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**Cynulliad Cenedlaethol Cymru**  
Y Pwyllgor Cyfrifon Cyhoeddus

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**National Assembly for Wales**  
Public Accounts Committee

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Dr Dai Lloyd AM  
Chair, Health, Social Care and Sport Committee  
National Assembly for Wales

7 February 2019

### **Expenditure on agency staff by NHS Wales**

Dear Dai,

The Auditor General for Wales published the above [report](#) on 22 January 2019. The report found that NHS expenditure on agency staffing in Wales in 2017–18 was £135.7 million, an increase of 171% since 2010–11, with expenditure peaking at £164.4 million in 2016–17.

The report highlights that nearly half of agency expenditure is on medical and dental staff and a further third on nurses and midwives. Health bodies report that about 80 per cent of agency expenditure is incurred in order to provide cover for vacant positions.

The report is facts-only and does not make any specific recommendations. However, it identifies an number of challenges to improving the management of agency staffing expenditure.

The Public Accounts Committee considered the report at its meeting on 4 February 2019 and discussed whether is wished to undertake its own work in this area. This included consideration of any related work being undertaken by the Health, Social Care and Sports (HSCS) Committee as to avoid duplication.

We note that the HSCS Committee has previously undertaken a focused inquiry into medical recruitment and understand that the Committee has agreed a programme to scrutinise all Health Boards and Trusts over the next 12 months which will incorporate agency costs into this work. One of the issues we would



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anticipate HSCS Committee exploring with Health Boards during this scrutiny is how they are responding to immediate needs and financial pressures while adapting to deliver the future care models outlined in 'Healthier Wales'. This we anticipate might highlight how reliant some Health Boards are on agency staff. We are aware that the use of agency and bank staff is an issue that regular occurs within Health Boards planning for winter pressures.

We understand the HSCS Committee recently held an evidence session with Health Education and Improvement Wales (HEIW) and Social Care Wales who have been tasked by the Welsh Government to work together to produce a workforce strategy by the end of 2019. We believe the HSCS Committee intends to follow up this work in the Autumn and look at how they are working to address workforce issues across the system, including reliance on agency staff, as well as how they are helping to improve workforce planning.

Before reaching a final decision on our consideration of these matters I would be most grateful if you could consider whether the findings of the Auditor General's report are issue your Committee will be able to consider as part of its forthcoming work programme.

I look forward to hearing from you,

Yours sincerely,

A handwritten signature in black ink that reads "Nick Ramsay". The signature is fluid and cursive, with a long horizontal flourish extending from the end of the name.

**Nick Ramsay AM**  
**Chair**

