

	The Welsh NHS Confederation response to the Finance Committee consultation on the Welsh Government's Draft Budget proposals for 2019-20.
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Introduction

1. The Welsh NHS Confederation, which represents the seven Health Boards and three NHS Trusts in Wales, welcomes the opportunity to respond to the Finance Committee's consultation on the Welsh Government's Draft Budget proposals for 2019-20.
2. The Welsh NHS Confederation supports our members to improve health and wellbeing by working with them to deliver high standards of care for patients and best value for taxpayers' money. We act as a driving force for positive change through strong representation and our policy, influencing and engagement work.
3. With money continuing to be extremely tight and demand on healthcare services rising, finance and funding can never be far from NHS leaders' minds. The NHS in Wales, along with other public services, continues to work in an extremely challenging financial climate and it must prioritise and change. As highlighted within the Parliamentary Review of Health and Social Care, published in January 2018, radical transformation of healthcare, and related services, is now the only way in which NHS Wales can hope to be on a sustainable footing for the longer-term. This transformation is not only about reshaping healthcare and doing things very differently - it also involves recalibrating our relationship as patients, and the public, with the NHS.
4. If the NHS in Wales is to remain sustainable in the long term the Welsh NHS Confederation believes large scale system change needs to be planned, resourced and supported, rather than allowed to happen on an ad-hoc basis. At the same time, the NHS in Wales has a clear duty to provide high quality and safe healthcare services to the people of Wales within the resources available. The NHS in Wales is already adopting and implementing a prudent healthcare and valued-based healthcare approach to support sustainability in the future.

Summary

5. The Welsh NHS Confederation has previously welcomed the investment that the Welsh Government has made in the NHS in recent years. NHS Wales faces a significant financial challenge during this period of continuing austerity. We are seeing increasing costs as well as relentless advances in medical technology and increased patient and clinical expectations. Furthermore, an ageing population, combined with more people having increasingly complex needs, means that demand for health and social care services is predicted to grow rapidly.

6. While the fact that more of us are living longer is a success story and should be celebrated, this trend brings about fresh challenges for the NHS. Wales currently has the highest rates of long-term limiting illness in the UK, which is the most expensive aspect of NHS care. As the Health Foundation report "*The Pathway to Sustainability*"⁴ highlighted, the percentage of people in Wales living with at least one chronic condition has increased from 5.1% in 2004/05 to 6.5% in 2014/15. However, the biggest rise is in the percentage of people living with multiple chronic conditions. This percentage has increased by 56% over this 10-year period if population growth is taken into account. The Health Foundation conclude that without any action to reduce pressures or increase efficiency, NHS spending would need to rise by an average of 3.2% a year in real terms to keep pace with demographic and cost pressures and rising prevalence of chronic conditions. Maintaining the current range and quality of services would see spending rise from £6.5bn in 2015/16 to £10.4bn in 2030/31.
7. The Welsh NHS Confederation recognises that the Welsh Government may not be able to fully fund the pressures facing the NHS in Wales and our members are therefore continually seeking to drive out efficiency savings where they can, but successive years of dealing with financial challenges mean that traditional methods of finding savings are unlikely to be adequate in the future. We must recognise that, year on year, the NHS in Wales has to develop more sustainable plans that have to be delivered within its responsibility to provide high quality care to patients. Ensuring that efficient and safe services are provided within the resources allocated by Welsh Government requires each NHS body, and NHS Wales as a whole, to prioritise spending. This will inevitably mean that difficult choices will have to be made in terms of which services will be provided.
8. Since the previous Budget was agreed the Welsh Government has published its long-term plan, A Healthier Wales: The Welsh Government Plan for Health and Social Care, in June 2018. The plan provides us with the framework that we need to transform our services. We welcomed and supported the vision articulated in the Plan and the 10 national design principles included provides a clear and consistent framework for the development of new service models while empowering regional and local innovation and design. In relation to finances, we welcomed the Transformation Fund but recognise that the real opportunity is within the core budgets. Resources will come from the scaling up of new models of care and changing organisational operating models. We also recognise the Transformation Fund is only available for the next two years and so we need to agree how it will be used so we make best use of the opportunity.
9. Wales not only needs a strong NHS but also needs a strong social care sector. The Welsh NHS Confederation recognises the crucial role of social care as part of a patient's pathway and as a means of helping maintaining people's independence and managing demand on frontline NHS services. Against that background, and in addition to supporting the NHS financial requirements, we would support additional investment in social care and other preventative services, such as housing and education, and we underline our commitment to collaborate with colleagues across sectors to seek new ways of working to deliver timely services that meet the needs of the people of Wales. The Social Services and Wellbeing (Wales) Act 2014 and the Wellbeing of Future Generations (Wales) Act 2015

help support integration and collaboration across the public sector in Wales. As highlighted in our joint publication with ADSS Cymru, “*Health and social care: Celebrating Wellbeing*”,ⁱⁱ and in our most recent briefing “*Seamless services to improve outcomes for people*”,ⁱⁱⁱ significant change has already happened across Wales to achieve more integrated and seamless care, but further work needs to be done to build on this with partners across sectors.

10. Finally, to cope with the challenges facing the NHS, the NHS and its partners need to be allowed, enabled and supported to change the healthcare system within the resources available. This will inevitably mean that difficult choices have to be made in terms of what services are provided, where and when. Prioritising services and spending mean that the people of Wales, NHS staff, partners and politicians must be prepared to accept and support new and different ways of delivering services, while taking more responsibility for how those services are used.

Consultation questions from Finance Committee

1) What, in your opinion, has been the impact of the Welsh Government’s 2018-19 budget?

11. The Welsh NHS Confederation recognises that the Welsh Government operates within a fiscally constrained environment, which was emphasised within the budget proposals for 2018/19, with an overall budget which is reducing in real terms. Within this context, Welsh Government face significant challenges in determining budgetary trade-offs.
12. Under the 2018-19 final budget, the amount allocated to health and social services was £7.602 billion, which increased slightly to £7.678 billion by the First Supplementary stage. We welcomed the additional £268 million funding for NHS delivery and £42.4 million additional capital funding that has been provided in the 2018-19 budget compared to the 2017–18 budget. We also welcome the research-based approach that the Welsh Government is increasingly adopting in financial policy development, such as the Institute of Fiscal Studies report into Welsh budgetary trade-offs;^{iv} the Health Foundation’s report on the financial sustainability of the NHS in Wales^v and the Nuffield Trust’s “*Decade of austerity in Wales*” report.^{vi} Such evidence will serve to ensure that Wales is well placed to adopt best practice in resource allocation. The funding allocation to the NHS by the Welsh Government has broadly followed the recommendations in the Nuffield Trust and Health Foundation reports.
13. The increased demands on the NHS, along with an ageing workforce, has increased pressures on NHS Wales. Over recent years, this has resulted in an overreliance on temporary staffing through agencies for medical and nursing staff. A co-ordinated and targeted national and international recruitment campaign has offset some of this pressure, and a significant number of new appointments have been made for medical staff. However, there is some uncertainty following Brexit and the ongoing Brexit negotiations. Commissioning training places remain a challenge, but it is expected that Health Education and Improvement Wales (HEIW), which comes into force in October this

year, will improve the co-ordination of workforce planning and education across the NHS. This will be an area for further development in future.

14. Lastly, and recognising the particularly challenged capital allocation to Welsh Government, we welcome the commitment to prioritise the investment in new medical equipment, information management & technology and estate infrastructure. The increased certainty provided through a four-year capital budget is welcomed as it allows the NHS to better plan for the future.
15. The Welsh NHS Confederation recognises the contribution that other public services, especially local government, make to supporting the health and wellbeing of their populations and to helping manage demand on the NHS. It is important to recognise that healthy lives are determined not just by spending directly on health, but through communities that are prosperous, secure, active, well-educated and well-connected. Against this background, we are pleased to see that the Welsh Government's long-term plan for health and social care, *A Healthier Wales*, takes a 'healthy communities' approach to improving population health and wellbeing by focusing on prevention, IT infrastructure, personal responsibility and realising the potential of integrated working through Regional Partnership Boards (RPBs). We are supportive of the funding that was given to preventative and social care services in the 2017 – 18 budget and recognise the need for further investment in this area. In particular, our members are concerned about the frailty of the social care sector, which is already impacting on NHS demand, performance and finance. There is a real concern that the availability of care services in some parts of Wales is likely to contribute to more delayed discharges and a reduction in unscheduled and scheduled care performance. The NHS would welcome further consideration of formalising ring-fenced arrangements to protect the social care funding within Local Authorities to support these pressures.
16. Part of the responsibility of the NHS in Wales, particularly in a challenging financial climate, is to be open about the difficult choices we face. The NHS can make the current model of care more cost-effective through allocative prioritisation efficiency by 'doing the right thing', and operational efficient by 'doing things right', changing service models, reducing the costs of delivering services and workforce redesign, as highlighted in our briefing "*Finance and the NHS in Wales*",^{vii} published in November last year. However, there are only so many costs that can be taken out of existing models. The challenge here is that there is limited flexibility to shift significant investment away from treatment services when the current demands on the health service are so great. It is for this reason that transformation needs to happen not only at pace, but at scale, with the outcomes that matter most to patients being the key priority. The Parliamentary Review of Health and Social Care report strongly emphasised that new models of service delivery are needed to deliver this priority, and there is evidence across Wales that the NHS is moving towards delivering this aim. This is extremely challenging but vitally important that the health service along with social care partners support delivery against the wellbeing objectives.

2) What expectations do you have of the 2019-20 draft budget proposals? How financially prepared is your organisation for the 2019-20 financial year, and how robust is your ability to plan for future years?

17. In common with public services across the UK, NHS Wales is challenged by the requirement to provide timely, high quality services within its resource constraints. The requirement for NHS organisations to develop financially balanced three-year integrated plans provides the NHS with a clear framework to encourage long term planning. This is supported by the greater role of Regional Partnership Boards (RPBs) under ‘*A Healthier Wales*’. Consequently, it is important that there is stability and consistency in the overall NHS budget alongside a recognition of the significant growing pressures facing the system.
18. NHS organisations face significant challenges in preparing for the 2019-20 financial year, despite additional resource allocations. The planning cycle has seen organisations being placed in Welsh Government’s targeted intervention status at least in part due to their financial positions, and other organisations are also reporting deficits in-year. While some of the reasons underlying this may be unique to each organisation, there are consistent issues across the NHS in Wales, in common with the rest of the United Kingdom.
19. As highlighted within the Parliamentary Review report, the policy framework in Wales provides the foundations for an appropriate focus on long-term planning:
- i. The Wellbeing of Future Generations (Wales) Act 2015 requires NHS organisations to work in partnership with other public and thirds sector organisations;
 - ii. The Value Framework, alongside the strategic alliance with the International Consortium for Health Outcomes Measurement, advocated by the Welsh Government, provides an opportunity for the NHS to embed the principles of prudent healthcare. Importantly, this moves the NHS away from its historic focus on technical value (doing more for less) to allocative value (allocating resources to maximise outcomes) and personalised value (as measured through health outcomes). Such an approach encourages careful consideration of preventative spend, and close working with colleagues in Public Health Wales NHS Trust; and
 - iii. The Welsh Government escalation process enables a bespoke response to the issues facing NHS organisations in difficulty, utilising external experts to provide an independent assessment of the issues facing each organisation and the appropriate solutions.
20. We recognise that the 2018-19 health and social care Budget within Government represents nearly 50% of the total Resource DEL and that further allocations will result in trade-offs elsewhere in the Welsh Government Budget. In line with the commitments given in the run up to the 2016 Assembly election, our expectation is that the Welsh Government will continue to provide more per head funding for health and social care in Wales than the UK Government provides in England. Beyond that, our members are hopeful that the settlement for the NHS will at least keep pace with GDP growth and be in line with the funding requirements forecast in the Nuffield Report 2014^{viii} and the Health Foundation report.^{ix}

21. Alongside the settlement, NHS organisations recognise the need for further efficiency savings to balance their budgets. Since 2010-11, the NHS in Wales has delivered more than £1.1 billion in recurrent efficiency savings through service changes including increasing day surgery rates, providing more care closer to people's homes, service reconfiguration, increased productivity, demand management, pay restraint and more effective prescribing. The continuation of the National Improvement Programme, which focuses primarily on efficiency savings and embedding value-based healthcare, is also a positive step in this direction. While the efficiency savings are generating lower returns and are unlikely on their own to deliver against the sustainability challenges facing the NHS. Approaches to facilitate transformational change is needed to make the NHS sustainable in future. There will be a continued focus on driving technical efficiencies from areas such as procurement, estates management and shared services as well as looking at new opportunities for service redesign, regional working and the use of digital technologies.
22. The priority for our members is that the 2019-20 settlement, combined with their efficiency plans, needs to meet their immediate recurrent revenue pressures. But we are also committed to shifting resources to preventative and community services as this is vital for the future health and wellbeing of the population and therefore we support the introduction of the national Transformation Programme under *A Healthier Wales*. The Programme will be responsible for delivering the commitments under the Plan and build the momentum that is necessary to achieve the Welsh Government's vision for health and care services that are fit for the future. However, we would reflect that the immediate patient care pressures facing the NHS in Wales are more aligned to waiting time pressures which do generally emerge as short term acute hospital pressures.
23. The Welsh NHS Confederation would like to see the Welsh Government protect, as far as possible, public services that support health and wellbeing. We are concerned that reductions to local government, housing and voluntary sector budgets will impact on NHS demand and our collective efforts to invest in preventative services. In addition, the NHS support the funding identified for education and would hope that the wider wellbeing, prevention and younger peoples agenda is progressed through that sectors objectives also.
24. We want to underline our commitment to collaboration with our partners and integration with social care services in particular. The Welsh NHS Confederation believes that Wales, given its size, structure and close links, has a golden opportunity to achieve so much when it comes to integration. The Welsh NHS Confederation works with ADSS Cymru, Wales Council for Voluntary Action, Care Forum Wales, the Welsh Local Government Association and Community Housing Cymru to support the continued implementation of the Social Services and Wellbeing (Wales) Act 2014. However, to provide patient-centred care, collaborative working and transformational change is vital both within and across the public sector. The prudent healthcare approach will help us work through this but it will require the commitment of the NHS, all healthcare related partners and the general public to truly be successful and deliver the outcomes that benefit patients. The NHS will need

to be supported to make progress in changing the way care is delivered, with patient outcomes at the heart of the measurement of success.

25. NHS organisations are planning for the 2019-2020 financial year. The NHS works together to understand service pressures, for example by looking at population projections and to model the impact of different financial scenarios and this has helped to develop financial planning and management skills across the sector. Financial resilience varies between organisations depending on a range of factors including population, socio economic factors, levels of deprivation and rurality and the configuration of services.
26. The Integrated Medium-Term Planning (IMTP) process requires health organisations to plan three years ahead, but their capacity to predict and plan for the future has been constrained by the annual nature of the Welsh Government budget planning framework in recent years. While the Welsh NHS Confederation recognises the Welsh Government is itself constrained by the UK Government planning cycles, the absence of three- year settlements limits the ability of NHS organisations to plan and their appetite to invest in new models of seamless care, as emphasised in the Parliamentary Review of Health and Social Care, that may not provide a return on investment in the short term.
27. Against that background, indicative future year settlements aligned to the IMTP timetable would be most welcome. Furthermore, it would be helpful if Welsh Government could set out in detail any specific policy spending commitment requirements when the budget is published to give the NHS adequate time to plan and prepare for implementation. Delays in informing health organisations of specific commitments can lead to unforeseen pressures on in-year budgets which are difficult to manage. The Service would also like early clarity of the potential additional funding streams which may become available in addition to the direct allocations, the parameters for accessing those funding streams along with timescales for accessing them.

3) The Committee would like to focus on a number of specific areas in the scrutiny of the budget, do you have any specific comments on the areas identified below?

Approach to preventative spending and how is this represented in resource allocation (Preventative spending = spending which focuses on preventing problems and eases future demand on services by intervening early), particularly in relation to the financing of local health boards and health and social care services

28. Investment in prevention and early intervention is a priority for our members. However, there is a very real tension between the need to meet the immediate costs of those in need of services now and diverting resources into preventative services that may not deliver tangible gains immediately. NHS organisations are committed to the preventative agenda and are seeking to invest in preventative services, but short-term budget cycles reduce their risk appetite. Furthermore, the need to meet inescapable annual pay and price pressures makes it difficult to identify resources for longer term investments. We believe that the Welsh Government should support public bodies in Wales to invest in

areas where there is firm evidence that preventative measures will improve population outcomes and reduce demand on more expensive treatment services in future. If the Welsh Government was prepared to share the financial and performance risk with public sector organisations, more could be invested now for the benefit of future generations.

29. As highlighted within the Parliamentary Review and the Long-Term Plan, unless we get serious about prevention, the demand on NHS services will continue to grow. Services provided by the NHS in Wales cover both prevention and treatment-based services. Evidence has long been put forward that the amount that the NHS and Local Authorities spend on preventative services should be increased and that there are significant health, care and wider societal wellbeing benefits for investing in preventative services.
30. In terms of funding distribution across NHS organisations, relative need in relation to changes in the makeup of the population (for example demonstrated by the Welsh Health Survey) is not used as a driver in determining allocation changes overall or how resources are distributed. The Townsend formula attempted to do this some years ago but it was discontinued. The challenge remains to develop a distribution mechanism which transparently and fairly links need, especially poverty and ageing, to resource.

Sustainability of public services, innovation and service transformation

31. As previously highlighted in paragraph 8 we welcomed the Transformation Fund within the Long-Term Plan because for a number of years we have been calling for transformation and transition funding (revenue and capital) to be given to enable investment in new models of care to deliver the transformation process that is required. The goal is to shift the system to one that focuses on prevention and the provision of health and care services as close to home as possible.
32. If these new models of care are to be successful, a collective ambition and an acceptance that change in the way we deliver services are absolutely necessary. For any change to be successful the Welsh Government, the National Assembly and the public must acknowledge that the priorities for health services in Wales will need to be re-assessed and delivery targets set accordingly.

Welsh Government policies to promote economic growth, reduce poverty, gender inequality and mitigate welfare reform

33. The Welsh NHS Confederation supports the Welsh Government's efforts to reduce poverty, mitigate welfare reform and prepare for an ageing population. These challenges need to be tackled holistically through the public service as a whole. The Joseph Rowntree Foundation^x estimates that poverty costs the UK health care about £29 billion per year and accounts for the largest portion of additional spending associated with poverty. A crude Wales proportion would be about £1.5 billion per year.

34. As highlighted in our briefing, *“From Rhetoric to Reality – NHS Wales in 10 years’ time: Socio-economic Deprivation and Health”*,^{xi} the socio-economic inequalities in life prospects and health are stark. As emphasised by the Public Health Wales Observatory, health inequalities refers to differences in health outcomes between different social groups, for example a high rate of lung cancer incidence in more deprived areas compared with less deprived areas. Public Health Wales Observatory has carried out a wealth of research projects in this area, particularly around the social determinants of health and the introduction of the Public Health Wales Outcomes Framework reporting tool. The NHS is very aware of the socio-economic elements that drive public health, the need to educate people needs to start with our children, raising awareness of healthy lifestyles and growing their life aspirations to avoid repeating our current health profile in Wales. Our Local Authority partners are well placed to take action with us through their education services to support the long-term sustainability and wellbeing objectives for Wales.

The Welsh Government’s planning and preparedness for Brexit

35. Like other public bodies, the financial impact for the NHS in Wales will depend on the terms of the agreement and the broader impact on the UK economy, tax revenues and public finances.

36. The influence and impact of EU affairs on the NHS has significantly increased over time, with various aspects of domestic health policy intrinsically linked with EU policy. As highlighted in the Welsh NHS Confederation Policy Forum briefing, *‘The key issues for health and social care organisations as the UK prepares to leave the European Union’*,^{xii} while there is still uncertainty around the specific implications of Brexit, it is likely that the impact will span over a broad range of areas of NHS activity. The briefing, which is endorsed by 20 organisations, sets out ten priority areas that must be considered during the Brexit negotiations to maintain protection of workers’ employment rights, excellent standards of patient care, continued participation in EU research programmes and reciprocal healthcare arrangements for UK and EU citizens among other priority areas. Furthermore, the Welsh NHS Confederation recently responded to the External Affairs and Additional Legislation Committee follow-up inquiry into how the Welsh Government is preparing for Brexit – health and medicines,^{xiii} highlighting how we have been working with Welsh Government officials to consider and assess the scale of impact for Welsh health and social care services post Brexit, including contingency options. As highlighted in our response there are potential financial implications arising from contingency plans for a no deal Brexit scenario particularly in respect of managing supply chains and any possible workforce shortages. The annual funding of the NHS depends on the performance of the wider economy.

37. The Welsh NHS Confederation has been highlighting the possible implications for the Welsh NHS of Brexit with the Welsh Government but also to the UK Government through being a proactive member of the Cavendish Coalition and the Brexit Health Alliance.

38. The Cavendish Coalition is a group of health and social care organisations united in their commitment to provide the best care to their communities, patients and residents. The Coalition is committed to working together to ensure a continued domestic and international pipeline of high calibre professionals and trainees in health and social care. The Brexit Health Alliance brings together the NHS, medical research, industry, patients and public health organisations. The Alliance seeks to make sure that issues such as healthcare research, access to technologies and treatment of patients are given the prominence and attention they deserve during the Brexit negotiations. The service would advocate further resources be identified to support a ‘home grown’ workforce for health and social care, with for example bursary’s for Welsh students associated with expected commitments to working within NHS Wales.

How evidence is driving Welsh Government priority setting and budget allocations

39. We welcomed the additional funding for NHS delivery that has been provided and the research-based approach which the Welsh Government is increasingly adopting to policy development, including considering the Institute of Fiscal Studies report into “*Welsh budgetary trade-offs*”;^{xiv} the Health Foundation’s report on the financial sustainability of the NHS in Wales^{xv} and the Nuffield Trust’s “*Decade of austerity in Wales*” report.^{xvi} Such evidence will serve to ensure that Wales is well placed to adopt best practice in resource allocation. It is promising that the funding allocation to the NHS has broadly followed the recommendations put forward by the Nuffield Trust and Health Foundation reports.

How the Future Generations Act is influencing policy making.

40. All public bodies have a duty when it comes to building a healthier Wales and we should not underestimate the significant opportunities presented to us through the Wellbeing of Future Generations (Wales) Act 2015 and the Social Services and Wellbeing (Wales) Act 2014.

41. Public Service Boards, introduced as part of the Wellbeing of Future Generations (Wales) Act 2015, enable public services to commission and plan collaboratively, ensuring that services are integrated and that care and support provided improves health and wellbeing outcomes for the local population now and in the future. It is vital that these developments are supplemented by a ‘health in all policies’ approach across sectors, with all public bodies being required to conduct health impact assessments on future policies.

Other relevant areas

Mental health spending

42. Mental health is the largest of all programme budgets in NHS Wales, accounting for 11.2% of the budget. However, while significant investment is made to mental health services, it is estimated that mental health conditions account for a considerably larger proportion of ill health in Wales.

NHS workforce pressures

43. As highlighted previously, NHS Wales directly employs around 91,000 staff,^{xvii} with the NHS pay bill standing at around £3 billion. However, there are recruitment and retention issues within the NHS which the NHS leaders are attempting to address. From a budget perspective, the gaps presented by workforce vacancies drive a significant financial cost premium to support service delivery through locum and temporary workforce engagement.
44. Workforce gaps are challenging across all professional groups and result in high usage of agency and locum costs to cover vacancies. NHS Wales spent £155 million on temporary staff in 2016-17, which is an increase of £23 million (or 17%) on the previous year. In particular, there has been an increased demand for nursing staff which has been in excess of predicted and planned demand. This has come about due to an increased emphasis on staffing levels following the enquiry into Mid-Staffordshire Hospitals and the Nurse Staffing Levels (Wales) Act 2016. The introduction of the Nurse Staffing Levels (Wales) Act, will also have an impact on the skill mix within acute medical and surgical wards.
45. However, NHS Wales does have a significant opportunity to re-design its workforce. This will be a major development challenge that will require local management time and support to critically review the skill mix of multidisciplinary teams, using workforce evidence and tools to support. Essential to success will be the support and agreement by professional leaders on the scope and boundaries of staff working in multidisciplinary teams and those in non-regulated roles. While systems and services provide a focus for change, it is the workforce that represents the largest asset in delivering care and delivering the changes that are needed.
46. Wales' comparatively large rural population must also be borne in mind when considering workforce plans of the future. As we highlighted in our briefing "*Rural Health and Care Services in Wales*",^{xviii} rural populations experience the dual effect of more people needing to access services, but fewer people of working age to deliver those services. Moreover, rural hospitals have found it increasingly difficult to recruit junior doctors, who are more attracted to the training opportunities and lifestyles associated with training in urban areas. In their 2017 inquiry into medical recruitment in Wales, the Health, Social Care and Sport Committee suggest that young people who train in Wales are more likely to stay in Wales after they have completed their qualification. This is a significant incentive for Welsh Government, NHS Wales and the public sector as a whole to market Wales as an attractive place to live and work. It is promising that steps have already been taken in this direction, examples of which include the Welsh Government's 'Train, Work, Live' programme and the establishment of the Rural and Remote Health in Medical Education (RRHME) programme, which is being delivered by Swansea University Medical School.
47. As healthcare moves away from a focus on episodic acute care towards more holistic, continuous care, opportunities will and are emerging to explore ways of using the clinical team/workforce in a different and more integrated multidisciplinary way. Health Boards and Trusts could exploit the opportunities available by using the existing governance

frameworks and the national job evaluation role profiles. This is supported by education and training programmes to enable Healthcare support workers (HCSW) to develop and expand their roles which would support the graduate/registered workforce to 'do only what they can do'. Changes to roles inevitably challenges established interests and attitudes and this will need to be managed if NHS Wales is to develop a sustainable workforce model and deliver the efficiencies that are necessary.

48. The establishment of Health Education and Improvement Wales (HEIW) provides an opportunity to consider potential economies of scale in the purchasing and delivery of education for CPD of the NHS Wales workforce. HEIW is also an opportunity to develop and enhance the professional education offered to NHS practitioners.
49. There are a significant number of vacancies within the acute medical workforce. This has led to a significant agency and locum deployment and expenditure. NHS organisations have been working on improving their systems for reporting on areas of high expenditure and have been using this data to determine the appropriate approaches to reduce expenditure.
50. Resources to support sharing of good practice, tools and resources to aid service delivery improvement (e.g. PC One website; Compendium of emerging roles and models) continue to be developed. The future shape of practices and cluster working will result in estates reconfiguration and the development of health and wellbeing hubs.
51. To support this, workforce plans must fully incorporate the skills and experience of all health and social care professionals, providing a comprehensive multidisciplinary care team in people's localities.

Conclusion

52. The Welsh NHS Confederation does not underestimate the massive challenge of public service budget-setting in a time of austerity. Our members are committed to doing the very best they can to continue to provide an NHS that supports the people who need it most, and helps the population generally live healthier lives. Simultaneously however, we must recognise the extent of the challenge we face and work together to achieve a service that is sustainable and fit for the future.
53. All parts of the NHS in Wales have been transforming the way services are planned and delivered. The fact is that, against an extremely challenging financial environment, the NHS will have to continue to make difficult decisions about the future shape of healthcare and the areas it wishes to prioritise. New models of health and care services need to be focused around prevention, improvement and innovation. As the Parliamentary Review of Health and Social Care highlighted, we must also be a listening nation – a nation that empowers and adapts continually to the challenges we face to ensure that the people of Wales continue to access and receive excellent standards of NHS care. We will also have to strengthen our relationships with partners across the public sector to rise to the many

shared challenges that public services face. To achieve this, the input and support of the public, politicians and staff is vital.

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- ⁱ The Health Foundation, October 2016. The path to sustainability: Funding projections for the NHS in Wales to 2019/20 and 2030/31
- ⁱⁱ Welsh NHS Confederation and ADSS Cymru, July 2017. Health and Social Care: Celebrating Well-being. A selection of case study example.
- ⁱⁱⁱ Welsh NHS Confederation and ADSS Cymru, September 2018. Seamless services to improve outcomes for people.
- ^{iv} Institute for Fiscal Studies, October 2016. Welsh budgetary trade-offs to 2019–20
- ^v The Health Foundation, October 2016. The path to sustainability: Funding projections for the NHS in Wales to 2019/20 and 2030/31
- ^{vi} Nuffield Trust, June 2014. A Decade of Austerity in Wales?
- ^{vii} Welsh NHS Confederation, November 2017. Finance and the NHS in Wales.
- ^{viii} Nuffield Trust, June 2014. A Decade of Austerity in Wales?
- ^{ix} The Health Foundation, October 2016. The path to sustainability: Funding projections for the NHS in Wales to 2019/20 and 2030/31
- ^x Joseph Rowntree Foundation, August 2016. Counting the cost of UK poverty.
- ^{xi} Welsh NHS Confederation, June 2015. From Rhetoric to Reality – NHS Wales in 10 years’ time: Socio-economic Deprivation and Health.
- ^{xii} Welsh NHS Confederation, July 2017. The path to Brexit – Key priorities for the NHS
- ^{xiii} Welsh NHS Confederation, September 2018. Response to the External Affairs and Additional Legislation Committee follow-up inquiry into how the Welsh Government is preparing for Brexit – health and medicines.
- ^{xiv} Institute for Fiscal Studies, October 2016. Welsh budgetary trade-offs to 2019–20
- ^{xv} The Health Foundation, October 2016. The path to sustainability: Funding projections for the NHS in Wales to 2019/20 and 2030/31
- ^{xvi} Nuffield Trust, June 2014. A Decade of Austerity in Wales?
- ^{xvii} Welsh Government, StatsWales, March 2018. Health and Social Care, NHS staff by staff group and year.
- ^{xviii} Welsh NHS Confederation, April 2018. Rural Health and Care Services in Wales