services and their future sustainability within the resources available to reduce inequalities and to improve the health outcomes of the populations you serve.

The Well-being of Future Generations (Wales) Act 2015 set in law the need to consider the long-term strategic approach to deliver a better future. This was underpinned by 'A Healthier Wales', and which remains the vision and long-term plan for health and social care in Wales. I have asked for the actions in A Healthier Wales to be reviewed and refreshed to ensure that they reflect the current and expected challenges over the coming years. This work will be undertaken over the coming months. Following the refresh of the A Healthier Wales actions, your plans will be assessed and aggregated into a national picture to determine how far they go in delivering that vision. Clarity of delivery commitments within your plans is therefore vital.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Improving population health outcomes continues to drive our strategic planning ambitions. We must understand the impact of the burden of disease modelling and the opportunities this provides to plan our services. The recent Senedd debate on the Chief Scientific Adviser's report – NHS in 10+ years – recognises the pressures the system will face as almost a fifth of the Welsh population will be aged 70 or above, those with diabetes could rise by almost 22% and the number of people suffering four or more chronic conditions could double. This shows that wherever possible a focus on prevention should be taken to stabilise the NHS to reduce acute demand for both the medium and the longer term. This includes initiatives such as weight management and diabetes that will support health outcomes and reduce pressure on health services over time.

To do this, it is essential that we make prudent use of our resources through quality and value-based approaches that ensure that there is a reduction in waste, harm and unwarranted variation. There are already excellent examples in terms of diabetes and cardiac through the Welsh Value in Health programme that must be drawn on to consistently implement high value interventions and reduce those that are of lower value, while delivering best outcomes for patients.

In this financial year you will know the significant work that was undertaken in-year to identify and allocate more funding to the NHS, reduce deficits and the delivery expectation I have set for target control totals by Health Board. Progress is being made by a number of organisations with further work required to deliver the control totals set. Next year's financial outlook remains very challenging, and my expectation is that the actions delivered this year are maintained on a recurrent basis, before identifying the further improvements that must be made in efficiency and savings for 2024-25.

The allocation and budgetary framework for the NHS will be issued once the Welsh Government draft budget is issued on the 19 December, and it is crucial that NHS organisations make further progress towards financial sustainability.

Plans must take advantage of transformation, innovation and digital opportunities in designing services and treatment pathways. Digital developments are essential to transforming efficiency, access and care, for example, through an ambition to have a paperless NHS. Digital transformation will also ensure the quality and safety of patients. All these elements will support preventative work and make a difference to stabilise the system in the short term as well as help mitigate some of the unrelenting pressures on services.

Primary and community care sees around 90% of the patients in contact with the NHS in Wales. A Healthier Wales made clear that shifting resources and making sure that more patients can be seen, diagnosed and treated in the community was key to long term improvements in health. Helping people to stay well at home will rely heavily on genuine collaboration and partnership across the health, social care and third sectors. If we are to see transformational change in our health and care services, to make it fit for the next 75 years, we need to make that change a reality. I want to see organisations embracing the plans coming forward from the Accelerated Cluster Developments and the Regional Partnership Boards; showing primary and community care as a bedrock of the IMTPs and progressing the cross programme work to develop a consistent Enhanced Community Care model for Wales.

It is clear that the ongoing pressures are having a disproportionate impact on children and young people as well as exacerbating health inequalities. Attention must be given to the quality and levels of services to ensure that women and children, and other sections of the communities in Wales, are not disadvantaged in accessing care and treatment. Attention must be given to reducing health inequalities experienced by sectors of our communities.

Reductions in some health inequalities can be achieved by identifying gaps in health service provision, considering areas of best practice and developing actions to address these gaps. Equitable access to all services remains at the centre of the values of the NHS in Wales and even more so when the impact can have a disproportionate effect during the 'cost of living' crisis. I encourage you to take account of these areas in your planning.

The national programmes will continue to support the delivery of services that make the most of the finite resources available. They must not drive costs but reinforce best practice through quality, efficiency, and patient experience. The National Programme areas remain:

- Enhanced Care in the Community, with a focus on reducing delayed pathways of care.
- Primary and Community Care, with a focus on improving access and shifting resources into primary and community care.
- Urgent and Emergency Care, with a focus on delivery of the 6 goals programme.
- Planned Care and Cancer, with a focus on reducing the longest waits.
- Mental Health, including CAMHS, with a focus on delivery of the national programme.

The accountability conditions for these programmes were issued in September and will provide continuity between 2023 and 2024 plans.

To provide guidance and support the Value and Sustainability Board, chaired by Judith Paget, has agreed five workstreams to maximise resource utilisation across the system. The thematic areas are:

- Workforce
- Medicines Management
- Continuing Health Care (CHC)/Funded Nursing Care (FNC)
- Procurement and non-pay, and
- Clinical Variation/Service Configuration

The Board has already issued a range of requirements in relation to low value interventions, prescribing and continuing health care that must be implemented to ensure a consistent approach across Wales. I want to see material progress made across all workstreams.

As part of the Value & Sustainability agenda I am clear in my expectation that for 2024-25 there must be a consistent and significant impact in the following areas on both a local and national basis, I will be asking my officials to focus on ensuring these are delivered, and progress on these areas will be a key feature of assessing organisations plans:

- Continued progress in reducing the reliance on high-cost agency staff.
- Ensuring strengthened 'Once for Wales' arrangements to key workforce enablers such as recruitment, and digital.
- Maximising opportunities for regional working.
- Redistributing resources to community and primary care where appropriate and maximising the opportunities offered by key policies such as Further Faster.
- Reducing unwarranted variation and low value interventions.
- Increasing administrative efficiency, to enable a reduction in administrative and management costs as a proportion of the spend base.

NHS Wales commands a major share of the Welsh Government's budget. It is therefore incumbent upon NHS organisations to ensure that the role as Anchor Institutions is fully exploited. I want to see NHS organisations demonstrate their contributions to the foundation economy, the climate change agenda, as well as supporting the wider Welsh Government goals; demonstrating the partnership and collaboration opportunities across sectors that comes with this responsibility.

As we strive to progress immediate operational delivery in this challenging environment, we must not lose sight of the future health improvements we aspire to. Applying the sustainable development principle (5 ways of working) consistently will allow us to reap the benefits of the Wellbeing of Future Generations (Wales) Act 2015. Complementing this groundbreaking legislation are two other recent key Acts - the [Health and Social Care \(Quality and Engagement\) \(Wales\) Act 2020](#) and the [Social Partnership and Public Procurement \(Wales\) Act 2023](#), from which further provisions will come into force in April 2024. These provide a context for how NHS organisations should work collaboratively with an unrelenting consideration of quality in all that is done, to deliver the best NHS care consistently across Wales. April 2024 will also see the establishment of the new NHS Wales Joint Commissioning Committee, which will streamline the commissioning landscape.

Judith Paget, NHS Chief Executive, will write to you imminently setting out the process and governance that will underpin your submissions. NHS plans will continue to form a strong foundation for NHS Chief Executive and Chairs' objectives and will be central to our discussions throughout the year.

Finally, my personal thanks go out to all NHS staff for the commitment and care they demonstrate every day that make a difference to patients in Wales. I know you will agree, that we owe it to them to ensure our collective ambitions for improvement in outcomes will be realised.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'M. E. Morgan'.

Eluned Morgan AS/MS

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Minister for Health and Social Services