



Llywodraeth Cymru
Welsh Government

NHS PAY REVIEW BODY

EVIDENCE FROM THE

WELSH GOVERNMENT'S

HEALTH AND SOCIAL SERVICES GROUP

FOR 2023 – 2024

11 January 2023

Acknowledgements

We are extremely thankful to Health Education and Improvement Wales (HEIW), NHS Wales Employers and Welsh Governments cross-government departments for the support and evidence they have provided in preparing this report.

To note

To ensure the workforce information provided is as up to date as possible, management information provided by Health Education and Improvement Wales (HEIW) has been used throughout. This will differ slightly to the official statistics that are routinely published. The information used also provides more detail than is available from the official statistics (such as ethnicity and age).

For tables included within this report that have been referenced please click on the link in the reference (if provided) to see details on the caveats for the information provided.

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Chapter 1 – Introduction

The following evidence has been prepared by the Welsh Government Health and Social Services Group in partnership with the NHS employers in Wales, HEIW and Welsh Government cross government departments.

Remit

On 19 December, the Minister for Health and Social Services, Eluned Morgan, sent a remit letter stating the following:-

I am now writing to formally commence the 2023-24 pay round for AfC staff in Wales. In this pay round I would like your advice on what would be a fair and affordable pay rise for AfC staff to recognise their dedication and continued hard work whilst the NHS is supporting the recovery efforts. The pay award also needs to address motivation, recruitment and retention to ensure the NHS can deliver service needs. I am also very conscious of the continued inflationary pressures felt by us all and the impact on take home pay from energy, mortgage, and food costs.

I urge you to make a pay rise recommendation that truly recognises the pressures on pay, the commitment and hard work of our NHS staff. However, affordability is a key issue for Welsh Government, in the absence of increased UK Government funding, any changes to NHS staff's terms and conditions will need to come from existing budgets that are already struggling with the inflationary costs, energy, and the cost-of-living crisis. Therefore, any consideration of NHS staff's pay and conditions will need to remain affordable.

The NHS in Wales

As of August 2022, the NHS in Wales directly employed 104,379 staff. Of this figure 64,477 are employed full time. It is made up of the seven Health Boards (HBs) in Wales which plan, secure and deliver healthcare services in their areas.

The health boards are:

- Aneurin Bevan University Health Board
- Betsi Cadwaladr University Health Board
- Cardiff & Vale University Health Board
- Cwm Taf Morgannwg University Health Board
- Hywel Dda University Health Board
- Powys Teaching Health Board
- Swansea Bay University Health Board

In addition to the health boards there are currently 3 NHS Trusts in Wales with an all-Wales focus. These are:

- Welsh Ambulance Services Trust for emergency services
- Velindre NHS Trust offering specialist services in cancer care and a range of national support services

- Public Health Wales which is the unified Public Health organisation in Wales.

In addition to the Health Boards and Trust there are also the following NHS Wales organisations:

- Health Education and Improvement Wales (HEIW) which is a special health authority which provides a leading role in the education, training, development, and shaping of the healthcare workforce in Wales, supporting high-quality care for the people of Wales.
- NHS Wales Shared Services Partnership (NWSSP) is an independent mutual organisation, owned and directed by NHS Wales. It was set up on 1st April 2011 to provide a range of high quality, customer-focused professional, technical and administrative services on behalf of all Health Boards and Trusts in NHS Wales.
- Digital Health and Care Wales (DHCW) is a new Special Health Authority with an important role in changing the way health and care services are delivered. Established in April 2021, it replaces the NHS Wales Informatics Service.

NHS Executive

- Setting up an NHS Executive is an essential part of making our health system fit for the future. Its key purpose will be to drive improvements in the quality and safety of care - resulting in better and more equitable outcomes, access and patient experience, reduced variation, and improvements in population health.
- The decision to establish an executive function was first announced in *A Healthier Wales* in 2018, and then reconfirmed in the latest Programme for Government. This decision was based on the findings and recommendations of both the Organisation for Economic Cooperation and Delivery (OECD) Quality Review and the Parliamentary Review of the long-term future of Health and Social Care, published in 2018. Both of these reviews called for a stronger centre, additional transformation capacity and streamlining of current structures.
- Work to establish the NHS Executive was paused in early 2020 to ensure that the resources of the Health and Social Services Group could be focused on other urgent matters. Firstly, preparation for EU exit, followed by the need to focus efforts on the Covid-19 response.
- However, the pandemic has given us an opportunity to rethink how to establish the NHS Executive, learning lessons from that experience and ensure that we can do that successfully within the current outlook. A number of models were explored, taking into account views that had been expressed by stakeholders. However, one of the key considerations was to establish the NHS Executive with as little disruption to the health system as possible.
- Building on learning from the pandemic, the NHS Executive will now be established through a hybrid model. Not only is this a quicker and more agile

option, it also avoids putting in place an additional statutory tier and the need to transfer powers or large scale staff transfers, which would be an unnecessary distraction at this time.

- The NHS Executive will comprise a small team in Government which will oversee and direct a much bigger national resource based within the NHS, comprising initially of:
 - NHS Wales Health Collaborative
 - Delivery Unit
 - Finance Delivery Unit
 - Improvement Cymru
- The expectation is that the NHS Executive will also work alongside other national bodies such as HEIW and DHCW, to deliver the ambitious strategies that have been set out.
- Working on behalf of Welsh Government, the NHS Executive will provide strong leadership and strategic direction – enabling, supporting and directing, where necessary, NHS organisations to deliver national priorities and standards, and safeguard and improve the quality and safety of care.
- Aligned to this, the initial core areas the NHS Executive will cover include:
 - **Quality, safety and improvement** – including reinforcing and refocusing national leadership for quality improvement, patient safety and transformation;
 - **Planning** – including developing national and regional planning capability and support for national decision making alongside regional and local delivery; and
 - **Oversight and assurance** – including enabling stronger performance management arrangements, financial control, and capacity to challenge and support organisations that are not operating as expected.
- However, this is not an exhaustive list and will be refined as part of the implementation programme and the component functions of each worked through. Equally, as the NHS Executive matures, these may develop over time.
- Establishing the NHS Executive will not change statutory accountability mechanisms. All NHS organisations are already directly accountable to Ministers, and the Welsh Government, and will continue to be.
- Ministers will also continue to set priorities, targets and outcome measures for the NHS. However, the NHS Executive will provide additional capacity at a national level to oversee and support delivery of these priorities.
- The focus is now on implementing this hybrid model and the aim is to have made significant progress on how the NHS Executive should operate by the end of the year and bring it into being in early 2023.

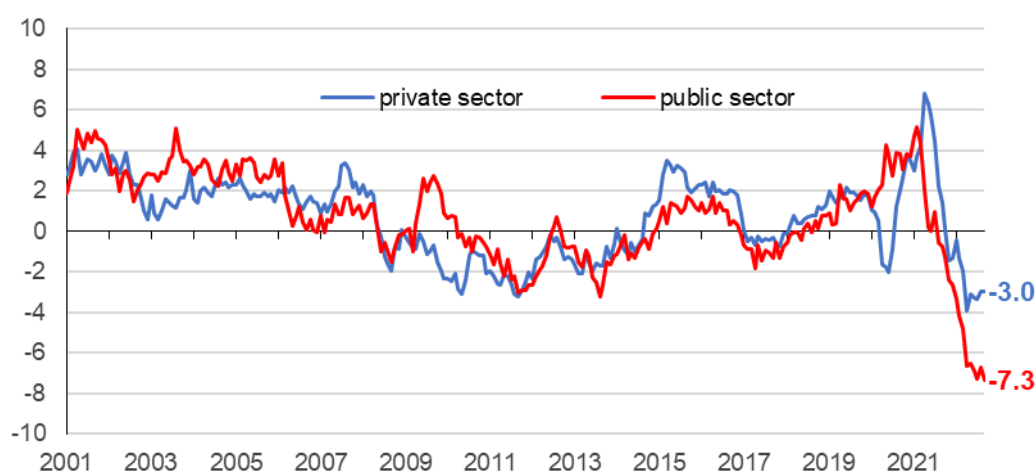
- A formal implementation programme, including a Steering Group involving representatives from Welsh Government and the NHS, has been set up to advise and support delivery. As part of this the key building blocks that will need to be in place, including detail on the functions the NHS Executive will exercise, the governance model it will require to be operational and the priorities it will need to deliver, are being worked through.

Chapter 2 – Economic Outlook in Wales

Current Economic Conditions

- A severe squeeze on household incomes caused by higher inflation has pushed the economy into what is likely the early phase of a recession. The latest GDP estimates for the UK economy highlight that output decreased by 0.2% in the third quarter compared with the prior quarter. A similar outcome likely prevailed in Wales.
- Consistent with decreasing output, the latest Labour Force Survey (LFS) data which cover the three months to July – September 2022 reported reduced employment in Wales while economic inactivity increased.
- Despite these latest developments in employment and inactivity, the labour market across the UK is widely described as being ‘tight’ in the sense that the workforce has reduced in size and vacancy levels are extraordinarily high. On the latest data, there are 23,000 fewer workers in Wales as compared with the pre-pandemic position. In the UK, the number of economically inactive people is down by close to ½ a million. Working-age people have left the work-force mainly for reasons of ill-health and early retirement.
- As just mentioned, vacancy levels are elevated and this is particularly true in the health and social care sectors. Across all sectors, there is currently one vacancy for every unemployed worker; a ratio that is very rarely seen.
- Reduced numbers of economically active people is particularly challenging in a Wales context. This is because the population in Wales is already increasing only slowly and facing potentially actual decline notably in the population aged 16-64, which is most likely to be engaged in economic activity.
- High vacancy levels along with higher inflation has exerted significant pressure on private sector pay. Industrial disputes have increased significantly in frequency.
- Despite pay accelerating in the private sector, it has not kept pace with inflation so that real terms pay is decreasing. In the public sector, the pay squeeze is much more intense than in the private sector. Public sector average weekly earnings after taking inflation into account are decreasing by more than 7.0%. Against this background, it is increasingly difficult for the public sector to recruit and retain staff.

Table 01 Annual % change in weekly pay adjusted for inflation



Source: calculated from Office for National Statistics data

- It is also the case that the economy's capacity to produce goods and services has hit capacity constraints earlier than policy makers had expected. Coming up against these constraints has contributed to inflation although the primary driver has been a global energy price shock. Even so, the Bank of England has responded to higher prices by raising interest rates from 0.1% last December to 3.0%.
- Unexpectedly high inflation has placed substantial strain on the Welsh Government's budget, substantially eroding the settlement provided for 2022-23 to 2024-25 in October 2021's Spending Review.

Future Growth Forecasts

- New economic forecasts from the Bank of England and the Office for Budget Responsibility (OBR) show output or GDP contracting again in the current (fourth) quarter. Two consecutive quarters of decreasing output or GDP is the conventional definition of a recession.
- On the Bank's forecast, recession will continue until mid-2024 with GDP dropping by a cumulative 2.9%. By then, GDP would be 3.1% below the pre-pandemic level. The OBR's forecasted recession does not last as long as the recession expected by the Bank with the cumulative decrease in GDP smaller but still significant at 2.0%.
- The impending recession is not expected to be as deep as either the pandemic induced downturn when output decreased by 23.1% or the financial crisis when output fell by 6.3%
- The economy is going into recession in a weaker position than other G7 economies as all other G7 economies, except the UK, have regained pre-pandemic GDP levels.

- The OBR expects UK unemployment to increase from the current rate of 3.6% to 4.9% by mid-2024. An equivalent increase in Wales would translate into 20,000 to 25,000 more people in unemployment. The Bank of England expects unemployment in the UK to increase to 6.4% which would translate into potentially around 40,000 more people in unemployment in Wales.
- Real household disposable income (RHDI) per person, a key measure of living standards, will, says the OBR, decrease by 4.3% in 2022-23, which would be the largest single year decline since official records began in 1956-57. The following year, RHDI is expected to decrease by 2.8% - which would be the second largest fall on record. The cumulative 2-year decrease of more than 7% would, therefore, be unprecedented.
- The economy's prospects have been weakened substantially by the decision to leave the EU. According to the OBR, Brexit will reduce GDP by 4.0% compared with the level that would otherwise be realised. This is equivalent to approximately £1,500 per person in today's prices. Already, around half that damage has probably occurred.
- A key channel through which Brexit is damaging the economy is through reduced trade with adverse knock-on adverse impacts on investment and productivity. The OBR sees productivity growth decreasing next year and then post improvements that are lower than the long-term average of approximately 2.0%.
- The Welsh Government does not publish future growth forecasts for the Welsh economy partly because regional forecasts are highly unreliable. Also, it is well documented that the economies of Wales and the UK track each other closely in the short to medium term. Accordingly, the OBR's forecast for the UK economy is relevant to the outlook for the Welsh economy. The table below provides a summary of the OBR forecast.

Table 02 - Overview of OBR's UK Economy Forecast Published in November 2022

	Percentage change on a year earlier, unless otherwise stated						
	Outturn	Forecast					
	2021	2022	2023	2024	2025	2026	2027
<u>Output at constant market prices</u>							
Gross domestic product (GDP)	7.5	4.2	- 1.4	1.3	2.6	2.7	2.2
GDP per capita	6.9	4.0	-1.8	1.0	2.3	2.3	2.0
GDP levels (QTR 4 2019 = 100)	95.4	99.4	98.0	99.2	101.9	104.6	106.9
Output gap ¹	1.4	1.0	-2.5	-2.5	-1.5	-0.5	0.0
<u>Expenditure components of real GDP</u>							
Household consumption	6.2	4.7	-1.9	1.1	2.5	2.2	1.9
General government consumption	12.6	2.1	4.8	1.6	0.8	1.6	1.6
Business investment	-0.1	4.9	-2.1	3.1	8.2	6.6	4.8
General government investment	7.2	3.8	10.7	-0.8	-2.2	-1.4	-1.6
Exports	-0.3	5.1	-2.8	0.1	1.1	0.5	0.2
Imports	2.8	11.2	-5.5	-0.2	0.9	0.2	0.0
<u>Inflation & Income</u>							
CPI	2.6	9.1	7.4	0.6	- 0.8	0.2	1.7
Real household disposable income per person (fiscal years)	0.3	- 4.3	- 2.8	1.8	2.4	2.0	1.5
<u>Labour market</u>							
Labour productivity per hour	0.9	0.3	-0.8	0.9	1.5	1.6	1.4
Employment (million)	32.4	32.7	32.8	32.7	32.9	33.3	33.6
Average earnings	5.3	5.9	4.2	1.7	1.7	1.9	2.7
LFS unemployment (rate, per cent)	4.5	3.6	4.1	4.9	4.7	4.3	4.2

¹ Output gap measures the extent to which output is above or below its sustainable level. A -output gap implies the economy is operating below potential capacity and a + gap implies it is operating above potential capacity

Welsh Labour Market

The tables below show the trends of the Welsh Labour market. The tables below have either been provided by StatsWales or the Office for National Statistics. For further information on the tables and the statistics behind them please follow the relevant reference.

Average (median) gross weekly earnings by UK Country 2022¹

Area	Year		2011 onwards																		
	1997 to 2003	2004 to 2005	2006 to 2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022						
United Kingdom	-	-	-	498.30	506.10	517.40	518.30	527.10	538.60	550.00	568.30	585.20	585.70	(r) 609.80	(p) 640.00						
Great Britain	-	-	-	500.00	507.90	517.60	520.40	528.50	540.10	552.00	570.20	587.00	586.80	(r) 611.90	(p) 642.00						
England	-	-	-	504.00	512.60	520.30	523.50	531.60	544.20	555.80	574.80	592.20	590.00	613.30	(p) 645.60						
North East	-	-	-	449.10	454.40	470.10	479.10	490.50	493.90	504.10	507.00	533.20	524.80	(r) 539.40	(p) 575.20						
North West	-	-	-	459.50	469.40	480.80	482.70	488.70	503.90	514.20	529.90	550.50	557.80	(r) 574.90	(p) 602.30						
Yorkshire and the Humber	-	-	-	460.60	464.50	479.10	479.10	486.20	498.30	502.50	520.40	538.90	537.60	(r) 563.00	(p) 579.10						
East Midlands	-	-	-	458.30	464.40	474.10	477.10	479.10	483.10	499.90	515.60	535.30	552.00	(r) 558.60	(p) 594.10						
West Midlands	-	-	-	464.40	469.20	484.50	479.20	492.10	509.80	514.80	536.60	552.50	554.10	(r) 583.60	(p) 617.50						
East	-	-	-	489.30	495.20	505.00	504.10	516.80	528.60	545.10	557.80	581.00	574.90	(r) 600.70	(p) 632.40						
London	-	-	-	648.40	652.10	654.80	660.00	659.70	670.80	691.10	713.00	737.60	758.00	766.60	(p) 804.90						
South East	-	-	-	529.00	536.60	536.60	541.70	552.00	565.40	574.90	589.10	614.00	604.70	(r) 635.80	(p) 664.30						
South West	-	-	-	461.50	467.40	480.00	485.50	492.10	505.80	519.80	531.40	551.70	551.40	(r) 570.20	(p) 611.30						
Wales	-	-	-	451.30	452.50	470.50	473.90	478.60	493.70	498.30	509.00	534.80	541.50	(r) 563.70	(p) 598.10						
Scotland	-	-	-	485.00	497.70	508.70	519.60	527.00	534.50	546.60	563.10	577.00	592.20	(r) 620.70	(p) 640.50						
Northern Ireland	-	-	-	444.70	457.60	463.60	460.00	484.70	493.60	500.00	517.80	534.50	528.70	(r) 574.90	(p) 591.60						

* This data show average gross weekly and hourly earnings in pounds for the UK countries/English regions in April of the years shown. The data relate to full-time employees on adult rates whose pay for the survey period was not affected by absence. Area relates to the location of workplace, not the residence of the employee.

The table above shows that average weekly full time earnings in Wales are on the lower end of the spectrum at £598.10 compared to the UK average at £640.00.

¹Statswales.gov.wales. 2022. Average (Median) Gross Weekly Earnings By UK Country - English Region And Year (£). [online] Available at: <https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/People-and-Work/Earnings/medianweeklyearnings-by-ukcountryenglishregion-year> [Accessed 16 December 2022].

Table 03 – Median weekly pay for full-time employees

Figure 1: Median weekly pay for full-time employees was £640 in April 2022

Gross median weekly earnings by employment type, UK, April 2012 to April 2022

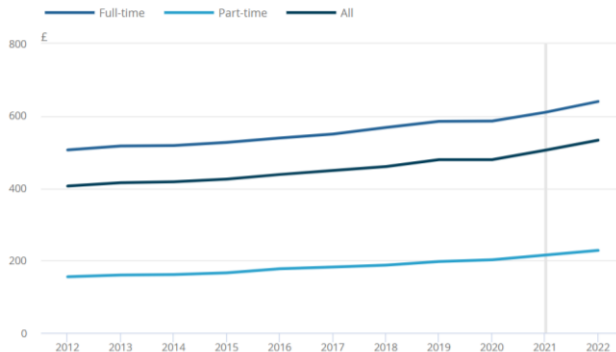


Table 04 - Annual labour market summary (16 or over) by Welsh local area and economic activity status – 2022²

Age (Aged 16 and over)		Gender (Persons)		Year (* Year ending 30 Jun 2022)	
Area	Employment level	Unemployment level	Economic activity level	Unemployment rate	
United Kingdom	32,544,400	1,282,100	33,826,500	3.8	
Wales	1,468,400	54,000	1,522,300	3.5	
Wales					
West Wales and the Valleys	901,200	33,500	934,700	3.6	
East Wales	567,200	20,400	587,600	3.5	
North Wales	327,300	11,700	339,000	3.4	
Mid Wales	98,400	(!!) 3,500	101,900	(!!) 3.4	
South West Wales	317,000	14,800	331,800	4.5	
South East Wales	725,600	23,900	749,600	3.2	
Mid and South West Wales	415,400	18,300	433,700	4.2	

*These data are taken from the ANNUAL datasets from the Labour Force Survey (LFS) carried out by the Office for National Statistics (ONS)

In Wales the unemployment rate is 0.3 lower than the whole of the United Kingdom. The economically active population is made up of persons in employment, and persons unemployed according to the International Labour Organisation (ILO) definition.

² Statswales.gov.wales. 2022. Annual Labour Market Summary (16 Or Over) By Welsh Local Area And Economic Activity Status. [online] Available at: <https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/People-and-Work/Labour-Market-Summary/annuallabourmarketsummary16orover-by-welshlocalareas-economicactivitystatus> [Accessed 14 December 2022].

Chapter 3 – NHS Wales Finances

Funding allocation for Welsh Government from UK government

Core NHS funding represents the Welsh Government's largest single budget and contains our core funding for Welsh health boards and NHS trusts. The funding supports primary care services, including services provided by independent GPs, dentists and community pharmacists; community-based services, including community nursing; mental health services and hospital-based and specialist care. It is used to commission services from NHS providers in other UK nations and from independent healthcare providers, as appropriate.

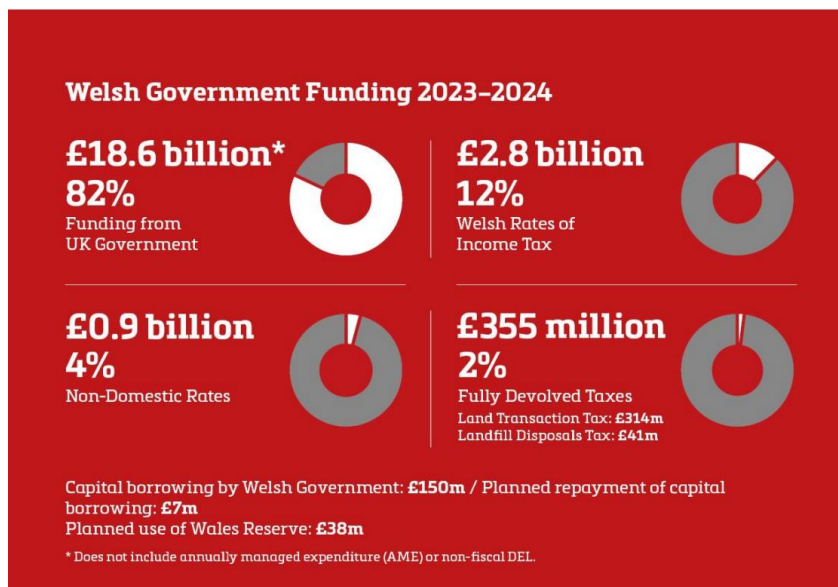
Funding is allocated to Wales through the UK Government Spending Rounds or Reviews and other Budget announcements. The amount for Wales is derived using the Barnett Formula.

The Barnett formula dates back to 1970 and works by applying an equal per head share for Wales of the “extra” funding or “cuts” given to each UK department (for those areas that the Welsh Government has devolved responsibility for). These shares are called consequential.

As part of the adjustment made to accommodate the devolution of tax powers, the fiscal framework includes a permanent change to the Barnett formula as applied to Wales. This agreement added a needs-based factor to the Barnett formula allocations to Wales. This is currently set at an additional five per cent.

Please note the following information in this chapter has been taken from the Welsh Government Draft Budget 2023 to 2024.

The Welsh Government receives its money from the following streams:



The Welsh Government was provided with expenditure limits for 2022-23 to 2024-25 following the UK Government's Spending Review in Autumn 2021. These limits were reflected in the Welsh Government's Final Budget for 2022- 23 alongside indicative spending plans for 2023-24 and 2024-25, which were published in March 2022.

The UK Government's recent Autumn Statement provided additional revenue of £666m in 2023-24 and £509m in 2024-25. The limits for the Welsh Government Resource Departmental Expenditure Limit (DEL) are now £18,916m and £19,152m for 2023-24 and 2024-25 respectively, before block grant adjustments. Our Capital Del budgets did not change as a result of the Autumn Statement.

Even with the additional resource funding outlined above, the high levels of inflation currently being experienced mean the Welsh Government's settlement is now worth less in real terms than when the spending envelopes were set. Depending on the inflation measure used, the settlement could be worth up to £3bn less in real terms over the three years covered by the Spending Review and £1bn less in 2023-24 alone.

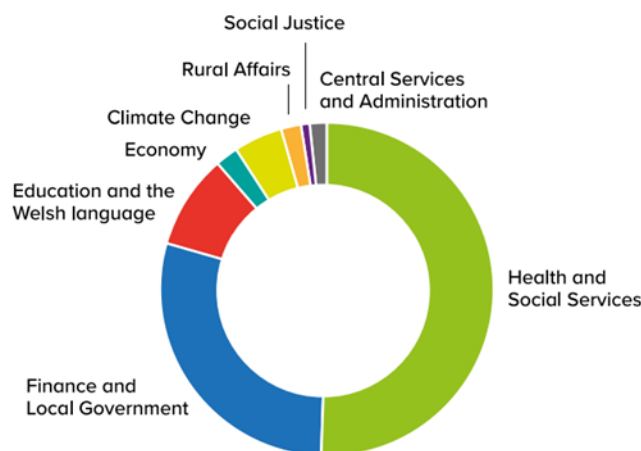
The Welsh Government and public services in Wales are funded through a combination of a block grant from the UK Government and revenue generated from taxes in Wales. In April 2015, financial responsibility for Non-Domestic rates (NDR) was devolved to Wales. Land Transaction Tax (LTT) and Landfill Disposals Tax (LDT) were introduced in Wales on 1 April 2018 – replacing stamp duty land tax and landfill tax, respectively – and are collected by the Welsh Revenue Authority (WRA). Welsh Rates of Income Tax (WRIT) were introduced on 6 April 2019 and are collected by HMRC. Taken together, WRIT, LTT, LDT and NDR will contribute around £4bn to the Welsh Government's budget in 2023-24, rising to £4.7bn in 2024- 25.

Breakdown of the Welsh Government's Budget

MAIN EXPENDITURE GROUPS (MEGs)	2023-24 Draft Budget December 2022	2024-25 Indicative Draft Budget December 2022	
	£000s	£000s	
Health and Social Services	10,970,502	11,218,296	
Finance and Local Government	6,019,621	6,176,441	
Education and the Welsh Language	3,635,471	4,215,845	
Climate Change	2,900,407	2,751,752	
Economy	612,195	603,681	
Rural Affairs	447,234	469,034	
Social Justice	184,683	188,735	
Central Services and Administration	361,303	362,303	
Total Allocations to Welsh Government MEGs	25,131,416	25,986,087	
Unallocated Resource	Fiscal Resource	854	116
	Non-Fiscal Resource	542,528	512,273
Unallocated Capital	Financial Transactions	57,842	112,085
General Capital Over Allocation	-98,542	-98,840	
Senedd Commission	67,643	69,362	
Public Services Ombudsman for Wales	5,750	5,750	
Wales Audit Office	8,452	8,452	
Electoral Commission	1,250	1,250	
Direct Charges to the Welsh Consolidated Fund	763	778	
TOTAL WELSH BUDGET	25,717,956	26,597,313	

How are we planning to spend the money for Wales over the next year?

Total revenue funding



The Welsh Government's budget is divided across spending priorities through the Annual budget. The draft budget for 2022-23 was published on 13 December 2022.

Priorities for the draft budget

- This Draft Budget builds on the work undertaken last year as part of the 2022 Welsh Spending Review, which outlined indicative spending plans up to 2024-25. These were aligned to the delivery of the Programme for Government and our overarching aim to tackle climate change, while realising our ambitions to create a stronger, fairer and greener Wales.
- We have worked hard to maintain the delivery of our priorities as a Government in these challenging times, some of which may take longer to deliver, while protecting frontline public services and targeting support towards those most affected by the cost of living crisis. To ensure this, the Draft Budget has been focused on three key investment pillars to ensure we maximise the impacts of our available funding within our constrained settlement.
- We recognise and value our public services – they play an important role in our local communities as a source of support, help and employment. In Wales, we have always sought to invest in our public services, to protect them from the worst of the cuts imposed by successive UK Governments. But after a decade of austerity, Brexit and the experience of the pandemic, our public services are fragile; they do not have the resilience to withstand further economic shocks caused by high inflation, soaring energy prices and record demand.
- We will continue to invest in our public services to support them through these hard times and in this Draft Budget we will make additional funding available to the NHS, to local government and to education to help protect frontline services.
- We will also do all we can to provide help to those people and businesses most affected by the cost of living crisis – through schemes which help people in an emergency or put money back in people's pockets.
- In the absence of additional funding from the UK Government to support the second year of its Homes for Ukraine scheme, we will continue to fund our humanitarian response to people fleeing the conflict in Ukraine and seeking safety in Wales. We are proud of our reputation as a Nation of Sanctuary.
- Finally, we are doing all we can to support our economy during recessionary times while laying foundations for future prosperity. Our comprehensive non domestic rates relief package to help support businesses will continue and we will provide transitional relief during the revaluation. We will support employability measures to help people find work.
- We will also maintain our public investments by delivering on our commitments to improve public transport links, enable better connectivity in

Wales and ensure we continue our journey towards Net Zero.

Health and social services

Building on the allocations we outlined for 2023-24 and 2024-25, as part of our 2022 Welsh Spending Review, we have committed to invest a further £165m in health and social care in 2023-24, which will be baselined into 2024- 25.

Together with more than £9.4bn of existing funding, this will support our health service as it continues to respond to urgent and emergency care pressures and to reduce long waiting times, which built up during the pandemic. It will be doing this, while continuing to transform the way care is provided, with more services available closer to people's homes in local communities. Even with this uplift in funding however, there will be difficult choices for the NHS as it seeks to protect frontline services amidst the twin pressures of high inflation and rising energy costs.

This budget provides a year on year net increase for the Delivery of Core NHS Services in 2023-24 of £407.3million, with a further increase of £204million in 2024-25.

In addition to core NHS funding uplift the HSS budget also includes specific funding of:

- Mental health £75million for 2023-24, increasing to £90million by 2024-25
- Social care £55million, increasing to £60million by 2024-25 and;
- Childcare & early years £28million allocated in 2022-23, increasing to £30million in 2023-24.

Recurrent revenue funding of £170million for NHS recovery remains in place for 2023-24 and this funding will be allocated to the NHS to support the implementation of plans to strengthen planned care services and help reduce hospital waiting times.

We will also continue to invest in a value-based approach to recovery over the medium term, with a focus on improving outcomes that matter to patients; £19million

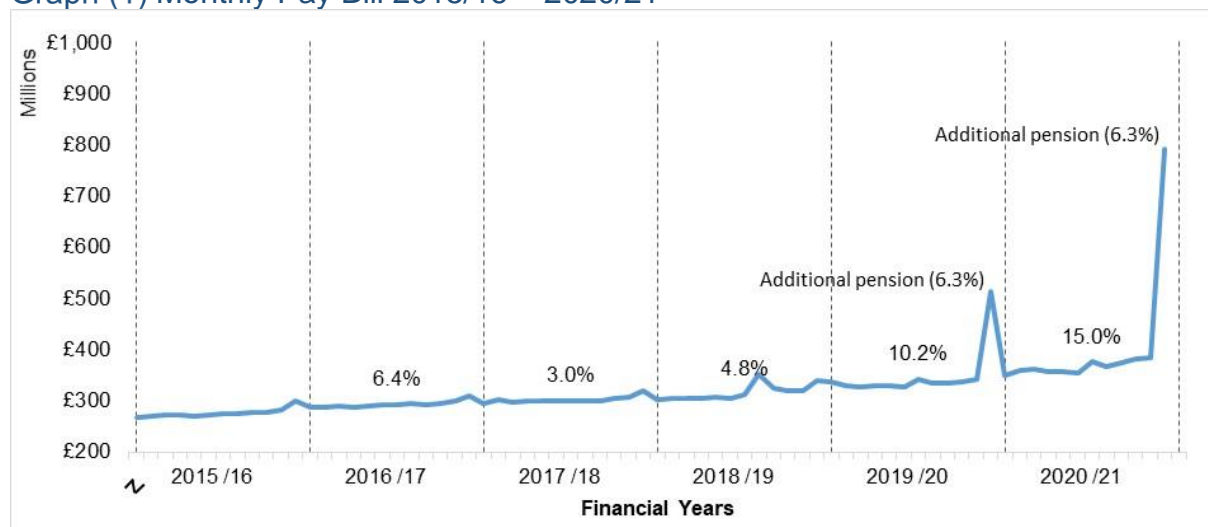
is allocated in 2023-24 for this. Taken together, these investments ensure we are on course to deliver against our commitment to invest £1 billion for NHS recovery over the course of this Senedd.

We have set aside funding in this budget for ongoing Covid interventions, specifically testing, contact tracing, mass vaccination and provision of PPE to the NHS and social care. This funding has been scaled back, in line with plans, in 2022-23 and will be kept under review as we work through the ongoing challenges of Covid.

There will be a £17.8 million increase in funding to support the Education and Training commissioning plan, investing in the future workforce of NHS Wales. This will be our largest ever investment in workforce training for the NHS. We will also continue to provide £7 million towards meeting our commitment to establish a new medical school in North Wales.

We are also allocating an additional £10 million to support the expansion of Flying Start to help meet the Programme for Government commitment to deliver a phased expansion of early years provision to include all two-year-olds (Phase One), with a particular emphasis on strengthening Welsh medium provision.

Graph (1) Monthly Pay Bill 2015/16 – 2020/21

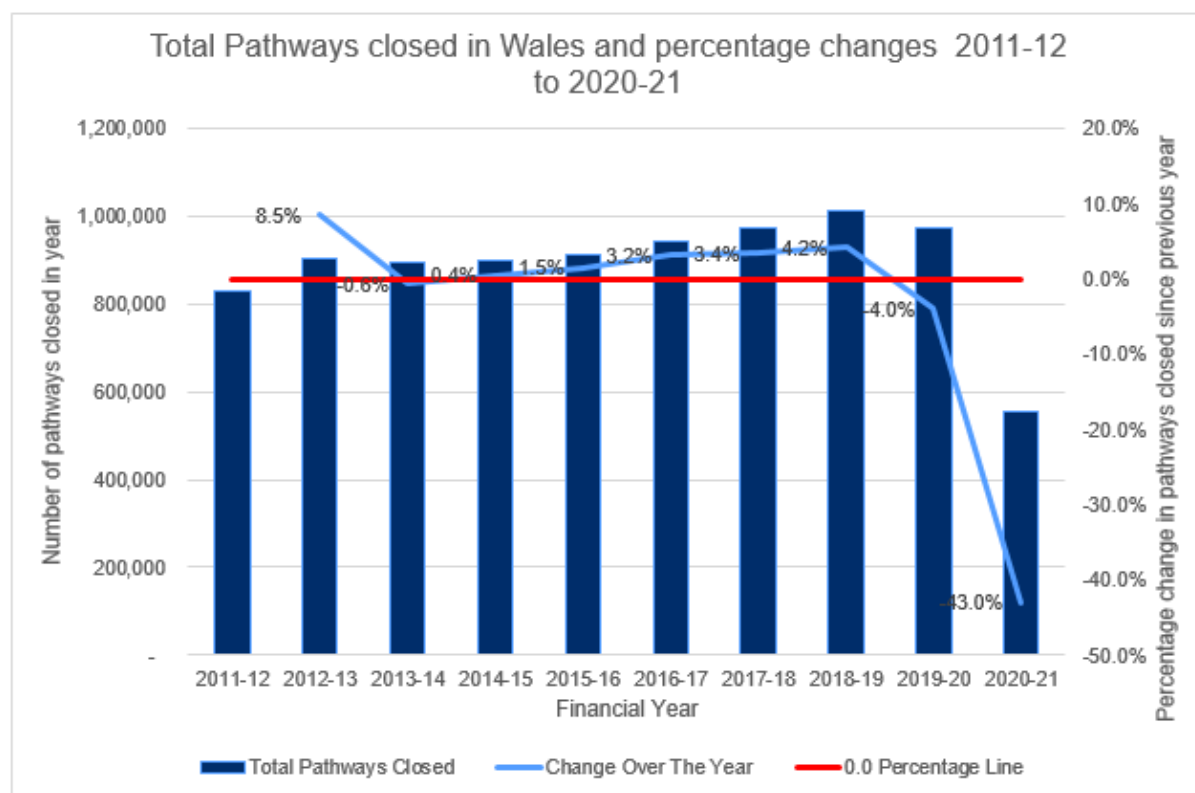


Data source: WG Finance Dept.

Table 1. Total Pay Bill Cost and Percentage Difference by Financial Years

Total Pay	Cost	% Change from Prev.
2015/16	£ 3,302,674,000	
2016/17	£ 3,514,360,186	6.4%
2017/18	£ 3,619,752,448	3.0%
2018/19	£ 3,794,064,750	4.8%
2019/20	£ 4,182,627,033	10.2%
2020/21	£ 4,811,654,939	15.0%

Table 05 – Number of Pathways Closed in Wales and percentage change 2011- 2021



Source: Referral to Treatment (RTT), DHCW

A line has been added at zero percentage to better show if there was an increase or decrease between the years.

Please note: Cwm Taf have been unable to provide closed pathway data since August 2018 and have been excluded from all years in this chart.

From 1st April 2019 health service provision for residents of Bridgend local authority moved from Abertawe Bro Morgannwg to Cwm Taf Morgannwg.

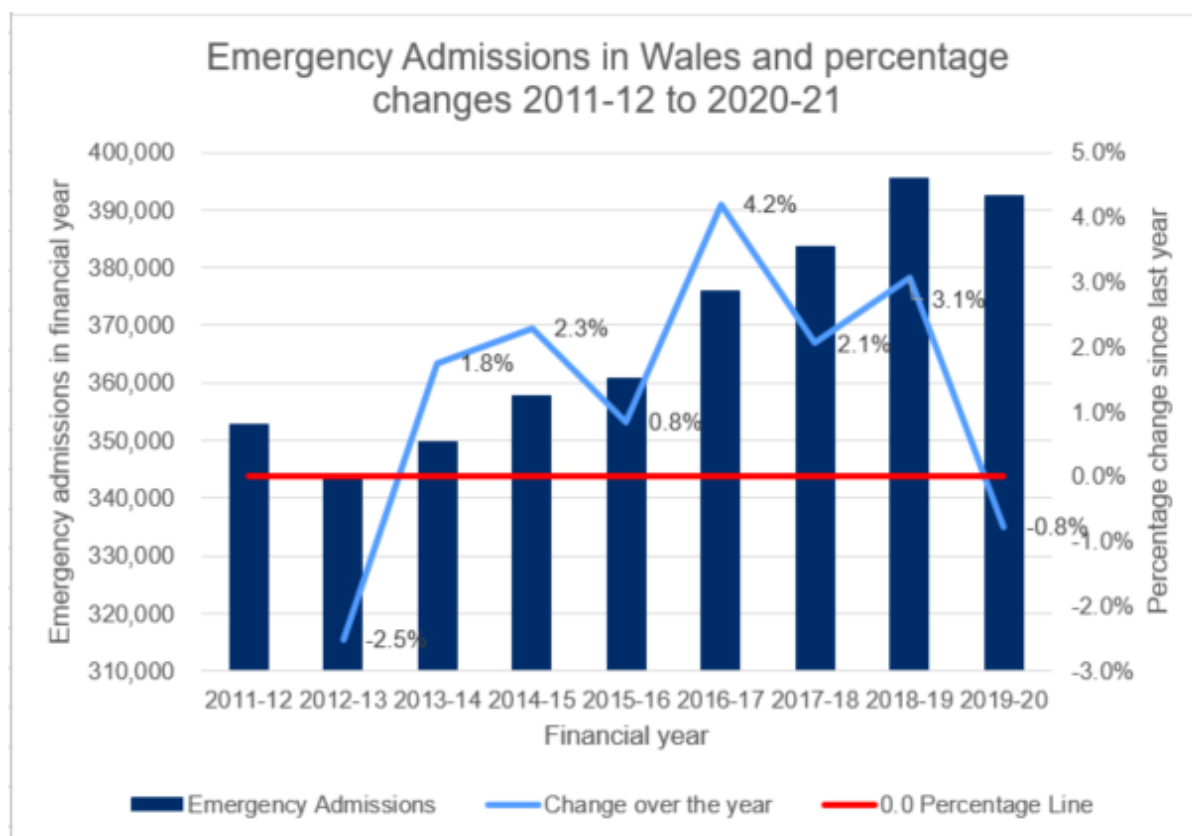
Furthermore, the Health Board names have changed with Cwm Taf University Health Board becoming Cwm Taf Morgannwg University Health Board and Abertawe Bro Morgannwg University Health Board becoming Swansea Bay University Health Board. Data may be subject to revision

Table 06 – Number of Emergency Admissions in Wales – 2021

<u>Financial Year</u>	<u>Emergency Admissions</u>	<u>Change over the year</u>	<u>0.0 Percentage Line</u>
2011-12	352,731		0.0%
2012-13	343,840	-2.5%	0.0%
2013-14	349,863	1.8%	0.0%

2014-15	357,847	2.3%	0.0%
2015-16	360,885	0.8%	0.0%
2016-17	376,015	4.2%	0.0%
2017-18	383,747	2.1%	0.0%
2018-19	395,482	3.1%	0.0%
2019-20	392,431	-0.8%	0.0%
2020-21	292,657	-25.4%	0.0%

Table 07 – Number of Emergency Admissions in Wales from 2011/12 – 2020/21

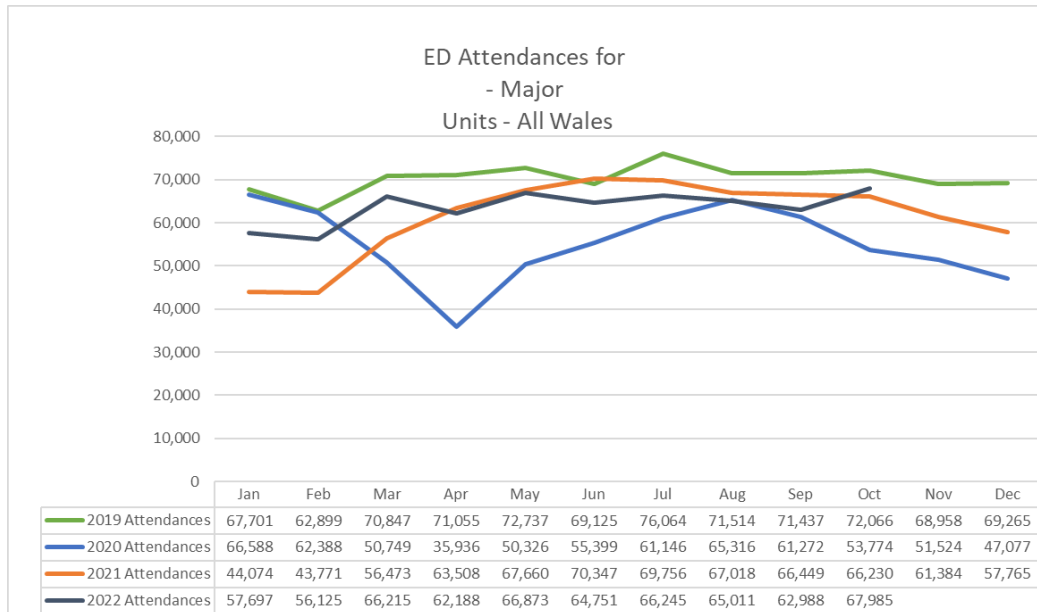


Source: Patient Episode Database for Wales (PEDW), DHCW

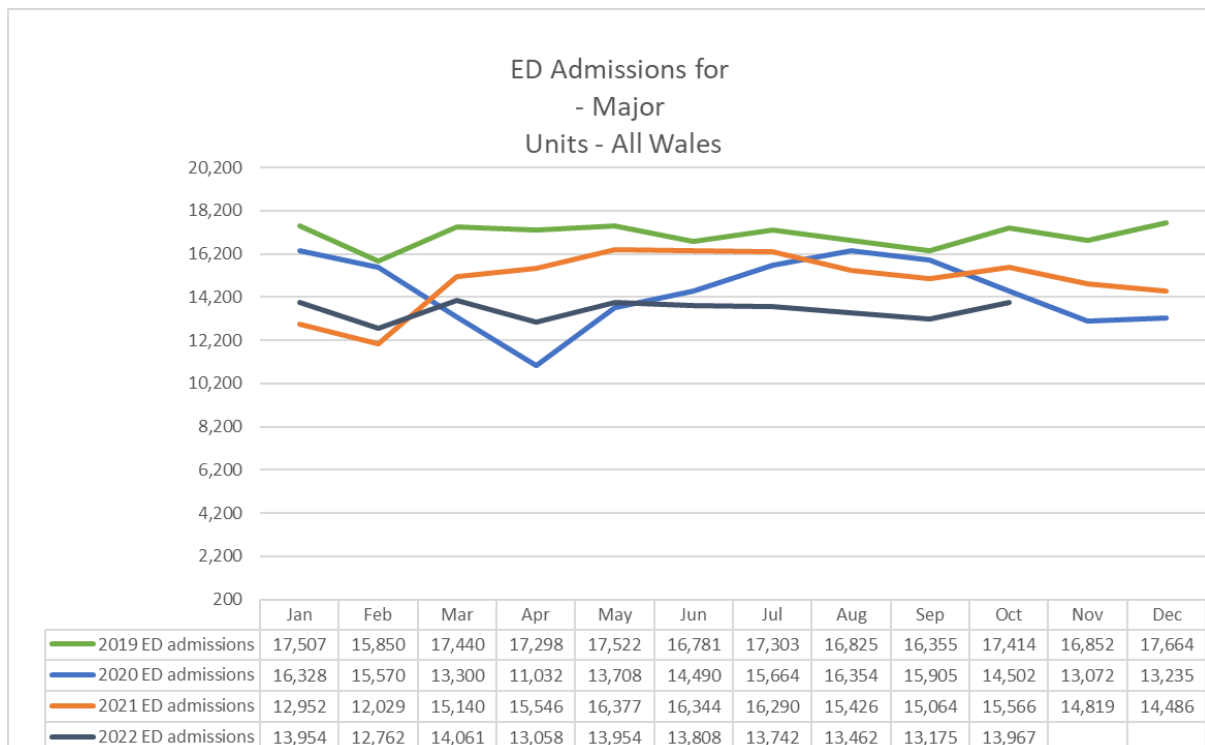
A line has been added at zero percentage to better show if there was an increase or decrease between the years. Please note that this data may be subject to revision

The charts below demonstrate the changes in ED activity:

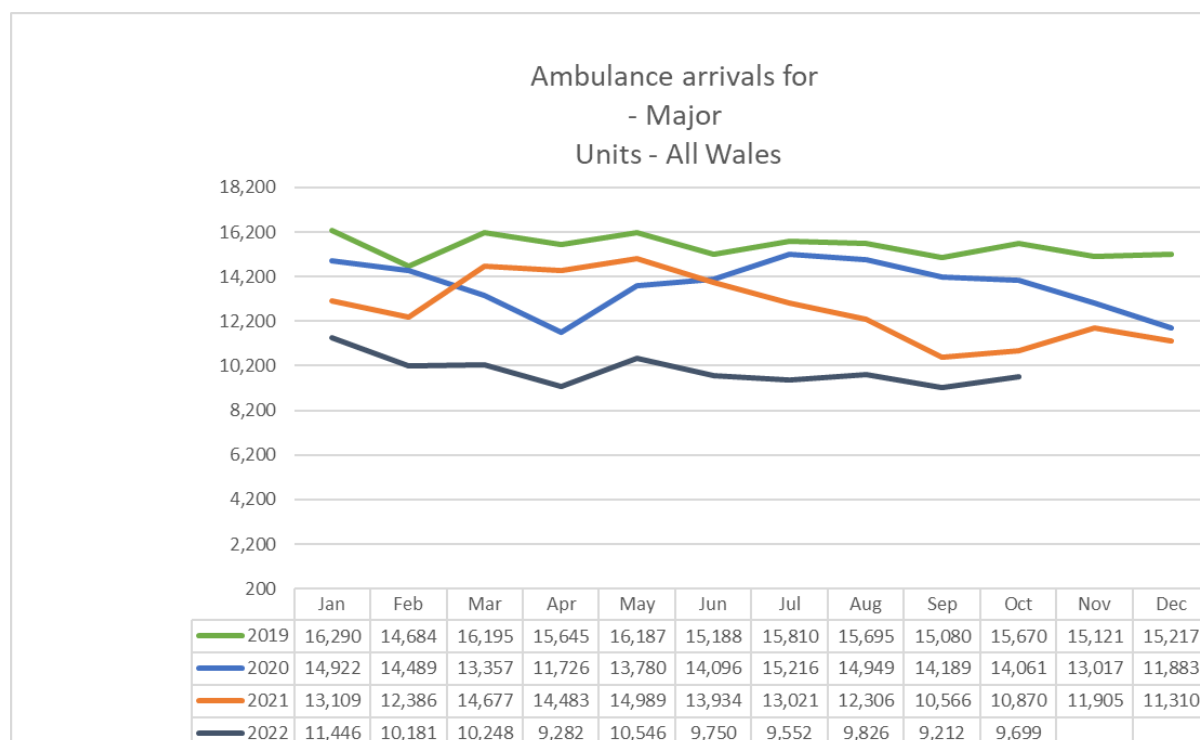
ED attendances (major sites only)



Admissions from ED (for major sites only)



Ambulance arrivals at ED



Service pressures

At the end of September 2022, there were nearly 755,000 open patient pathways waiting for appointments / treatment, the highest ever recorded. Of these, 181,500 were waiting over 52 weeks and 57,200 were waiting over two years. 26 week performance was at 54.8%.

At the end of September 2022, there were 45,000 pathways waiting over eight weeks for a diagnostic test and 11,600 waiting over 14 weeks for therapy services.

During September 2022, performance on the suspected cancer pathway was 53.3% against the 75% target.

During October 2022, A&E four hour performance was 66.6% against the 95% target. Over 11,000 patients waited over 12 hours, the highest ever recorded, for transfer, admission or discharge. There were 91,400 attendances at A&E departments, an average of 2,949 per day. This was 7% higher than October 2021.

The Welsh Ambulance Service dealt with over 37,500 calls during October 2022, an average of 1,213 per day, with 12.1% of calls classed as red, most urgent. This was the highest proportion of red calls recorded.

During October 2022, nearly 7,000 people waited over an hour for handover from ambulance service to the care of NHS hospital staff, the highest number ever recorded.

Latest COVID hospital data:

On 22 November, there were 511 COVID related patients in hospital beds across Wales. This was 5% of all occupied beds.

There were 11 COVID related patients in critical care out of a total of 166 occupied critical care beds.

Chapter 4 – Staff Breakdown in NHS Wales

Workforce demographics

The following tables provide an overview of the of the staff make-up in NHS Wales. The following tables, unless stated otherwise, have been provided by Health, Education and Improvement Wales (HEIW) using ESR data.

The NHS in Wales, as of August 2022, directly employs 104379 staff. Of this figure 64477 are employed full time. Over the past 5 years as shown in tables 08 and 09, the number of full and part time employs has been increasing. The FTE for NHS Wales staff was 88840 in August 2021, it was 91545 in August 2022

Table 08 – NHS Wales Headcount Detail by Full Time/Part Time Aug 2015 – Aug 2022

NHS Wales Headcount by Staff Group Aug 15 - Aug 22								
Staff Group	2015-AUG	2016-AUG	2017-AUG	2018-AUG	2019-AUG	2020-AUG	2021-AUG	2022-AUG
Add Prof Scientific and Technic	2860	2964	3111	3244	3410	3602	3129	3309
Additional Clinical Services	16734	17527	18099	18364	18817	20179	21535	21941
Administrative and Clerical	16844	17651	18571	19187	19957	20812	22366	23616
Allied Health Professionals	5831	6045	6178	6233	6450	6758	7405	7694
Estates and Ancillary	8438	8607	8603	8636	8552	8865	8829	8844
Healthcare Scientists	2016	2041	2059	2104	2118	2208	2328	2455
Medical and Dental	6813	6958	7106	7300	7647	8123	8579	8962
Nursing and Midwifery Registered	25087	25321	25494	25452	25615	26216	27153	27432
Students	65	72	80	72	77	707	122	126
NHS Wales Headcount	84688	87186	89301	90592	92643	97470	101446	104379

Data Source: ESR DW

The table above shows that the headcount of NHS staff in Wales has been increasing since 2015

Table 09 – NHS Wales FTE by Staff Group – Aug 2015 to Aug 2022

NHS Wales Contracted FTE by Staff Group Aug 15 - Aug 22								
Staff Group	2015-AUG	2016-AUG	2017-AUG	2018-AUG	2019-AUG	2020-AUG	2021-AUG	2022-AUG
Add Prof Scientific and Technic	2491.54	2592.97	2715.24	2844.27	2981.58	3157.68	2719.17	2888.96376
Additional Clinical Services	14396.32	15113.58	15629.33	15788.99	16176.65	17388.16	18551.37	18914.13113
Administrative and Clerical	14712.49	15435.51	16274.25	16776.39	17514.78	18303.66	19768.05	20963.13046
Allied Health Professionals	5190.37	5372.60	5480.45	5527.61	5724.37	6019.37	6627.77	6921.63068
Estates and Ancillary	6687.76	6832.24	6823.49	6857.78	6788.41	7087.21	7100.81	7098.46397
Healthcare Scientists	1873.87	1893.71	1916.26	1955.24	1957.30	2045.43	2171.99	2292.05451
Medical and Dental	6303.18	6453.27	6595.97	6795.84	7037.27	7493.85	7933.50	8229.18868
Nursing and Midwifery Registered	22098.91	22346.88	22424.11	22318.30	22455.89	23029.38	23851.45	24108.55111
Students	62.56	68.21	78.41	66.50	66.71	679.75	116.31	129.36664
NHS Wales Contracted FTE	73817.00	76108.96	77937.51	78930.91	80702.97	85204.49	88840.42	91545.48094

Data Source: ESR DW

In addition to the headcount of NHS increasing, the FTE of NHS staff in Wales has also increased.

Table 10 - NHS Wales Headcount by Staff Group and Ethnicity Aug 2015 - Aug 2022

NHS Wales Headcount by Staff Group and Ethnicity Aug 15 - Aug 22									
Staff Group	Ethnicity	2015-AUG	2016-AUG	2017-AUG	2018-AUG	2019-AUG	2020-AUG	2021-AUG	2022-AUG
Add Prof Scientific and Technic	Asian or Asian British	69	76	89	97	98	106	68	81
Add Prof Scientific and Technic	Black or Black British	12	11	14	18	26	27	19	27
Add Prof Scientific and Technic	Mixed	18	18	26	25	31	37	35	33
Add Prof Scientific and Technic	Not Stated	365	327	275	249	223	129	84	78
Add Prof Scientific and Technic	Unknown	74	74	75	79	122	104	125	138
Add Prof Scientific and Technic	Other Ethnic Groups	18	25	28	35	35	35	36	34
Add Prof Scientific and Technic	White	2304	2433	2604	2741	2875	3164	2762	2918
Add Prof Scientific and Technic Total		2860	2964	3111	3244	3410	3602	3129	3309
Additional Clinical Services	Asian or Asian British	206	275	308	342	335	337	383	447
Additional Clinical Services	Black or Black British	61	74	84	95	108	123	137	163
Additional Clinical Services	Mixed	74	85	88	98	117	150	196	197
Additional Clinical Services	Not Stated	2606	2318	2111	1947	1801	1326	1109	969
Additional Clinical Services	Unknown	407	527	542	576	686	926	1192	1375
Additional Clinical Services	Other Ethnic Groups	88	96	106	120	138	161	166	190
Additional Clinical Services	White	13292	14152	14860	15186	15632	17156	18352	18600
Additional Clinical Services Total		16734	17527	18099	18364	18817	20179	21535	21941
Administrative and Clerical	Asian or Asian British	123	146	174	186	204	226	261	313
Administrative and Clerical	Black or Black British	39	42	53	51	69	84	107	138
Administrative and Clerical	Mixed	82	90	113	129	141	159	193	217
Administrative and Clerical	Not Stated	2305	2054	1776	1664	1487	969	832	745
Administrative and Clerical	Unknown	558	644	728	812	885	787	1139	1307
Administrative and Clerical	Other Ethnic Groups	43	46	47	59	64	70	77	97
Administrative and Clerical	White	13694	14629	15680	16286	17107	18517	19757	20799
Administrative and Clerical Total		16844	17651	18571	19187	19957	20812	22366	23616
Allied Health Professionals	Asian or Asian British	63	63	64	64	66	91	146	162
Allied Health Professionals	Black or Black British	17	20	21	24	26	38	61	66
Allied Health Professionals	Mixed	25	27	26	29	35	44	66	69
Allied Health Professionals	Not Stated	955	854	780	687	616	412	368	330
Allied Health Professionals	Unknown	90	103	104	106	125	111	192	280
Allied Health Professionals	Other Ethnic Groups	20	22	21	22	24	28	46	53
Allied Health Professionals	White	4661	4956	5162	5301	5558	6034	6526	6734
Allied Health Professionals Total		5831	6045	6178	6233	6450	6758	7405	7694
Estates and Ancillary	Asian or Asian British	167	185	192	201	196	196	191	207
Estates and Ancillary	Black or Black British	26	30	30	27	32	28	32	37
Estates and Ancillary	Mixed	40	47	42	43	50	64	72	67
Estates and Ancillary	Not Stated	1608	1481	1356	1281	1203	669	568	511
Estates and Ancillary	Unknown	467	504	503	502	506	474	515	701
Estates and Ancillary	Other Ethnic Groups	54	62	61	64	64	98	103	106
Estates and Ancillary	White	6076	6298	6419	6518	6501	7336	7348	7215
Estates and Ancillary Total		8438	8607	8603	8636	8552	8865	8829	8844
Healthcare Scientists	Asian or Asian British	44	46	49	59	63	69	87	98
Healthcare Scientists	Black or Black British	21	21	26	33	36	42	53	59
Healthcare Scientists	Mixed	15	15	21	20	23	16	27	32
Healthcare Scientists	Not Stated	432	399	351	318	274	226	192	176
Healthcare Scientists	Unknown	48	53	57	65	71	80	91	112
Healthcare Scientists	Other Ethnic Groups	14	16	21	24	25	29	35	42
Healthcare Scientists	White	1442	1491	1534	1585	1626	1746	1843	1936
Healthcare Scientists Total		2016	2041	2059	2104	2118	2208	2328	2455
Medical and Dental	Asian or Asian British	1192	1253	1272	1318	1279	1368	1588	1546
Medical and Dental	Black or Black British	132	137	141	150	163	209	300	304
Medical and Dental	Mixed	101	103	100	105	99	127	166	157
Medical and Dental	Not Stated	883	788	733	818	988	829	673	554
Medical and Dental	Unknown	1042	1142	1215	1387	1685	1982	1768	2641
Medical and Dental	Other Ethnic Groups	259	248	286	292	290	324	329	348
Medical and Dental	White	3204	3287	3359	3230	3143	3284	3755	3412
Medical and Dental Total		6813	6958	7106	7300	7647	8123	8579	8962
Nursing and Midwifery Registered	Asian or Asian British	784	844	877	926	940	991	1102	1265
Nursing and Midwifery Registered	Black or Black British	124	137	146	173	170	242	284	324
Nursing and Midwifery Registered	Mixed	108	116	123	133	140	150	182	195
Nursing and Midwifery Registered	Not Stated	3995	3379	2897	2499	2217	1517	1262	1046
Nursing and Midwifery Registered	Unknown	832	991	952	929	995	1021	1557	2259
Nursing and Midwifery Registered	Other Ethnic Groups	355	350	370	385	420	469	483	481
Nursing and Midwifery Registered	White	18889	19504	20129	20407	20733	21826	22283	21862
Nursing and Midwifery Registered Total		25087	25321	25494	25452	25615	26216	27153	27432
Students	Asian or Asian British			1	5	8	23	3	1
Students	Black or Black British				1	3	7	1	
Students	Mixed	1		1			5		2
Students	Not Stated	3	2	3	1	2	9	1	2
Students	Unknown	10	5	1	4	3	140	28	59
Students	Other Ethnic Groups		1	1	1	3	1	1	1
Students	White	51	64	73	60	58	522	88	61
Students Total		65	72	80	72	77	707	122	126
NHS Wales Headcount		84688	87186	89301	90592	92643	97470	101446	104379

Data Source: ESR DW

Table 11 - NHS Wales Headcount by Staff Group and Age Band Aug 2015 - Aug 2022

NHS Wales Headcount By Staff Group and Age Band Aug 15 - Aug 22									
Staff Group	Age Band	2015-AUG	2016-AUG	2017-AUG	2018-AUG	2019-AUG	2020-AUG	2021-AUG	2022-AUG
Add Prof Scientific and Technic	Under 25	103	109	115	118	110	114	94	103
Add Prof Scientific and Technic	25 - 29	309	320	344	367	387	403	357	397
Add Prof Scientific and Technic	30 - 34	414	410	431	444	469	520	493	524
Add Prof Scientific and Technic	35 - 39	420	465	476	521	543	547	483	509
Add Prof Scientific and Technic	40 - 44	431	433	433	446	463	503	469	523
Add Prof Scientific and Technic	45 - 49	408	408	424	438	483	484	385	376
Add Prof Scientific and Technic	50 - 54	370	391	403	404	413	436	362	378
Add Prof Scientific and Technic	55 - 59	239	260	287	293	325	359	301	296
Add Prof Scientific and Technic	60 +	166	168	198	213	217	236	185	203
Add Prof Scientific and Technic Total		2860	2964	3111	3244	3410	3602	3129	3309
Additional Clinical Services	Under 25	879	1010	1024	946	1002	1340	1545	1505
Additional Clinical Services	25 - 29	1595	1762	1912	1849	1954	2117	2368	2422
Additional Clinical Services	30 - 34	1619	1766	1878	2014	2103	2364	2609	2767
Additional Clinical Services	35 - 39	1603	1640	1738	1841	1927	2048	2313	2496
Additional Clinical Services	40 - 44	2084	2064	1988	1937	1889	1978	2057	2145
Additional Clinical Services	45 - 49	2495	2505	2512	2455	2387	2455	2450	2396
Additional Clinical Services	50 - 54	2895	2920	2949	2960	2899	2899	2969	2866
Additional Clinical Services	55 - 59	2085	2306	2423	2534	2672	2827	2883	2883
Additional Clinical Services	60 +	1479	1554	1675	1828	1984	2157	2341	2461
Additional Clinical Services Total		16734	17527	18099	18364	18817	20179	21535	21941
Administrative and Clerical	Under 25	544	634	692	737	730	802	1090	1114
Administrative and Clerical	25 - 29	1126	1186	1325	1311	1389	1508	1684	1847
Administrative and Clerical	30 - 34	1682	1747	1756	1832	1904	1916	2116	2296
Administrative and Clerical	35 - 39	1696	1833	2003	2137	2259	2372	2563	2656
Administrative and Clerical	40 - 44	2304	2211	2171	2129	2162	2315	2513	2786
Administrative and Clerical	45 - 49	2713	2898	3049	3030	3041	2917	2916	2868
Administrative and Clerical	50 - 54	2892	3000	3093	3133	3255	3370	3598	3796
Administrative and Clerical	55 - 59	2261	2396	2604	2800	2920	3122	3245	3385
Administrative and Clerical	60 +	1626	1746	1878	2078	2297	2490	2641	2868
Administrative and Clerical Total		16844	17651	18571	19187	19957	20812	22366	23616
Allied Health Professionals	Under 25	308	362	357	393	419	494	520	555
Allied Health Professionals	25 - 29	759	764	791	759	791	855	963	1027
Allied Health Professionals	30 - 34	953	950	945	964	994	1036	1124	1211
Allied Health Professionals	35 - 39	808	838	931	979	1007	1042	1128	1164
Allied Health Professionals	40 - 44	744	799	770	789	820	858	937	1016
Allied Health Professionals	45 - 49	772	760	771	760	792	783	876	868
Allied Health Professionals	50 - 54	810	807	808	768	765	764	814	831
Allied Health Professionals	55 - 59	494	556	563	565	594	640	688	674
Allied Health Professionals	60 +	183	209	242	256	268	286	355	348
Allied Health Professionals Total		5831	6045	6178	6233	6450	6758	7405	7694
Estates and Ancillary	Under 25	316	331	311	320	289	412	360	333
Estates and Ancillary	25 - 29	523	503	506	468	437	456	446	434
Estates and Ancillary	30 - 34	550	588	591	611	565	620	629	587
Estates and Ancillary	35 - 39	549	596	603	621	631	653	651	685
Estates and Ancillary	40 - 44	806	735	687	648	675	684	716	723
Estates and Ancillary	45 - 49	1164	1133	1078	1016	960	935	878	815
Estates and Ancillary	50 - 54	1562	1573	1534	1545	1457	1384	1330	1321
Estates and Ancillary	55 - 59	1510	1608	1656	1649	1679	1735	1776	1741
Estates and Ancillary	60 +	1458	1540	1637	1758	1859	1986	2043	2205
Estates and Ancillary Total		8438	8607	8603	8636	8552	8865	8829	8844
Healthcare Scientists	Under 25	67	71	64	73	74	85	130	125
Healthcare Scientists	25 - 29	200	212	228	243	239	282	322	372
Healthcare Scientists	30 - 34	276	275	252	262	290	291	311	353
Healthcare Scientists	35 - 39	331	338	369	355	337	322	319	311
Healthcare Scientists	40 - 44	250	258	266	281	306	341	367	402
Healthcare Scientists	45 - 49	271	262	251	259	249	254	259	275
Healthcare Scientists	50 - 54	303	286	280	261	251	256	242	245
Healthcare Scientists	55 - 59	221	242	253	261	260	257	239	223
Healthcare Scientists	60 +	97	97	96	109	112	120	139	149
Healthcare Scientists Total		2016	2041	2059	2104	2118	2208	2328	2455
Medical and Dental	Under 25	305	278	285	281	280	270	311	313
Medical and Dental	25 - 29	1107	1157	1171	1210	1229	1285	1309	1328
Medical and Dental	30 - 34	955	993	1058	1132	1230	1401	1530	1611
Medical and Dental	35 - 39	946	935	897	918	951	1062	1159	1338
Medical and Dental	40 - 44	920	976	952	965	969	992	1025	1035
Medical and Dental	45 - 49	904	868	899	883	940	982	1052	1065
Medical and Dental	50 - 54	744	792	824	850	903	901	882	906
Medical and Dental	55 - 59	555	567	585	608	640	691	745	786
Medical and Dental	60 +	377	392	435	453	505	539	566	580
Medical and Dental Total		6813	6958	7106	7300	7647	8123	8579	8962
Nursing and Midwifery Registered	Under 25	786	863	802	723	796	897	938	1027
Nursing and Midwifery Registered	25 - 29	1925	2114	2297	2345	2409	2531	2713	2666
Nursing and Midwifery Registered	30 - 34	2484	2506	2523	2573	2746	2988	3406	3745
Nursing and Midwifery Registered	35 - 39	3047	2981	2921	2953	2926	2949	3078	3299
Nursing and Midwifery Registered	40 - 44	3738	3656	3522	3331	3189	3242	3237	3210
Nursing and Midwifery Registered	45 - 49	4381	4184	4096	4025	3933	3801	3758	3569
Nursing and Midwifery Registered	50 - 54	4762	4826	4792	4570	4423	4248	4154	4031
Nursing and Midwifery Registered	55 - 59	2755	2915	3103	3295	3399	3537	3621	3506
Nursing and Midwifery Registered	60 +	1209	1276	1438	1637	1794	2023	2248	2379
Nursing and Midwifery Registered Total		25087	25321	25494	25452	25615	26216	27153	27432
Students	Under 25	1	3	1		1	233	22	7
Students	25 - 29	11	12	10	10	12	158	27	46
Students	30 - 34	13	13	23	16	10	128	16	22
Students	35 - 39	12	17	14	15	23	84	18	20
Students	40 - 44	13	14	12	12	13	49	16	14
Students	45 - 49	9	10	17	13	12	33	8	10
Students	50 - 54	5	3	3	5	3	16	9	5
Students	55 - 59					1	4	5	1
Students	60 +	1				1	2	1	1
Students Total		65	72	80	72	77	707	122	126
NHS Wales Headcount		84688	87186	89301	90592	92643	97470	101446	104379

Table 12- NHS Wales Contracted FTE by Staff Group and AfC Band Aug 15 - Aug 22

NHS Wales Contracted FTE by Staff Group and AfC Band Aug 15 - Aug 22									
Staff Group	AfC Grade	2015-AUG	2016-AUG	2017-AUG	2018-AUG	2019-AUG	2020-AUG	2021-AUG	2022-AUG
Add Prof Scientific and Technic	Band 2	22.99	11.91	2.00	3.00	2.00			
Add Prof Scientific and Technic	Band 3	13.81	8.47	13.91	10.00	10.40	14.22	19.59	16.48
Add Prof Scientific and Technic	Band 4	190.46	186.85	159.46	155.75	167.55	164.51	137.97	145.36
Add Prof Scientific and Technic	Band 5	727.39	734.07	786.71	800.32	797.59	828.48	538.67	556.59
Add Prof Scientific and Technic	Band 6	513.32	548.52	567.96	592.22	651.30	679.30	517.10	531.56
Add Prof Scientific and Technic	Band 7	322.61	324.44	341.46	363.63	382.74	456.32	433.69	474.13
Add Prof Scientific and Technic	Band 8 and above	698.18	776.80	841.57	893.45	942.23	1001.14	1056.25	1079.40
Add Prof Scientific and Technic Total		2488.77	2591.07	2713.06	2818.38	2953.80	3143.97	2703.26	2803.52
Additional Clinical Services	Band 1	5.30	2.70	4.30	4.30	2.13			
Additional Clinical Services	Band 2	6288.55	6645.01	6814.60	6737.23	6892.38	7365.62	7651.00	7497.56
Additional Clinical Services	Band 3	5588.11	5816.94	5898.97	6018.13	6055.79	6255.44	6757.79	6617.62
Additional Clinical Services	Band 4	1876.06	1966.81	2151.78	2234.16	2331.39	2782.93	2954.83	3358.58
Additional Clinical Services	Band 5	395.74	408.88	445.93	482.12	553.67	643.56	712.77	727.66
Additional Clinical Services	Band 6	180.27	214.32	231.88	230.28	244.32	255.97	262.52	302.59
Additional Clinical Services	Band 7	38.48	39.52	36.97	37.88	39.53	40.12	155.80	158.12
Additional Clinical Services	Band 8 and above	7.60	7.80	5.60	6.60	7.03	6.33	6.56	7.03
Additional Clinical Services Total		14380.11	15101.98	15590.04	15750.69	16126.24	17349.98	18501.28	18669.16
Administrative and Clerical	Band 1	20.17	17.08	8.59	7.65	1.33	1.00	1.00	1.00
Administrative and Clerical	Band 2	2842.11	2947.88	3094.79	3039.53	2988.65	2996.35	3140.04	3014.16
Administrative and Clerical	Band 3	2974.63	3128.84	3197.34	3337.31	3521.45	3713.79	3962.19	4123.74
Administrative and Clerical	Band 4	3551.38	3683.06	3807.24	3831.94	3867.44	3977.17	4187.57	4326.68
Administrative and Clerical	Band 5	1449.94	1562.92	1728.44	1837.46	1942.59	2023.91	2220.06	2410.29
Administrative and Clerical	Band 6	1218.06	1322.22	1406.62	1429.51	1549.79	1670.28	1855.71	1991.69
Administrative and Clerical	Band 7	965.78	992.06	1105.84	1193.55	1317.55	1463.18	1664.13	1907.13
Administrative and Clerical	Band 8 and above	1442.86	1526.75	1651.77	1754.37	1894.11	2069.57	2325.26	2558.90
Administrative and Clerical Total		14464.93	15180.81	16000.64	16431.33	17082.91	17915.25	19355.95	20333.60
Allied Health Professionals	Band 3	1.40	1.60		0.93	3.87	3.87	2.93	2.93
Allied Health Professionals	Band 4	1.00	1.97	3.12	3.21	13.96	6.75	11.61	10.73
Allied Health Professionals	Band 5	1524.91	1566.91	1395.11	838.19	936.00	1056.12	1302.58	1375.44
Allied Health Professionals	Band 6	1969.49	2051.92	2303.81	2830.21	2832.75	2915.48	2993.81	3060.24
Allied Health Professionals	Band 7	1303.74	1359.21	1359.56	1412.39	1467.91	1538.07	1779.06	1796.15
Allied Health Professionals	Band 8 and above	377.22	380.99	409.85	432.81	459.00	491.49	529.59	551.14
Allied Health Professionals Total		5177.77	5362.60	5471.45	5517.75	5713.51	6011.77	6619.58	6796.63
Estates and Ancillary	Band 1	1555.32	1563.49	1527.78	1498.09	1017.16	274.03	204.79	127.73
Estates and Ancillary	Band 2	3642.67	3745.08	3786.16	3783.64	4223.83	5147.77	5218.16	5189.76
Estates and Ancillary	Band 3	675.00	697.10	695.66	732.10	745.48	838.67	831.69	878.66
Estates and Ancillary	Band 4	391.96	403.55	393.79	403.01	381.42	383.09	388.58	319.72
Estates and Ancillary	Band 5	224.20	230.10	229.86	223.03	218.66	236.76	250.00	309.17
Estates and Ancillary	Band 6	105.64	104.44	106.80	107.40	110.40	105.20	107.20	87.00
Estates and Ancillary	Band 7	47.60	44.00	46.20	47.20	45.60	54.40	55.20	78.04
Estates and Ancillary	Band 8 and above	32.00	32.60	27.40	27.20	27.71	31.21	35.21	32.11
Estates and Ancillary Total		6674.40	6820.36	6813.64	6821.67	6770.26	7071.12	7090.83	7022.18
Healthcare Scientists	Band 2						1.00		
Healthcare Scientists	Band 3				0.51				1.00
Healthcare Scientists	Band 4	1.56	10.36	9.80	6.40	11.20	13.30	40.60	57.84
Healthcare Scientists	Band 5	276.88	283.33	306.02	343.46	327.18	342.88	408.68	467.14
Healthcare Scientists	Band 6	774.46	771.99	758.89	758.53	748.04	759.71	754.54	760.82
Healthcare Scientists	Band 7	509.06	506.20	518.19	523.02	540.19	575.35	605.56	615.26
Healthcare Scientists	Band 8 and above	307.67	317.57	320.35	320.32	327.69	349.38	359.61	371.24
Healthcare Scientists Total		1869.62	1889.46	1913.26	1952.24	1954.30	2041.63	2168.99	2273.31
Medical and Dental	Band 8 and above								3
Medical and Dental Total									3
Nursing and Midwifery Registered	Band 3			0.80					
Nursing and Midwifery Registered	Band 4	5.00	21.00	14.00	5.00	4.00	41.64	13.39	72.00
Nursing and Midwifery Registered	Band 5	10864.03	10724.36	10412.79	10111.69	10002.82	10130.97	10421.18	10025.38
Nursing and Midwifery Registered	Band 6	6745.63	6959.02	7195.93	7384.78	7549.02	7758.29	8048.72	8064.68
Nursing and Midwifery Registered	Band 7	3632.85	3706.60	3796.69	3774.30	3819.78	3948.09	4116.99	4310.86
Nursing and Midwifery Registered	Band 8 and above	831.63	908.19	970.04	1003.18	1037.21	1113.85	1214.40	1290.93
Nursing and Midwifery Registered Total		22079.14	22319.18	22390.25	22278.95	22412.84	22992.84	23814.67	23763.86
Students	Band 2	1.00	4.00	13.00	14.07	5.07	1.23	1.84	
Students	Band 3		1.00	2.00	1.00	14.84	65.56	38.35	0.53
Students	Band 4				5.00	3.23	578.92	40.03	65.20
Students	Band 5	31.10	33.10	27.10	16.67	20.96	26.54	23.60	30.00
Students	Band 6	20.46	11.43	7.64	10.78	18.62	7.50	10.50	25.00
Students	Band 7	1.00	2.00	1.00	1.00	1.00		2	1
Students	Band 8 and above		1.00						
Students Total		53.56	52.53	50.74	48.51	63.71	679.75	116.31	121.73
NHS Wales - Contracted FTE on AfC Bands		67188.30	69317.98	70943.08	71619.54	73077.58	77206.31	80370.86	81786.68

Data Source: ESR DW

The above table shows a breakdown, by staff group, as to which is the most common band on Agenda for Change pay scales for FTE.

Table 13 - NHS Wales Headcount by Staff Group and AfC Band Aug 2015 - Aug 2022

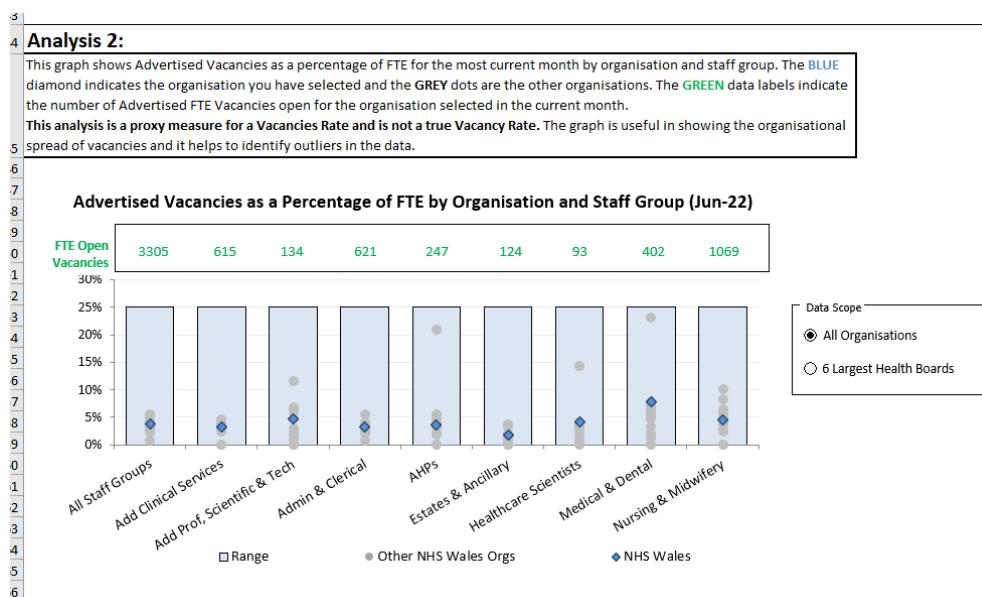
NHS Wales Headcount by Staff Group and AfC Band Aug 15 - Aug 22									
Staff Group	AfC Grade	2015-AUG	2016-AUG	2017-AUG	2018-AUG	2019-AUG	2020-AUG	2021-AUG	2022-AUG
Add Prof Scientific and Technic	Band 2	26	12	2	3	2			
Add Prof Scientific and Technic	Band 3	16	10	14	10	11	15	21	18
Add Prof Scientific and Technic	Band 4	211	208	176	171	183	180	152	160
Add Prof Scientific and Technic	Band 5	817	833	893	906	904	933	617	652
Add Prof Scientific and Technic	Band 6	597	619	644	669	727	758	578	602
Add Prof Scientific and Technic	Band 7	364	364	384	400	422	501	476	540
Add Prof Scientific and Technic	Band 8 and above	822	912	993	1054	1117	1183	1238	1302
Add Prof Scientific and Technic Total		2853	2958	3106	3213	3366	3570	3082	3274
Additional Clinical Services	Band 1	9	5	8	8	4			
Additional Clinical Services	Band 2	7488	7879	8073	8032	8208	8722	9058	9018
Additional Clinical Services	Band 3	6394	6646	6735	6883	6964	7236	7874	7761
Additional Clinical Services	Band 4	2129	2230	2433	2542	2627	3108	3285	3782
Additional Clinical Services	Band 5	433	454	492	539	615	710	787	814
Additional Clinical Services	Band 6	208	247	266	265	286	304	302	340
Additional Clinical Services	Band 7	45	45	44	47	48	51	167	170
Additional Clinical Services	Band 8 and above	8	8	6	7	7	6	7	8
Additional Clinical Services Total		16714	17514	18057	18323	18759	20137	21480	21893
Administrative and Clerical	Band 1	25	23	13	11	2	1	1	6
Administrative and Clerical	Band 2	3678	3827	4019	3983	3917	3942	4090	4103
Administrative and Clerical	Band 3	3537	3708	3785	3962	4184	4402	4692	4944
Administrative and Clerical	Band 4	4003	4138	4277	4316	4350	4480	4700	4880
Administrative and Clerical	Band 5	1545	1655	1828	1945	2044	2134	2333	2538
Administrative and Clerical	Band 6	1300	1406	1485	1508	1636	1761	1945	2096
Administrative and Clerical	Band 7	1007	1043	1161	1260	1381	1531	1736	1983
Administrative and Clerical	Band 8 and above	1487	1575	1705	1812	1960	2133	2391	2657
Administrative and Clerical Total		16582	17375	18273	18797	19474	20384	21888	23207
Allied Health Professionals	Band 3	2	2		1	4	4	3	3
Allied Health Professionals	Band 4	1	2	6	5	18	8	14	13
Allied Health Professionals	Band 5	1577	1623	1453	879	979	1089	1375	1454
Allied Health Professionals	Band 6	2275	2374	2644	3193	3204	3304	3365	3484
Allied Health Professionals	Band 7	1550	1615	1621	1676	1741	1814	2071	2128
Allied Health Professionals	Band 8 and above	413	417	445	468	492	530	569	602
Allied Health Professionals Total		5818	6033	6169	6222	6438	6749	7397	7684
Estates and Ancillary	Band 1	2230	2229	2180	2122	1418	390	295	191
Estates and Ancillary	Band 2	4648	4782	4848	4859	5510	6720	6775	6836
Estates and Ancillary	Band 3	728	753	747	790	801	908	899	961
Estates and Ancillary	Band 4	397	408	398	407	387	389	395	327
Estates and Ancillary	Band 5	227	233	232	225	221	239	251	311
Estates and Ancillary	Band 6	108	107	109	109	113	108	109	89
Estates and Ancillary	Band 7	48	45	47	48	47	56	56	80
Estates and Ancillary	Band 8 and above	32	34	28	28	28	31	35	33
Estates and Ancillary Total		8418	8591	8589	8588	8525	8841	8815	8828
Healthcare Scientists	Band 2						1		
Healthcare Scientists	Band 3				1				1
Healthcare Scientists	Band 4	2	12	11	7	12	15	41	59
Healthcare Scientists	Band 5	293	295	319	358	345	363	428	488
Healthcare Scientists	Band 6	848	857	841	842	832	840	830	835
Healthcare Scientists	Band 7	548	541	552	561	581	620	650	666
Healthcare Scientists	Band 8 and above	321	332	334	334	345	365	376	404
Healthcare Scientists Total		2012	2037	2057	2103	2115	2204	2325	2453
Medical and Dental	Band 8 and above								3
Medical and Dental Total									3
Nursing and Midwifery Registered	Band 3			1					
Nursing and Midwifery Registered	Band 4	5	21	14	5	4	40	10	72
Nursing and Midwifery Registered	Band 5	12512	12330	12019	11701	11609	11710	12067	11703
Nursing and Midwifery Registered	Band 6	7780	8009	8281	8533	8680	8923	9235	9410
Nursing and Midwifery Registered	Band 7	3912	3995	4135	4121	4194	4331	4527	4826
Nursing and Midwifery Registered	Band 8 and above	856	938	1004	1042	1081	1166	1271	1387
Nursing and Midwifery Registered Total		25065	25293	25454	25402	25568	26170	27110	27398
Students	Band 2	1	4	13	16	7	2	3	
Students	Band 3		1	2	1	16	81	48	2
Students	Band 4				5	4	585	32	66
Students	Band 5	34	35	28	18	24	32	26	30
Students	Band 6	21	13	8	13	22	10	11	27
Students	Band 7	1	2	1	1	1		2	1
Students	Band 8 and above		1						
Students Total		57	56	52	54	74	710	122	126
NHS Wales - Headcount on AfC Bands		77519	79857	81757	82702	84319	88765	92219	94866

Data Source: ESR DW

Workforce Demographic Data

The below tables are from the NHS Work force Performance Dashboard. Since it was rolled out it has continued to expand and to be refined in the way that key performance metrics are reported to Welsh Government and key NHS organisations. Monthly dashboards are sent to Welsh Government colleagues and NHS Workforce & Organisational Development Directors throughout the sector to enable a more proactive approach to monitoring of individual targets, offering comparison to NHS Wales figures as a whole.

Table 14 - NHS Wales advertised vacancies between June 2020 and June 2022



*Advertised FTE where ‘advertised’ date falls between the first and last calendar day of the reporting period (by Staff Group). It is acknowledged that this metric is a proxy metric for Vacancies. There will be a level of under reporting within these figures because the system allows the use of rolling adverts (i.e. adverts kept open continually).

Table 15 - NHS Wales changes in advertised vacancies – June 22



Data source: ESR DW

*The graphs above show the number of FTE Advertised Vacancies by month per staff group for the organisation you have selected. The BLACK Triangle and numbers in the heading indicate whether there has been an increase or decrease between the first data point and the last data point. – From dashboard

Turnover Rate by staff group

The 12-month turnover rate for NHS Wales, by staff group, is shown in the following table. Please note, we are exploring if we can provide more data on exit data for the review body, should we be able to achieve further details this will be shared with the review body ahead of the oral evidence session.

Table 16 – 12-month turnover rate

	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22
	Turnover Rate											
All Staff Groups	7.7%	7.7%	7.8%	7.9%	8.3%	8.7%	9.0%	9.3%	9.3%	9.1%	8.8%	8.3%
Add Prof Scientific and Technic	7.3%	7.2%	7.3%	7.3%	7.7%	7.6%	7.7%	7.8%	6.8%	6.6%	6.3%	6.5%
Additional Clinical Services	8.2%	8.2%	8.3%	8.4%	9.2%	10.2%	10.7%	11.2%	10.9%	10.7%	10.3%	9.7%
Administrative and Clerical	6.2%	6.2%	6.4%	6.6%	6.8%	7.2%	7.5%	7.9%	7.8%	7.9%	7.9%	8.0%
Allied Health Professionals	5.6%	5.8%	6.0%	6.0%	6.2%	6.3%	6.7%	7.1%	7.7%	7.3%	7.3%	7.4%
Estates and Ancillary	8.7%	8.3%	8.6%	8.9%	8.9%	9.4%	9.8%	10.3%	9.7%	9.4%	9.3%	9.0%
Healthcare Scientists	6.7%	6.9%	6.9%	6.8%	6.5%	6.3%	6.4%	6.4%	6.2%	5.8%	6.0%	5.7%
Medical and Dental	14.5%	14.7%	14.6%	14.4%	14.7%	14.7%	14.9%	15.0%	16.1%	14.8%	13.8%	9.3%
Nursing and Midwifery Registered	6.5%	6.7%	6.9%	6.9%	7.4%	7.5%	7.8%	8.0%	8.1%	7.9%	7.7%	7.6%

Health and Wellbeing

Our commitment in *A Healthier Wales* describes the ambition to achieve a whole system approach to health and social care with ‘*a motivated and sustainable health and social care workforce*’ at the core of this system. Having a healthy workforce working to their potential is the only way that we can reach our ambitious plans for NHS recovery and achieve the best care for people of Wales.

Individual health boards and trusts are ultimately responsible for their staff wellbeing policies, and we continue to see responsive investment by all NHS employers to the ongoing impact of the COVID-19 pandemic on the workforce. Staff health and wellbeing is multi-factorial and should be at the core of organisational planning and governance to promote and protect workforce health and wellbeing through the systemic fundamental principles of providing physically and psychologically safe working environments, robust workforce and workload planning and management. Organisations must consider these foundational principles and how they are underpinned by the core values of NHS Wales, their own values and our commitment in Wales to compassionate leadership and cultural change in line with the Healthy Working Relationships approach.

We made a very significant investment in our workforce health and wellbeing during the pandemic, and we acknowledge the substantial adverse effect that the pandemic has had on our workforce. As the longer-term effects come to light, we remain committed to supporting health and wellbeing and to continue to respond and work with social partners to put in place tools to complement that which is offered locally by organisations. We are committed to ensuring that staff can access proactive, high-quality support at the time they need it most.

Welsh Government officials continue to work with the NHS Wales Health and Wellbeing Network which include representation from NHS Wales employers and clinicians, HEIW, Welsh Government, trade unions and Social Care Wales. The Network continue to further understand current approaches and identify those which have the potential for rapid scale up to national level, in order to inform proposals for a programme of work to accelerate progress and drive the case for coordinated action across Wales.

The Health and Wellbeing network continue to act as an expert forum for the identification of appropriate and informed courses of action based on workforce intelligence from several sources. The network also drives development and assesses offers of interventions to support staff, reviews best practice from elsewhere and adopt where possible and explore and procure where appropriate priority access solutions.

Individuals will be affected differently by the pandemic; people will require different levels of intensity and style of interventions and so the network continue to ensure that the multi-layered support offer reflects the needs of the workforce including the online resources and CBT through SilverCloud and the expanded Canopi service, and physical health services, as well as practical and financial advice.

Workforce Wellbeing Conversation Guide

In our last submission, we outlined the development of the Workforce Wellbeing Conversation Guide – an interactive non-clinical framework guide to support managers and staff in the NHS and social care settings to hold wellbeing conversations and identify support needs where appropriate. This was a mechanism designed to help all our staff and their managers to think carefully about individuals' circumstances and wellbeing and the practical support they need to support their wellbeing, personal recovery and boost their resilience.

Developed in partnership with Welsh Government Health and Social Services workforce officials, NHS employers, Social Care Wales and union partners, the Guide has now been rolled out to the health and social services workforce and the initial feedback from the pilot period has been very encouraging.

The online Workforce Wellbeing Conversation Guide will now be evaluated on a yearly basis to inform future development.

Canopi (previously Health for Health Professionals – HHP)

From April 2022, Health for Health Professionals Wales has been rebranded as Canopi to highlight that it now encompasses both the health and social care sectors: <https://canopi.nhs.wales/about-us/>

Welsh Government are investing £1.5m per year to support the Canopi service, that sits alongside and complements other existing mental health and wellbeing support services available to the NHS and social care workforce in Wales. Specifically, it provides the opportunity of disclosure to those who feel unable to access employer-based services. In doing so, Canopi offers an equitable, whole system approach to supporting the NHS and social care workforce, further integrating the health and social care sectors through collaboration, planning and service delivery.

The service consists of four elements:

- A helpline, which explains what the HHP service can provide and puts clients in contact with a doctor adviser;
- A network of doctor advisers who ring the client within 24 hours to discuss their concerns;
- Access to a network of British Association of Behavioural and Cognitive Psychotherapies (BABCP) accredited counsellors;
- Access to expert clinical support/opinion for all doctors and counsellors in more complex cases.

By supporting a motivated and sustainable NHS and social care workforce, Canopi will help improve people's experience of care, aid in the destigmatisation of mental ill health, improve the health of the population of Wales, reduce per capita cost of effective treatment, and improve the working lives of the workforce

Occupational Health

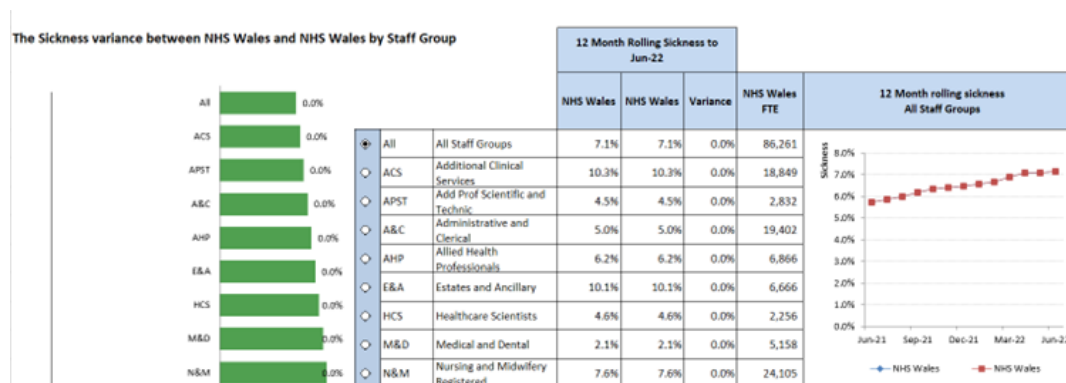
In our last evidence submission, we told you that a working group had been established to scope developments in providing sustainable and equitable occupational health provision across NHS Wales organisations. Welsh Government officials, based on feedback and discussions with key stakeholders, presented a proposal to the Workforce and OD Directors outlining the development of an All-Wales Centre for Occupational Health Excellence that would catalyse and provide focus for occupational health services in Wales.

The proposal suggested establishing a **Programme Development Expert Group (PDEG)** to provide advice and assist in testing options for an All Wales Centre of Occupational Health Excellence.

The PDEG met four times between June-September 2022 and WG officials met with individuals and smaller groups of PDEG members and wider stakeholders in between meetings. WG officials also sought feedback and advice from the Welsh Partnership Forum and WG Health and Social Services Group Policy Forum and the Executive Directors Team. The PDEG identified themes and five interdependent work areas to address some of the more urgent issues which negatively impact staff and service delivery in OH Workforce Education and Training, Workforce Planning and Systems and Standards.

Welsh Government officials will lead on the work streams and have identified groups and individuals who will be able to facilitate, advise and guide with progression. Officials will be happy to keep the Review Body informed of developments in these areas.

Table 17 – Sickness



The table above shows the sickness rates of NHS staff per staff group. The group with the lowest rolling sickness period is add prof scientific and technic and the group with the highest is additional clinical services.

NHS Wales Staff Survey

HEIW are leading the implementation of the renewed NHS Staff Survey and considering lessons learnt from the new NHS England Staff Survey, and opportunities to develop a sustainable question set and reporting tool. The NHS Wales Staff Survey is due to launch in March 2023.

Healthier Working Relationships

Together with steering group colleagues, HEIW has developed pages on the leadership portal Gwella setting out the approach to Healthy Working Relationships in NHS Wales: Healthy Working Relationships - Gwella HEIW Leadership Portal for Wales. These pages are to provide employees working in NHS Wales with access to useful resources aligned to the Healthy Working Relationships Framework and

highlight the benefits of restorative and transformational approaches to conflict, disputes and incivility in the workplace. These resources are regularly reviewed and updated.

As part of continuously evaluating the benefits of Healthy Working Relationships strand of work, the partnership steering group is currently identifying a number of metrics that should assist in measuring the success of changing our approaches to resolution.

A number of masterclasses were held in March for HR professionals to promote and help parties understand the benefits of mediation. A review and evaluation of the mediation service is about to begin with a view to promoting outcomes of those who have accessed the service.

The Respect and Resolution policy and the FAQs are under review and all stakeholders were invited to submit comments. These comments are now being considered by a small partnership group.

Consideration is being given to broadening the remit of the group to ensure a co-ordinated approach to a number of other related pieces of work including the Just Culture pilots; the Speaking Up Safely work; the Staff Governance Framework; and the review of the All-Wales Disciplinary policy.

Flexible Working

A partnership steering group has been set up, led by NHS Wales Employers, to develop All Wales guidance to support organisations in their approach to flexible working and the implementation of the revised Section 33 of the NHS Terms and Conditions of Service.

COVID-19

In line with the Coronavirus Act provisions coming to an end on 24 March 2022 it was agreed in partnership to “pause” the application of the COVID-19 Frequently Asked Questions but to reserve the right to reinstate them either as individual FAQs or collectively should the situation necessitate it. To this end, version 13 issued on the 12 January 2022 was the last version issued.

Subsequently, revised NHS Wales COVID-19 sickness absence arrangements which came into effect with effect from 1 July 2022 were agreed in partnership. These arrangements were updated in early December 2022 in line with Welsh Government advice. Link below: -

<https://www.nhsconfed.org/publications/covid-sickness-absence-transition-enhanced-provisions-application-regular-sickness>

Social Partnership Structures in Wales

The Welsh Government is committed to working with the NHS workforce through strong social partnership between employers, workforce representative and government. These social partners meet regularly at a strategic level with the Minister, and with the Chief Executive of NHS in Wales.

The NHS Wales Partnership Forum (WPF) has been established as the forum where the Welsh Government, NHS Wales's employers and Trade Unions work together to improve health services for the staff and the people of Wales. It is the forum where key stakeholders can engage with key policy leads from across the Welsh Government to inform thinking around national priorities on health issues.

The principle focus and purpose of the WPF is:

- Service change and modernisation – to redesign services to be modernised in line with the aims within A Healthier Wales.
- Service Delivery – influencing, developing and engaging in the formulation of national strategies to ensure they are deliverable and have ownership.
- Workforce – taking a national overview on issues regarding the workforce.

In addition to the Full Welsh Partnership Forum, there is a NHS Wales Partnership Forum Business Committee (WPFBC), whose main function is to support the progress and delivery of the business of the NHS Welsh Partnership Forum (WPF) in the development of service change and modernisation, service delivery and workforce strategy. The WPFBC manage and facilitate the business of the WPF and any associated Task and Finish Groups. This group typically meets a month before the Full WPF meeting and as of when required to discuss urgent matters.

The principle focus and purpose of the WPFBC are:

- Agreeing the work plan for WPF and Task and Finish Sub Groups – highlighting the main issues and ensuring that appropriate work is made and implemented efficiently.
- Oversee the work programmes of task and finish sub groups
- Ensuring that national NHS Wales-wide agreements on workforce issues are communicated and used across all NHS Wales employers.
- Assisting in the implementation of a Workforce and OD agenda agreed in partnership
- To hold discussions and consider policies which best benefit the Workforce in Wales on a national approach.

In Welsh Government social partnership structure, there is a Medical and Dental Business (MDBG). The MDBG work in social partnership through the principles of a substantial and sustained commitment by employers, staff side and Welsh Government to seek genuine consensus on issues that affect employer/employee relationships. The role of the MDBG is to advise the Minister accordingly on such matters.

In addition to the above groups, we also hold a WPFBC Terms and conditions subgroup which meets on a monthly basis to discuss any practical issues

Mechanical and Electrical Craft Persons Review

Previously, three NHS Wales organisations had required a Recruitment and Retention Payment (RRP) for Mechanical and Electrical Craftsperson roles within their Estate departments. These were Cwm Taf Morgannwg UHB, Cardiff and Vale UHB and Aneurin Bevan UHB.

A partnership task and finish group was established to determine whether these RRPs should continue, be amended or cease. Estates departments, i.e., those with the RRPs in place and those without, were asked to review their structures, in light of the new Band 5 tradesperson profile, to determine whether the new profile should be used in future leading to an end for the need of RRPs in this area.

A report was presented to the Welsh Partnership Forum Business Committee in March 2022, outlining that following the review, decisions had been taken to regrade the roles in line with the Band 5 profile in all 3 organisations. Therefore, the requirement for a RRP for this group of staff ceased in March 2022 in Aneurin Bevan UHB, and in September 2022 in Cardiff and Vale UHB and Cwm Taf Morgannwg UHB.

Overtime and Annual Leave

The Welsh Partnership Forum previously agreed a framework to enable Health Boards and NHS Trusts in Wales to correctly interpret the calculation of annual leave pay. A corrective payment based on applying a 13% multiplier to overtime paid during the period 1 October 2018 – 31 March 2021 was paid to staff in their August 2021 pay.

Due to ongoing complexities with delivering a technical solution within ESR to enable the application of ongoing payments i.e., from 1 April 2021, employers and trade union partners agreed that further lump sum payments should be made during 2021/22 and the first quarter of 2022/23. The payments used the 13% multiplier and were applied to any overtime that was paid during the periods.

Employers and trade union partners continued to discuss the ongoing arrangements and work with colleagues in NWSSP/payroll/ESR to ensure that a technical solution was put in place at the earliest opportunity. Agreement was subsequently reached, and a technical solution identified from 1 July 2022, with payments based on the following multipliers (depending on annual leave entitlement) and applied to any overtime paid: -

- 34 days leave - 15.04%
- 30 days leave – 13.04%
- 28 days leave - 12.07%

Agreement of a protocol to increase mileage reimbursement costs to address increased costs of fuel

NHS Wales Employers and NHS trade union colleagues have worked in partnership and agreed a protocol which provides for an increase in the level of reimbursement for travel incurred on NHS business. The normal arrangements for reimbursement are not responsive to dramatic and sudden increases in the cost of fuel and to address this a temporary increase of 5 pence per mile has been in place for Agenda for Change (AfC) staff since 1st April 2022.

The agreed rate of reimbursement remains as the Approved Mileage Allowance Payment (AMAP) rate for AfC staff, or the published Medical and Dental (M&D) rates and a protocol has been agreed to address how any short term volatility in the price of fuel is addressed. The protocol provides a formula to calculate the marginal increase in cost of fuel above what has been the average cost of the price of petrol over the past 10 years and is designed to respond to the costs being incurred by NHS staff until such time as the AMAP or M&D rates reflect any sustained increase in the price of fuel.

The protocol (<https://www.nhsconfed.org/publications/mileage-protocol>) provides a formula to place this increase on a firmer footing and addresses:

- i) The threshold at which an increase would come into force
- ii) Identifies an independent reference point to guide the decision making
- iii) The point at which the threshold would need to be breached to trigger a further increase (which will be 1.5 pence per mile) or the point at which it will be removed e.g., an increase in the AMAP rate

The 5 pence per mile increase will continue for AfC staff in line with the agreed protocol. In addition, the reserve rate (public transport rate) has also increased by 5 pence per mile. In some circumstances this rate can be paid without incurring tax and NI and in such circumstances the increase is 3 pence per mile.

The 5 pence per mile increase has also been applied to the M&D mileage claims from September 2022 where the published M&D rate of reimbursement is at or below 47 ppm, with the increase subsequently being backdated to claims made since April 2022. Any subsequent increases to the AMAP adjustment is also considered for M&D mileage rates. In addition, the M&D public transport rate has also increased by 5 pence per mile. In some circumstances this rate can be paid without incurring tax and NI and in such circumstances the increase is 3 pence per mile. This has been backdated to June 2022.

Furthermore, in line with the jointly agreed protocol to temporarily increase mileage reimbursement costs and the HMRC's decision to increase the Advisory fuel rate to 18p per mile (for petrol cars with an Engine size 1401 - 2000cc), an additional 1.5p per mile increase (1p where tax and NI are not incurred) was applied for the period 1 September 2022 to 30 November 2022.

Following the HMRC's assessment which decreased the Advisory fuel rate back to 17p per mile (for petrol cars with an Engine size 1401 - 2000cc), from 1 December 2022, the temporary increase returned to the rates agreed in April 2022 with effect from 1 December 2022.

Speaking Up Safely

A partnership group has been established to develop an All Wales approach to support staff to speak up safely when raising and responding to concerns within the NHS in Wales and is meeting on a monthly basis.

To date the group has commissioned and considered data and analysis from Health Boards, Strategic Health Authorities and Trusts on the current arrangements in place for staff to raise concerns within organisations; developed a draft All Wales framework /set of principles and governance arrangements for NHS Wales when considering arrangements for staff to raise and respond to concerns; and set up partnership sub groups to develop some key toolkits to support the implementation of the All Wales Framework/set of principles.

The framework and toolkits are in the final stages of development.

Staff Welfare Project

The 2021-22 pay enhancements offer included a key element involving a Staff Welfare Project resource defined as "a dedicated project resource will lead a social partnership group that looks at staff welfare and bring together new initiatives and existing best practice". In the pay enhancements offer letter, the following areas were suggested for the social partnership group to consider and agree a joint work plan:

- Staff health and wellbeing at work.
- Working environments.
- Training, development and CPD.
- Career development.
- Flexible working.
- Child care.

The social partnership group consisted of the nine trade union members of the WPF Business Committee and five representatives identified by Employers to act as their key participants. The Project Group agreed the scope and initial work programme and over the past year have agreed a joint proposal that the Minister for Health and Social services will be considering in early 2023. The following area's are proposed and a further update on the proposals will be given in the oral evidence session.

Proposal 1 - Hydration

Proposal 2 - Nutrition

Proposal 3 - Rest

Proposal 4 - Learning and Development (protected time)

All Wales Policy Audit – Anti- Racist Lens

On June 7, 2022, the Welsh Government published the final Anti Racist Wales Action Plan (ArWAP) with refined goals and actions through the consultation. The ArWAP commits to tackle the “*root causes of racism, in the way we lead, manage and work with others to deliver public services*” with a focus on changing “*the systems, policies, processes and the ways of working we have that too often have excluded and more, damaged ethnic minority people.*” In order to specifically address the issues raised regarding racism in NHS Wales, one of the priority actions highlighted in the health chapter of the ArWAP is that Welsh Government, would:

‘Commission an independent audit of all existing workforce policies and procedures through an anti-racist lens, and expect representation of ethnic minority groups within forums or groups established to design the audit/ and oversee and support their effective implementation and application’

A small partnership sub group has been set up to oversee the commissioning of the independent audit. During autumn 2022 the group developed tender documentation, reviewed the submitted the tender bids and identified the preferred provider.

The audit is due to conclude by the end of April 2023 and the conclusions and recommendations presented in June/July 2023.

Updates on All Wales policy reviews during 2022/23 are outlined below: -

Organisational Change Policy

The policy has been subject to a period of engagement. A partnership group has been established, led by NHS Wales Employers, and is currently considering a broader review of the policy, with a view to developing an easier to use, more streamlined version.

Managing Attendance at Work Policy

Under the guidance of the Managing Attendance at Work partnership group which has extensive membership from both Employers organisations and Trade Unions and meets biannually, a partnership review group has been established. The partnership review group has met on many occasions during the last 12 months to work through the extensive comments. The final draft of the revised policy is currently being considered for sign off by the partnership review group and will be presented to the Welsh Partnership Forum for ratification in early 2023.

Capability Policy

The review of the policy has begun with a period of engagement with stakeholders running from 13 May 2022 to 10 June 2022. A partnership review group has been set

up and the group has agreed to take a different approach to the previous version and to consider the development of a high level, more responsive and less process driven policy.

Disciplinary Policy

The WPF Business Committee agreed to defer the review of the Disciplinary policy pending any outcomes and lessons learned following the implementation and subsequent review of the new Respect and Resolution policy, as well as the need to consider within the context of the Just Culture approach being piloted in certain organisations, and the ongoing work on Speaking Up Safely (referenced above).

Updates on Job Evaluation

Annex 21

The NHS Wales Job Evaluation group have developed guidance in partnership on the use of Annex 21 to ensure a consistent approach to advertising trainee roles across NHS Wales.

The guidance focuses on both the recruitment of trainees and the application of the annex particularly in relation to pay continuity.

This has been agreed for use across Wales by Workforce Directors and the Welsh Partnership forum.

Nursing & Midwifery Profile Review

A questionnaire has been sent out to JE leads across the UK. All Wales JE Teams who use the profiles have responded.

A Nursing T&FG and Midwifery T&FG have been sent up to start analysing the data. Fortnightly meetings will be held from January and the initial work will be to look at identifying themes and trends. Next steps may include following up the survey response with the named individual at responding organisations.

Roundtable events also happening with Gillian Knight from CNO and Charlette Middlemiss from HEIW.

New Job Description Template

A more concise job description template has been developed along with a JD Technical document to capture effort factors and a Guide to Writing Job Descriptions. These are currently in draft and are being piloted across Wales.

Job Descriptions

Links are being made with National Groups to develop All Wales Job Descriptions to use across organisations. Following on from the new JD template it is anticipated that we could look at Core JDs for use across Wales.

Consistency Checking Training

11 courses equalling 82 JE practitioners have been run. There has been a request to run a few more courses in the new year.

Matching Jobs for Organisations where there is a Specific Need

The unit continues to match jobs for organisations when needed. This includes jobs that have been blocked and jobs where there would be a conflict of interest. The unit also usually matches All Wales JDs.

Monitoring

Monitoring takes place every month with JE practitioners from around Wales. The main focus is checking that jobs that have been requested for sharing are robust and looking at any inconsistencies that have been highlighted.

General

There has been some movement with JE teams and there are some organisations with new JE leads both management and staff side. There are a few organisations who are missing a management or staff side lead. The teams across Wales work well together and support each other.

Workforce Supply and the Impact of Vacancies

There are national and international labour shortages in particular areas which impact on the recruitment into the NHS in Wales.

Health boards and trusts are responsible for planning their workforce. All organisations are required to provide Integrated Medium Term Plans (IMTPs) to provide a framework of continuous improvement and increased accountability. The IMTPs are scrutinised by Welsh Government, who support organisations in the development of their plans.

Vacancies are monitored and managed by individual organisations through the management structure and are a key performance measure. These are reported on regularly to the health board's Workforce and OD Committee.

There are a number of local and national initiatives aimed at tackling recruitment challenges.

- The Train Work Live (TWL) marketing campaign continues to promote the benefits of working as a healthcare professional in Wales and is currently in its seventh year. The campaign was successfully transferred to HEIW in 2020 having previously been managed directly by Welsh Government
- We have developed a co-ordinated Wales-wide approach to ethical overseas nurses recruitment, recognising there is a significant potential for a once for Wales approach to enable accelerated recruitment plans across all regions of Wales
- Health boards and trusts continue to develop their local people, in addition to local, national and international recruitment.

Chapter 5 – Bank and Agency

Table 18 - Agency and Locum (premium) Expenditure

Agency/Locum (premium) Expenditure					
	Medical & Dental	Nursing & Midwifery	Other Temp Staffing	Total	As a % of Total Pay
	£000's	£000's	£000's	£000's	%
2014-15 Annual Expenditure	40,956	28,720	18,110	87,787	
2015-16 Annual Expenditure	62,057	45,903	27,257	135,218	
2016-17 Annual Expenditure	77,348	53,846	33,163	164,358	4.7%
2017-18 Annual Expenditure	60,033	51,431	24,259	135,724	3.7%
2018-19 Annual Expenditure	54,622	65,440	23,577	143,640	3.8%
2019-20 Annual Expenditure	60,646	81,605	34,544	176,795	4.2%
2020-21 Annual Expenditure	58,600	94,429	46,115	199,144	4.1%
2021-22 Annual Expenditure	63,156	125,507	59,038	247,701	5.1%

Data Source: Welsh Government

Please find below a table of Agency total spend:-

Table 19 – agency spend

2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
271,031	200,734	174,299	144,331	131,759	154,581	133,454	87,787

We are developing an Implementation Plan that will aim to address immediate challenges facing the workforce, whilst also focussing on the medium and longer term planning that is required to deliver a sustainable workforce for the future. The programme will:

- encourage return of people to the NHS labour market so improving regular workforce supply and quality and consistency of care to patients;
- increasing the equity and transparency of reward systems and reduction of internal wage competition across the NHS in Wales; and

ensure the value for money of spend on the additional workforce hours, by reducing the overall spend on agency staff whilst we focus on the underlying causes.

Chapter 6 - Changes in NHS Wales

Nurse Staffing Act

The reporting period of the Nurse Staffing Levels (Wales) Act 2016 was established under section 25E of the legislation at 3 years, the first of which ended in April 2021. Health boards submitted their three-year nurse staffing levels reports to Welsh Government in October (allowing time for all serious incident investigations for the period to be closed, which can take several months). The Welsh Government's document summarising these reports will be published in December 2021.

Reliably assessing impact requires volumes of data over time, and a single reporting period's worth of information is too early a stage to make many definitive claims in that regard. Implementing this legislation is about long-term impact and supporting the nursing workforce into the future rather than short-term headlines.

The one definite impact we can report on at this stage is the financial difference when comparing establishments before and after the Act's second duty came into force. As per the last calculations of the first three-year reporting period in November 2020, there were 139.74 additional WTE RNs (+3.3%) and 597 additional WTE HCSWs (+23.8) funded into the adult medical and surgical establishments compared to March 2018. That equates to approximately £21.94m additional funding of band 3 and band 5 nursing staff (based on midpoint Agenda for Change salaries for 2021/22 with 30% on-costs).

It is worth noting that a snapshot comparison of establishments from immediately before the reporting period and at its end is a simplistic metric based on the data presented for those two static points in time. It cannot take into account the dynamic nature of ward changes and staff investments within each of the three years - not least when the third year was so significantly disrupted by the Covid pandemic.

This has been borne out by more recently reported data from the second three-year reporting period. A year following the above figures in November 2021, there were 59 (+1.4%) additional funded Registered Nurses (RN) in Wales' acute adult medical and surgical wards when compared to March 2018 before the Act came into force, and 915 (+36.6%) additional funded Health Care Support Workers (HCSW).

This is indicative of an NHS that has been struggling to recruit RN staff – as has the whole world due to the global shortage of nursing staff and the ongoing impact of the covid pandemic - and relying on HCSW recruitment as short-term solution.

With the extension of the Act's second duty to paediatric inpatient wards in October 2021, we have seen a similar increase in nurse staffing following the first triangulated calculations under their new duties. Compared to the health boards first data returns against compliance with the interim nurse staffing principles in November 2019, there were 81.96 WTE additional RNs (+21.7%) and 26.44 WTE additional HCSWs (+30.6%) as of November 2021 (the most contemporary data is due imminently). That equates to approximately £3.7m additional funding of band 3, 5 and 6 nursing staff on paediatric inpatient wards

Anecdotally, we know that nurses at all levels feel that their professional judgement is more supported following the implementation of the Act. Even at executive level, the Act has strengthened the nurse's voice in historically difficult conversations about staffing establishments.

Chapter 7 – Total Reward and Pension

Pension

NHS Wales pension scheme is not devolved to Welsh Government, the scheme applies to NHS staff in England and Wales.

The Department for Health and Social Care are currently consulting as employee contribution rates will be amended from April 2022, these changes will impact people's take home pay.

The changes from April 2022 in relation to the McCloud ruling will also impact.

Bank employees³

The start date of any bank post is the first day the member actually performs any duties and paid contributions, not the date they joined the bank. Bank employees do not have a specific employment contract, so their employment should be recorded at 01.00 / standard hours.

A bank employee's pension record may remain open, even if they do not work for up to a period of three months, as long as they remain 'on the bank' of the employer and return to pensionable work within three months. This is an administration easement and during this three month period the member will earn qualifying membership. If the break exceeds three months, the employment must be closed down on the last day they actually worked.

This rule also applies to freelance GP locums.

NEST - National Employment Savings Trust

In addition to the NHS Pension Scheme, employers offer an alternative auto-enrolment scheme (NEST), for employees who aren't eligible to join the NHS pension scheme or choose to join NEST as an alternative.

Noting the comments of the Review Body on the potential impact of pension and wider Total Reward strategies, we will continue to monitor the scheme membership rates and to seek to identify the impact of the wider reward packages on recruitment and retention.

Total Reward

Total Reward Statements are available to all NHS Wales staff to access via ESR Self Service they include financial personal details and employer benefits. A number of benefits are provided by all organisations e.g. access to the NHS Pension Scheme, childcare vouchers, Flu Vaccination Programme however there are some organisational variations with different benefit in kind schemes being offered e.g. some organisations offer IT schemes.

³ NHS Pensions - calculating the membership [Internet]. NHS Business Services Authority. 2015 [cited 10 January 2020]. Available from: <https://www.nhsbsa.nhs.uk/sites/default/files/201702/Calculating%20Membership%20Factsheet%20V3%2004.2015.pdf>

Chapter 8 - Targeted Pay

The Welsh Government does not support the use of targeted pay to specific staff groups.

Although there are shortages of staff in specific specialities, evidence shows that these are UK wide issues and relate to the numbers of staff training in these areas, rather than the financial rewards.

Where possible, Wales aims to maintain parity with the other nations regarding pay. Any deviations could create difficulties in recruiting staff across borders. The Welsh Government wants to see continuity of this approach.

The challenge of recruiting to particular specialities need to be addressed through workforce planning, recruitment initiatives as well as changing the way roles are designed. At this stage we do not wish to consider the use of targeted pay until we have evaluated the impact of some of our wider measures designed to address the underlying causes of recruitment challenges.

The Welsh Government is supporting local recruitment activity through our Train Work Live (TWL) marketing campaign. The campaign is marketing Wales as an excellent place for doctors, and their families, to Train Work and Live.

Chapter 9 - Future Direction of NHS in Wales

A Healthier Wales

A Healthier Wales is our long term plan for Health & Social Care that sets out a long term future vision of a 'whole system approach to health and social care' focussing on health and wellbeing, and prevention. The aims and objectives of this strategy and those underpinning it have provided a solid foundation to the Covid-19 response through established partnership and integrated working. There is a recognition that both the world we live in has changed as a result of the pandemic, and that the long term vision in *A Healthier Wales* has been validated and is still relevant for the Wales of today.

In March 2021, the 40 actions in *A Healthier Wales* were critically reviewed to ensure they reflected the work required to support the stabilisation and recovery of services following Covid-19 and the priorities that have been brought to the forefront by the pandemic. Some actions were closed, and new themes and actions were introduced to focus on building resilient communities in Wales, health inequities, prevention, mental health, children and young people and decarbonisation.

Decarbonisation - As part of our commitment to embed our response to the climate emergency in everything we do we published the **NHS Wales Decarbonisation Strategic Delivery Plan** in March 2021. This plan sets out 46 commitments for delivery by 2025 across our highest emissions areas including Buildings, Procurement, Land Use, Mobility and Transport. Thirty of these commitments are due for delivery by 2023. A dedicated Health and Social Services Programme has been developed to provide strategic leadership, engagement and support to Health and Care services in Wales to transition to net zero by 2030. Dedicated funding has also been provided for an evidence based project which will develop a **Social Care specific strategy** to complement the NHS Strategic Delivery Plan. The All Wales Greener Primary Care Framework and Award Scheme launched in June 2022. The Social Care Decarbonisation Route map was published in July 2022, supporting these sectors in their contributions to decarbonisation targets.

Inequities - It is widely acknowledged that the Covid-19 pandemic has exacerbated health inequalities and outcomes for people who already face disadvantage and discrimination. Work is already underway and is reflected in the cross government policies of the **Strategic Equality Plan 2020-2024** (which now includes an objective to eliminate inequality caused by poverty); and the **Race Equality Action Plan** (which acknowledges the impact Covid-19 has had on existing health inequalities for some groups).

Details on an anti-racist Wales can be found at: [Anti-racist Wales Action Plan | GOV.WALES](#)

The '**Placing health equity at the heart of Covid-19 sustainable response and recovery – Building prosperous lives for all in Wales**' report which was published in March 2021, highlights Wales' position as the first country to apply a milestone World Health Organization European Health Equity Status Report initiative.

We know that being a healthy weight has become one of the most effective ways to reduce the risk of long term health conditions and so a revised delivery plan for our **Healthy Weight: Healthy Wales** ten year strategy was launched in March 2021 to drive forward key targeted actions along with **£13m of funding** for the first two years.

Prevention – We have seen positive behaviours in terms of prevention and an increased personal responsibility demonstrated during the Covid-19 pandemic to help people stay well. A **shift from reliance on traditional services to prevention and wellness** is an integral part of the *A Healthier Wales* vision, and has never been more important given the pressure on our system. Pressures this coming winter will be challenging and will require organisations to continue to adopt new ways of working and to deliver care closer to home.

With support from the Transformation Fund (TF) and Integrated Care Fund (ICF), Regional Partnership Boards have developed new models of care that have proved invaluable during the pandemic including rapid discharge from hospital to home, and admission avoidance models. These funds have been replaced by the Regional Integration Fund as of April 2022.

We have continued to support our targeted prevention policies. The publication of a revised action plan for **‘Transforming the way we deliver Outpatients in Wales’** highlights a new approach, embracing technology and empowering the public. We have also launched the new **All Wales Children and Young People Weight Management Pathway 2021** with investment of **£2.9m** to support Health Boards to develop and implement local plans. This programme complements and supports the adult pathway. Further investment of **£7.8m** over 2 years has also been provided for **Breast Test Wales** for equipment and centre upgrades.

In October 2022, as part of our approach under *A Healthier Wales* to improvements of pharmacy services we launched the new **Pharmacy: Delivering a Healthier Wales**.

Children and Young People - Children and Young People were identified as a priority group in the Parliamentary Review that led to the introduction of *A Healthier Wales* and our commitment to provide the best possible start for the youngest members of our society remains. The Integrated Care Fund (ICF) has been replaced by the Regional Integration Fund (RIF) as of April 2022. The learning from the 20m investment to support activity for children with complex needs under ICF helped to inform the development of the ‘Supporting families to stay together safely, and therapeutic support for care experienced children’ model of care’ in the RIF.

In the longer term we recognise that social care reform needs to directly address children’s needs. Our Programme for Government commitments focus on a new vision for Children’s Services in Wales. They are about making radical whole system change and at its heart, ensuring that children and young people only enter care

when it is the best option for them, and making sure they experience a nurturing and supportive environment to enable them to reach their full potential.

Speech and Language support is vitally important for development and for those children and young people with complex needs. To address commitments in our **'Talk with me' plan** and as part of Covid-19 recovery proposals, we have provided an additional **£250,000 for 2021/22** for health boards and specialist centres.

Mental Health - The Covid-19 pandemic and the introduction of social distancing restrictions and lockdowns have had a significant impact on people's wellbeing and mental health. That is why we have ensured mental health services are a priority for investment and the focus of a specific action *A Healthier Wales*.

The **'Together for Mental Health' Delivery Plan 2019-22** has been updated to reflect the impact Covid-19. We are prioritising service redesign to improve prevention, tackle stigma and promote a 'no wrong door' approach to mental health support. This approach will include rolling out child and adolescent mental health services in schools across Wales, increasing support for both staff and patients in our health and care systems. The healthy and active fund, launched in 2019-20 has been extended to a fourth year with a particular focus on strengthening community support for mental health.

Digital and Technology - **Significant and accelerated investment in digital technology** has enabled rapid service transformation and the continuation of essential services in a safe environment during the pandemic.

In June we announced an investment of **£25m for new technology imaging equipment** as part Covid-19 recovery plans for cancer services. Digital tools that have proved so valuable to health and care staff over the past three years will now be rolled out further across our systems, and Digital Health and Care Wales have been commissioned to provide access for community pharmacy teams.

Following the review that Welsh Government commissioned into ePrescribing the recommendations are being taken forward and Digital Health and Care Wales are **establishing an ePrescribing Programme** for Wales to introduce efficiencies into our system and enable accurate detection of disease through artificial intelligence.

In collaboration with the University of Wales Trinity Saint David and Wales Institute of Digital Information a **Digital Pathway for Health and Care Professions** has been developed to enable staff to gain competence and confidence in their digital skills. Funding has also been provided to support digital nursing scholarships.

Planning - The **National Clinical Framework** was published in March 2021. The Framework sets out a health system that is coordinated nationally and delivered locally or through regional collaborations. Six **Quality Statements** have been published covering cancer, heart conditions, critical care, stroke, women's health and end of life care. This is complemented by the Statements which highlight the outcomes and standards we expect to see in high quality, patient focussed NHS services. Statements covering Diabetes, Renal and Urgent and Emergency Care are under development. These tools will help us achieve the third element of the Quadruple Aim; higher value health and social care.

Workforce - Welsh Government are working with NHS employers, clinical psychologists, Social Services and trade unions to focus on staff wellbeing and ensure that there is a robust multi-layered support offer for health and social care staff to access the right care at the right time.

The delivery of service transformation requires a workforce that is equipped with the expertise, skills and confidence to drive the redesign of our systems, and for the better. We have invested over **£9m** in new **Intensive Learning Academies** that will help deliver transformational training and support across preventative health, Value-Based Health and Care, digital leadership and innovation in health and social care. These specialised academies, the first of their kind, will offer exciting opportunities for leaders and aspiring leaders from across all sectors who are committed to establishing new ways of evidence-based working through partnership.

Regional Integration Fund

The Regional Integration Fund runs from April 2022 to March 2027 and will develop national integrated models of care around six key thematic priorities; Community based care (prevention and community coordination), place based care (complex care closer to home), promoting good emotional health and wellbeing, supporting families to stay together safely and therapeutic support for care experienced children, home from hospital and accommodation based solutions.

A Healthier Wales recognises the Regional Partnership Boards as key drivers of integration, empowering them to pool resources and expertise to deliver seamless, preventive models of care at a local, regional and national level.

The fund will achieve the ambition set out in A Healthier Wales for people to access the right care and support in the right place at the right time, and for people to take control of their own health and wellbeing to prevent escalation of needs.

The Regional Integration Fund will support people in Wales who would most benefit from integrated models of care. Priority population groups will include older people including people with dementia, children and young people with complex needs, people with learning disabilities and neurodevelopmental conditions including autism, unpaid carers and people with emotional and mental health wellbeing needs.

Welsh Government has committed to an annual investment of £144 million for five years.

- Cwm Taf Morgannwg – 21.8m per year
- Cardiff & Vale – 19m per year
- Gwent – 26.6m per year
- West Wales – 18.5m per year
- Powys – 6.9m per year
- North Wales – 32.2m per year
- West Glamorgan – 18.2m per year

A national evaluation of the Transformation Fund (which preceded the RIF, ending in March 2022) is underway and the final report will be published once completed. A national evaluation of the **Regional Integration Fund** will be undertaken in 2023.

Regional Integration Fund Communities of Practice (CoPs) were established in March 2022. The key premise of the CoPs is to consider key areas of transformation, alongside identifying good practice. The CoPs have brought together groups of practitioners across sectors and provides a proactive vehicle for productive discussions, share experiences, encourage and support collaborative solutions to system and service delivery challenges, as well as contributing and aligning to the development and implementation of the six national models of integrated care (Community Based Care: prevention and early intervention, Community Based Care: care close to home, Hospital to Home, Emotional and Mental Health, Supporting Families and therapeutic support for care experienced children and Accommodation Based Solutions).

There are four CoPs, with a further two to be initiated:

- Community Based Care
- Hospital to Home
- Emotional and Mental Health
- Technology Enabled Care
- NEST Framework implementation
- Accommodation Based Solutions

Recovery from COVID-19

In April 2022, a planned care recovery plan for Wales was issued <https://gov.wales/sites/default/files/publications/2022-04/our-programme-for-transforming--and-modernising-planned-care-and-reducing-waiting-lists-in-wales.pdf>

The plan is aimed at encouraging health and social care organisations to focus on:

- transforming outpatient services
- prioritising diagnostic services
- early diagnosis and treatment of suspected cancer patients
- patient prioritisation to minimise health inequalities
- those waiting a long time
- building sustainable planned care capacity
- improving communication and support

Recovering the long waiters caused by the pandemic is a government priority and is supported by significant investment. This includes a recurrent £170m and a recurrent transformational fund of £15million. Capital programmes are also being prioritised to support this priority particularly in diagnostic in the first year and beyond.

Early impact from transformation is being seen with investment from the £15 million transformation fund:

To date (April to end of September) there has been £3.4m of the transformation fund issued in Q1/Q2, to the NHS, with funding for Q3/Q4 being released in line with project reviews and delivering against project milestones.

Below are key areas of impact seen in the first six months, other areas are more long-term and transformational, with benefits not evident in the first six months.

Outpatient transformation projects – are supporting the implementation of innovative approaches and initiatives that contribute towards sustainable transformation of outpatients. This includes working with primary care looking at the flow of referrals and what referrals need to come through.

Impact

- Between April and August 2022 there has been a total reduction of referrals (18,802) across all health board for the 7 planned care speciality.
- This is against an overall increase in referral, rising above the same period in 2019 which was pre-covid.
- Evidence of significant reduction in referrals across all health boards in orthopaedics (down by over 18,800) and ENT (down by over 6,300) suggest that national work in these areas is showing an early impact.

Table 20 - Alternatives to follow-up appointments

	AB	BCU	C&V	CTM	Hywel Dda	Powys	SB	All Wales
SOS	6327	5531	13018	8517	4730	1023	20154	59300
PIFU	14323	5803	212	1854	2781	152	4788	29913
Total	20650	11334	13230	10371	7511	1175	24942	89213

Impact:

- Across Wales from April 2022 to September 2022, **89,000** See on Symptom SOS & Patient initiated follow-up (PIFU) pathways have commenced which is an alternative to the traditional, in person follow-up appointment
- It is anticipated that of the 89,000 pathways, 10% may convert to requiring a follow-up appointment, however the reduction in the number of follow up appointments needed (approximately 80,100) could help provide additional capacity for both new and other follow-up appointments, this is an area of priority for next year's plans.

Teledermoscopy

- Evidence from both ABUHB and HDUHB has shown that around 50% of the patients that have accessed the service have been discharged (compared to 25% discharge previously). Specialists are able to undertake 24 digital

reviews where previously they would do 12 in-person reviews during the same session

Impact

- HBs with Telederm in place Swansea Bay, ABUHB and more recently Hywel Dda and Cardiff and Vale, have zero or reducing numbers over 52 weeks at outpatients.
- The plan is to roll the model out across Wales.

Breast cancer regional working

Impact

- The Cancer Network and Welsh Government transformation fund funded a regional programme in CVUHB to ensure that CTMUHB and CVUHB suspected breast cancer patients were seen in a timely way. Over 200 patients have been seen (CTMx175 CVUHB x38) have been seen in the clinics held in Cardiff on weekends, demonstrating that regional working can work and allowing us to develop a regional response model. The clinic has seen an 89% discharge rate

Validation

- A centrally validation company has been secured to support wide scale validation across three Health Boards, BCU, CTM and Swansea Bay.

Impact

- Evidence so far at BCU indicates an 8% removal rate, based on 7,786 admin validation and 6,386 telephone validation.
- By the end of December 2022, 41,594 will have been validated at BCU, 39,228 at CTM, 31,900 at Hywel Dda and 30,582 at Swansea Bay,

Eye care

Impact

- There are 12 Eye care schemes across Wales which has seen £1.4m funding distributed across Wales – Projects have focused on seeing patients and adopting different ways of working. Whilst these initiatives have been set up during the first half of the year, seeing over **1,645** patients, it is projected that a further **7,464** patients will be seen over the next 2 quarters.
- The fund has supported one health board to eliminate any patients waiting over 2 weeks for a Wet AMD appointment and all Diabetic Retinopathy patients seen within target (95%).
- It is important to note as Ophthalmology services enlist community optometrists, this additional activity will not be included in Planned Care activities figures

The additional £170m investment

The monies were put into the system in advance of the recovery plan launch in April 2022. As such organisations made individual choice as opposed to being led by a

strategic direction which we now have. This has meant opportunities such as regional have not been exploited which is being done now e.g., regional diagnostics, Organisations focused the resources largely in the following areas.

- Maximizing internal capacity
- Bringing infrastructure on site – Theatres
- Additional capacity with private sector
- Diagnostics
- Improvements in urgent care pathways to reduce the possibility of cancelations

Key headlines from the specialty data summary received by the FDU include as examples:

- Ophthalmology £18m, activity 39,945
- Orthopaedics £13m, activity 18,519
- Planned Care / Various /Multiple specialties accounts for c. £42m
- Unscheduled Care/Urgent Care/Medicine £22m- supporting whole system working

Within the national plan there are a set of high-level challenging ambitions, two of the ambitions relate to targets in 2023.

The first ambition of the plan is ***to remove all waits over 52 weeks (1 year) for first outpatients from referral.***

At the end of September 2022, there were 100,683, open pathways waiting over 52 weeks for a first outpatient appointment. This is

- a decrease of 1,979 (2%) compared to August 2022,
- an increase of 679 (1%) compared to September 2021.
- The first decrease seen in this number.

While we have seen added capacity in outpatients, it has taken time for this to come through and it is not evident in every specialty.

The priority remains urgency including cancers, while we have prioritised clinical urgency the availability for long waiters has not been sufficient to meet the challenging target.

The second ambition is for the number of open pathways over 104 weeks to be reduced to zero in most specialities by Spring 2023.

At the end of September 2022, there were 57,284, open pathways over 104 weeks in all specialities. This is:

- a decrease of 2,066 (3.5%) compared to August 2022; and
- 13,133 (19%) lower than the high of 70,417 in March 2022.

This was the sixth consecutive month where a decrease had been seen. Four health boards showed a reduction in the number of open pathways over 104 weeks this month when compared to the previous month. The number of open pathways over 104 weeks ranged from zero in Powys to 14,363 in Betsi Cadwaladr.

For inpatient and day case treatment activity September 2022 is the key month that we have now witnessed activity beyond pre covid baselines. This pattern follows a similar pattern to both diagnostic and cancer where it is quarter 3 that activity levels has picked up.

Table 21

