

Public Accounts Committee

Meeting Venue:
Committee Room 3 – Senedd

Meeting date:
23 April 2013

Meeting time:
09:00

Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales



For further information please contact:

Policy: Tom Jackson
Committee Clerk
029 2089 8597
Publicaccounts.comm@Wales.gov.uk

Agenda

1 Introductions, apologies and substitutions (09:00–09:05)

2 Consultant Contract in Wales: Progress with Securing the Intended Benefits – Evidence From the Health Board (09:05–10:00) (Pages 1 – 3)

Adam Cairns, Chief Executive, Cardiff and Vale University Health Board
Janet Wilkinson, Director of Workforce, Hywel Dda Health Board
Dr Sue Fish, Medical Director, Hywel Dda Health Board
Richard Tompkins, Director, Welsh NHS Employers' Unit

3 Papers to note (Pages 4 – 10)

PAC(4) 11–13 – Paper 1 – Grants Management – Correspondence from WCVA

PAC(4) 11–13 – Paper 2 – Welsh Government response to action points – 19 March 2013

4 Motion under the Standing Order 17.42 to resolve to exclude the public from the meeting for the following business Items 5 and 6

5 Consultant Contract in Wales: Progress with Securing the Intended Benefits – Consideration of evidence (10:00–10:15)

6 Grants Management in Wales – Consideration of Draft Report (10:15–11:00) (Pages 11 – 94)

Agenda Item 2



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|---------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|
| Ein cyf/Our ref: Your ref: Gofynnwch am/Please ask for: | SF/de/ Debbie Evans, Cynorthwy-ydd Personol Personal Assistant | Ysbyty Cyffredinol Bronglais Heol Caradog, Aberystwyth, Ceredigion. SY23 1ER Rhif Ffôn: 01970 623131 |
| Rhif Ffôn /Telephone: Ffacs/Facsimile: E-bost/E-mail: | 01970 635409 01970 635922 Deborah.evans@wales.nhs.uk | Bronglais District General Hospital Caradog Road, Aberystwyth, Ceredigion, SY23 1ER Tel: 01970 623131 |

5th May 2013

Darren Miller AM
Shadow Minister for Health
National Assembly for Wales
Cardiff Bay
Cardiff
CF99 1NA

Dear Mr Millar,

Following the appearance of Hywel Dda Health Board at the Public Accounts Committee on 23rd April 2013 we said that we would advise you of the procedure that we follow in our Health Board if a patient is initially referred by their GP to see a consultant privately and then wishes to have the operation performed on the NHS.

The Health Board has agreed a financial procedure entitled Treatment of Private Patients, Control of Admission and Protection of Income. This is based on the agreement made between The Secretary of State and the medical and dental professions on principles to be observed in using health service facilities for private patients. The principles are designed to ensure the equitable operation of private practice in the NHS and are intended to provide additional, non-statutory, safeguards for the NHS.

The principles which are included in the procedure are as follows:-

- The provision of accommodation and services for private patients should not significantly prejudice non-paying patients.

Pencadlys Bwrdd Iechyd Hywel Dda
Llys Myrddin, Lôn Winch, Hwlfordd,
Sir Benfro, SA61 1SB
Rhif Ffôn: (01437) 771220
Rhif Ffacs: (01437) 771222

Hywel Dda Health Board Headquarters
Merlins Court, Winch Lane, Haverfordwest,
Pembrokeshire, SA61 1SB
Tel Nr: (01437) 771220
Fax Nr: (01437) 771222

Cadeirydd / Chairman
Mr Chris Martin
Prif Weithredwr /Chief Executive
Mr Trevor Purt

- Common waiting lists will include not only urgent and seriously ill patients but also those requiring highly specialised diagnosis and treatment. Whatever actual system is in use locally private and NHS patients in these categories should be selected for in-patient admission or out-patient attendance according to the same criteria irrespective of whether they are NHS or private patients.
- Subject to clinical considerations earlier private consultation should not lead to earlier NHS admission or to earlier access to NHS diagnostic procedures. Common waiting lists should be used for urgent and seriously ill patients and for highly specialised diagnosis and treatment. The same criteria should be used for categorising paying and non-paying patients.
- After admission, access by all patients to diagnostic and treatment facilities should be governed by clinical considerations. This principle does not exclude earlier access by private patients to facilities especially arranged for them if these are provided without prejudice to NHS patients and without extra expense to the NHS.
- Standards of clinical care and services provided by the hospital should be the same for all patients.
- When patients are seen they should be made aware that there are certain restrictions on the ability to change from private to NHS status and vice versa. All private patients, irrespective of whether they are covered by private medical insurance, are required to sign an Agreement to Pay form prior to admission.
- A private inpatient has a legal entitlement to change his status during the course of treatment, this may occur if the patient is found to be suffering from a more serious complaint than he was originally admitted.

As you can see from the above a private patient is unable to gain an advantage over a patient who has originally been referred as an NHS patient by swapping to NHS treatment after the original private consultation. Private consultations are only undertaken in a way that doesn't disadvantage the provision of NHS care to any other patient. All patients who are being treated under the NHS are treated in the same way and prioritised based on clinical need and not how they were added to the operating list.

I hope that this clarifies the position in Hywel Dda following on from our discussions but please let me know if you require any further information.

Yours sincerely,



Dr Sue Fish
Medical Director



GIG
CYMRU
NHS
WALES

Bwrdd Iechyd Prifysgol
Caerdydd a'r Fro
Cardiff and Vale
University Health Board

Ysbyty'r Eglwys Newydd Whitchurch Hospital

Park Road, Whitchurch.
Cardiff, CF14 7XB
Phone 029 2069 3191

Heol Parc, Yr Eglwys Newydd
Caerdydd, CF14 7XB
Ffôn 029 2069 3191

Eich cyf/Your ref:
Ein cyf/Our ref: AC-as-07-2795
Welsh Health Telephone Network:
Direct Line/Llinell uniongychol: 02920 745681

Adam Cairns
Chief Executive

2 August 2013

Tom Jackson
Clerk
Public Accounts Committee
Committee Service
National Assembly for Wales
Cardiff Bay
CF99 1NA

Dear Tom

Public Accounts Committee – The Consultant Contract in Wales

With regards to the further information you have requested on my submission to the Public Accounts Committee, I have discussed the issue with our Private Patients Office and it is clear that patients who have been seen privately and assessed as being appropriate for surgery may be directly listed for NHS treatment without requiring further NHS outpatient consultation. This is the interpretation, difficult though it is to understand, that our staff have taken from the regulations.

There may be examples where the initial private consultation has not completed diagnostic workup, which may be more appropriate for non-surgical specialties such as Medicine, where the patient would be referred for further NHS outpatient consultation to complete that diagnostic workup and plan treatment.

Once again, although this appears to be a means by which patients can avoid their NHS outpatient waiting list, this is the interpretation that we believe is correct from the current regulations. I am more than happy to discuss further, it would be perhaps useful to get interpretation from other Health Boards as to their view and interpretation of and scale of this problem, although numbers are difficult to judge. I hope that this information is helpful, please let me know if you require anything further.

Yours sincerely

Adam Cairns
Chief Executive



Grants Management in Wales Further comments to Public Accounts Committee January 2013



Public Accounts Committee PAC(4) 11-13 (p1)

Further to our written evidence to the Committee and our oral evidence session (May 2012) we have read, with interest, the Committee's interim report on Grants Management in Wales; the Welsh Government response and the supplementary comments provided by the Auditor General. Further to these we offer the following comments which we hope will help the Committee in their consideration of the content of the final report.

Overall we found the interim report very helpful and were pleased to see our evidence making an accurate and valuable contribution to the document. In particular, as we look toward the publication of the final report, we would be keen to see the content of sections 1 & 2 retained and not over-dominated by the associated work on AWEMA, which in many ways is organisation specific.

We also feel that it is important to note that while the original Audit Office report cited 480 separate schemes in operation in Wales these are predominantly grants to the public and the private sectors and only a small proportion fund third sector activity. However, much of the activity and attention post-AWEMA seems to have concentrated disproportionately on grants to the third sector.

On the specific recommendations:

Recommendation 1

We recommend that the Welsh Government ensures that all grants have been reviewed as part of the Grants Management Programme, to ensure that they are the most effective means of delivering Ministerial objectives by 31 December 2013.

We note that the Welsh Government Grants Management Project has reviewed all live grants in 2012. We are not clear in that case why it is further reviewing all or most third sector grant schemes again in 2013. It is important that this process of almost constant review has an end date and that stability is regained so that total concentration can be on delivery not review.

Recommendation 2

We recommend that the Welsh Government considers the wide spectrum of funding options when reviewing the effectiveness of existing grants.

We strongly support this recommendation but would wish to see a transparent process which demonstrates how different options are considered and the criteria used to make decisions. Without this the system remains opaque and the recommendations aspirational.

Recommendation 3

We recommend that the Welsh Government should provide guidance to local authorities, to ensure they consider this wide spectrum of funding mechanisms (including grants and collaborative commission) for procuring the delivery of desired outcomes.

We strongly support this and were pleased to see the Welsh Government accept this recommendation and suggest further work between WLGA, WAO and ourselves on this issue. As yet there has been no involvement of WCVA in this process and we are not aware of any activity in this area, we would like to see evidence of action to take this forward.

There is now some urgency to this as we are aware of organisations whose core funding has ceased and in future services are likely to be procured. This is happening with both local government and Welsh Government funding and we would like to see this important discussion about appropriate use of funding mechanisms take place as soon as possible and include WAO, WLGA, Welsh Government and ourselves.

Recommendations 6 & 7

We recommend that the Welsh Government ensures that managers make timely decisions on continuing or ending grant funding, and must abide by its Code of practice for funding the third sector.

We recommend that the Welsh Government publish an annual grants management report. This should include progress towards its target for administration costs and details of any non-compliance with its Code of Practice for funding the third sector.

Again we strongly support this as many of the problems in grants management arise from Welsh Government staff being unaware of, or not abiding by, the Code of Practice for funding the third sector. It is thus surprising that the Code has not figured more highly in the work of the Grants Management Project which seems to concentrate purely on applicant compliance rather than customer service.

Many organisations are reluctant to report breaches of the code to the Funding and Compliance Committee. We therefore need the Grants Management Project to evidence that Welsh Government is complying and report any breaches it finds to the National Assembly once a year.

Recommendation 8

We recommend that the Welsh Government develops a transparent, proportionate and consistent business test for determining whether to make advance payments of grants to organisations.

We are content with this but feel that any problems should be reported by either the Grants Management Project or the third sector to the Funding and Compliance Committee and adjustments made based upon practical experience.

Recommendation 9

We recommend that the Welsh Government accelerates its development of a range of standardised terms and conditions to particular types of procurement processes.

It is unlikely that complete standardisation can be achieved. More rigorous accountability requirements should be costed with a view to taking out other conditions and therefore revitalising costs. Current practice will lead to a diversion of resources from the front line

to reporting and accounting tasks. Again it should be reviewed by the Funding and Compliance Committee in light of experience. Clauses which undermine the independence of the sector should be removed.

Recommendation 10

We recommend that the Welsh Government establishes a single-point of contact for advice on funding applications (including, but not limited to, grants).

We welcome a more external facing role for the Grants Centre of Excellence. This will require some publicity, a willingness to attend external events and meetings and a web presence. We do not believe that the Grants Centre of Excellence has the desire or capacity to replace the extensive funding advice services to the third sector provided by CVCs and WCVA or the one-stop funding portal (see: <http://www.sustainablefundingcymru.org.uk/fundingportal>)

Recommendation 14

We recommend that the Welsh Government enables the ongoing provision of accredited training for grants managers. As part of this, we recommend that the Welsh Government monitors the effectiveness with which such training will be put into practice by grants managers.

We welcome the Welsh Government requirement that their grants managers will have to attend and pass accredited grant management training. We would like to be assured that training in, understanding of and compliance with the third Sector Funding Code of Practice is central to this training for any officers working with the third sector.

We would be very happy to provide any further information that may be useful to the Committee and look forward to the Committee's final report on this important matter.

Graham Benfield
Chief Executive
January 2013

Yr Adran Iechyd, Gwasanaethau Cymdeithasol a Phlant
Cyfarwyddwr Cyffredinol • Prif Weithredwr, GIG Cymru

Department for Health, Social Services and Children
Director General • Chief Executive, NHS Wales



Llywodraeth Cymru
Welsh Government

Darren Millar AM
Chair of the Public Accounts Committee
National Assembly for Wales
Cardiff Bay
CF99 1NA

Our Ref:DS/DH/DCL

18 April 2013

Dear Chair

Public Accounts Committee: 19 March 2013

Following my recent appearance at the Public Accounts Committee on 19th March I am writing to respond to the actions points that arose.

1. Wales Audit Office Report – Consultant Contract

Each of the Wales Audit Office (WAO) report recommendations have been analysed by Welsh Government officials. A detailed responsive plan is being developed which will specify the actions to be taken forward by Welsh Government and Health Boards. Clearly there will be a requirement for significant collaborative working.

In addition to this, Welsh Government officials have instructed the NHS Wales Employers Unit to establish a task and finish group to take forward some of the specific recommendations highlighted in the WAO report. Draft terms of reference have been prepared with a clear immediate focus on the implementation and monitoring of effective consultant job planning. These are attached.

I will be requesting an initial review of the actions taken by all parties in September 2013. I will then require a more detailed response from each Health Board in respect of the WAO recommendations at the end of this financial year. This will provide sufficient time for the necessary improvements to annual job planning processes to be completed. I will be happy to share my findings with the Public Accounts Committee.



2. Projects Commissioned - CHKS

Each Health Board in Wales has a contract with CHKS. These contracts are concerned with the delivery of high quality clinical benchmarking information. CHKS compares coded information about diagnosis, deaths, and co-morbidities with other NHS organisations across the UK with which it holds similar contracts. The recently published risk adjusted mortality data are an example of the product of this arrangement with CHKS.

The Health Board contracts with CHKS were due to cease on 1st April 2013 but have been extended for a 6 month period. This is to enable an appropriate All Wales procurement process which will provide a single replacement contract. The work is being led by the NHS Wales Information Service, with a project board chaired by Dr Graham Shortland, Medical Director of Cardiff and Vale University Health Board. The value for money of the CHKS contracts will be reviewed as a part of this process.

3. Office of National Statistics Data

There have been no formal discussions between Welsh Government and the Office for National Statistics on consultant productivity, to my knowledge. Consultant productivity and outcomes will however be an area for the Task and Finish Group to consider.

4. Impact of Consultants' Private Practice on the NHS

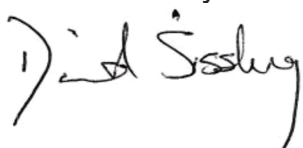
The Welsh Amended Consultant Contract makes it very clear that private practice must never impact on NHS care. Each consultant has a NHS job plan that they must deliver. Health Boards have clinical governance mechanisms in place to ensure high quality care is delivered by Consultants.

I can confirm that each NHS organisation has a policy to recoup relevant monies from Consultants for their use of NHS facilities for private patient care. Work is ongoing by Welsh Government officials to review the policy relating to this issue and specifically to ensure a consistent approach across Wales. I am not aware of any instance in which an NHS organization has purchased private care directly from its own Consultants.

5. Amended Consultant Contract – Impact on Flexible working/Female Consultants

Whilst there has been an increase in the number of female Consultants over recent years and in part-time working patterns for both genders, there is no qualitative data held to suggest that this increase can be directly attributed to the amended Consultant Contract.

Yours sincerely



David Sissling

ENC.

**Task and Finish Group to implement actions arising from
recommendations set out in the Wales Audit Report – Consultant
Contract in Wales: Progress with Securing the Intended Benefits
[February 2013]**

Terms of Reference

Background

The WAO report concluded that all the intended benefits are not being achieved largely because the amended contract has not been underpinned by effective job planning.

Actions

The purpose of the task and finish group is to provide assurance to the Welsh Government that the following issues have been reviewed, and appropriate actions put in place across NHS Wales:

1. All Consultants must have job plans with robust mechanisms to ensure reviews are conducted on an annual basis;
2. The 'All Wales Job Planning' guidance and documentation is reviewed and revised to support the delivery of service improvement and modernisation;
3. A robust training programme and communication strategy is developed and implemented to support the job planning process;
4. Guidance and reporting mechanisms are clear in circumstances when a Consultant is working for more than one employer/university;
5. Effective monitoring processes are in place at a local level to ensure up to date plans are underpinned by appropriate governance arrangements;
6. Job planning guidance and reporting recognises and reflects different speciality and service circumstances;
7. The interrelationship between the job planning and appraisal systems are appropriately clarified;

8. There are appropriate definitions of activity and associated outcomes for SPA elements of the contract.
9. There are effective arrangements for the implementation of a Code of Conduct for Private Practice for NHS Consultants

Membership

- Chair: Richard Tompkinson – Director, NHS Wales Employers Unit
- NHS Wales : Representatives from Workforce and Medical Leadership Teams
- Welsh Government : Representatives from Workforce and OD and Chief Medical Officer Teams.
- Key relevant stakeholders.

Timeline [2013]

| April | May to August | September | January |
|-------------------------------------------|------------------------------------------------------|---------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|
| Confirm Terms of Reference and membership | Group to review findings and address recommendations | Present interim actions/outputs to the Welsh Government | Group to produce closure report and formally report back to the Welsh Government on actions completed and outstanding |

April 2013

By virtue of paragraph(s) vi of Standing Order 17.42

Document is Restricted