

14 November 2016

Simon Thomas AM
Chair of Finance Committee
National Assembly for Wales
Cardiff Bay
Cardiff CF99 1NA

Dear Mr Thomas,

Further to our evidence session on 3 November I am writing to provide additional information on two issues that were raised.

The first issue, was the number of people who are working in health and social care in Wales. While we do not have the data on the number working in social care I can confirm that as at 30 September 2015 there were 1,139 EU Nationals working in the directly employed NHS workforce. This represents 1.3% of the total workforce and while the figures are relatively small (particularly when compared with SE England), there are some points to note:

- Irish staff form by far the largest group and in particular there are significant numbers in the professional/medical staff groups;
- 6.43% of doctors working in NHS Wales in September 2015 were from the EU/EEA;
- Staffing levels in the service operate on very fine margins as can be seen by the need to use high levels of agency and locum staff. Any decrease in staffing numbers will exacerbate the problem;
- One of the solutions to the current staffing shortages since September 2015 has been to recruit from the EU, so these numbers may have increased since then; and
- The current uncertainty as to the timetable for leaving the EU may potentially lead to staff looking for opportunities outside of the UK and for potential applicants to be deterred from applying. In addition, the incidents of harassment of foreign workers and feeling that they are may no longer be welcome may have an impact on EU/EEA workers' willingness to remain in the UK, even if permanent freedom to remain is granted.

Turning to the question about the potential impact of the decision to leave the EU on NHS procurement costs. As part of the annual finance planning discussions with Welsh Government the NHS Shared Services Partnership is asked to provide information to finance colleagues on anticipated movements of prices/ indices etc that may transpire in the next financial year. This information has been provided for 2017-18 based around the usual data review. As far as the impact of Brexit is concerned it is very difficult to anticipate what exactly this might be and the timescales behind this. We have clearly seen some currency fluctuations over the past few months and this has seen price increases in some areas, notably food, but to date limited other price pressures have been passed through. Any requests for price revisions will continue to

be challenged in the normal way and once we have a clear exit timetable it may be possible to bring some degree of clarity to the future plans.

I trust the above information is of use to the Committee,

Yours sincerely,

A handwritten signature in black ink that reads "Vanessa Young". The signature is written in a cursive, slightly slanted style.

Vanessa Young
Director, Welsh NHS Confederation