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Bwrdd Iechyd Prifysgol  
Abertawe Bro Morgannwg  
University Health Board



<b>Meeting Date</b>	<b>Performance and Finance</b>	<b>Agenda Item</b>	<b>2c</b>
<b>Report Title</b>	<b>Medical Locum Caps</b>		
<b>Report Author</b>	Sharon Vickery, Assistant Director of Workforce - Delivery Units and Medical Staffing		
<b>Report Sponsor</b>	Hazel Robinson, Director of Workforce and OD, Pushpinder Mangat, Interim Executive Medical Director, Lynne Hamilton, Director of Finance and Chris White, Interim C.O.O.		
<b>Presented by</b>	Hazel Robinson , Director of Workforce and OD		
<b>Freedom of Information</b>	Open		
<b>Purpose of the Report</b>	This report is submitted to the Performance and Finance Committee to provide an update on the implementation of the Medical Locum Cap within ABMU. The detailed progress reports attached to this report in the appendices are provided to Welsh Government on a monthly basis.		
<b>Key Issues</b>	This report sets out progress, challenges and follow up actions required to improve implementation of the all Wales agency caps.		
<b>Specific Action Required (please ✓ one only)</b>	<b>Information</b>	<b>Discussion</b>	<b>Assurance</b>
			✓
<b>Recommendations</b>	<p>Members are asked to:</p> <ul style="list-style-type: none"> <li>• <b>NOTE</b> the content of the Welsh Government submission and give retrospective approval to the documentation</li> <li>• <b>NOTE</b> the progress and challenges outlined</li> <li>• <b>NOTE</b> the follow up actions.</li> </ul>		

## MEDICAL LOCUM CAPS

### 1. INTRODUCTION

This report is submitted to the Performance and Finance Committee to provide an update on the implementation of the Medical Locum Cap within ABMU. The detailed progress reports attached to this report in the appendices are provided to Welsh Government on a monthly basis.

Each month the Performance and Finance Committee receives and approves the information submitted to Welsh Government relating to organisational compliance of the medical locum cap. August data was submitted to Welsh Government on the 17<sup>th</sup> September 2018.

### 2. BACKGROUND

The medical locum cap was introduced across all Health Boards in Wales in November 2017. Please note that the term agency doctor is used to denote external agency cover and ad hoc locum denotes internal doctors providing cover. Key areas of progress, performance and ongoing challenges are summarised below:

### 3. Progress

Following the provision of further focused training and additional support the August data has improved once again in terms of both completion and accuracy, now beginning to allow a much richer analysis. The overall usage and compliance may however suffer through the summer leave period as a number of key staff are on annual leave.

**Agency** –mixed progress is reported for August 2018.

- The percentage of agency doctors paid at or below the capped rates in terms of the number of assignments has worsened and is set out as follows:-

Assignments % Compliance						
Feb 18	March 18	April 18	May 18	June 18	July 18	Aug18
40.3%	47.2%	56.2%	36.2%	28.6%	20.89%	20.25%

- There were 79 assignments booked for August. 63 (79.74%) of these breached the capped rate, accounting for 7,566 hours. 16 (20.25%) assignments were secured below/at cap, and account for the remaining 2,714 hours. It should be noted that not all the booked hours will be worked in August as some of the bookings will extend into the following month(s).

- However, the percentage of agency doctors paid at or below the capped rates based on hours improved in August, 26% compared to 15.27% in July.

Hours % Compliance						
Feb 18	March 18	April 18	May 18	June 18	July 18	Aug 18
43.1%	39.8%	41.5%	21%	33.2%	15.27%	26%

- In July the number of agency hours utilised rose considerably to 10,252 hours from the June position and have increased again in August however only by 28 hours. This is the highest utilisation since the cap was introduced at 10,280 hours.

Total Hours Booked						
Feb 18	March 18	April 18	May 18	June 18	July 18	Aug 18
7,589	8,778	4,485	2,478	6,698	10,252	10,280

- Of the total 10,280 hours booked, extensions of existing bookings equate to 4,502, leaving the balance of 5,778 for new and ad hoc bookings/requirements.
- Of the total hours booked in August 1,857 hours were booked for consultant cover. 8 doctors booked during the month at a cost of £183,458.
- Increasingly, Medacs are reporting that agency locum doctors are now negotiating strongly. It is believed that the inability to pay travel and accommodation makes it harder to attract locums.
- **All Wales Data:** The table below sets out compliance with the cap together with the total hours booked in August by individual Health Boards. The Committee will note that this Health Board has performed more positively than other organisations although the number of hours utilised is significantly higher.

Health Board	Total nos. of hours booked August 18	Percentage compliance with cap or below cap
ABM	10,280	26.40%
C/V	2,015	54.77%
Hywel Dda	5,666	43.51%
Cwm Taf	6,249	30.94%

**Internal ad hoc locums** - the percentage of the internal ad hoc locums paid at or below the cap by assignment is outlined below:-

<b>Assignments % Compliance</b>						
<b>Feb 18</b>	<b>March 18</b>	<b>April 18</b>	<b>May 18</b>	<b>June 18</b>	<b>July 18</b>	<b>Aug 18</b>
60%	77%	81%	73.1%	70%	67%	69%

- The percentage of doctors paid at or below the capped rates based on hours in June was 78% and in July was 73.2%. In August this stands at 78%.

<b>Hours % Compliance</b>						
<b>Feb 18</b>	<b>March 18</b>	<b>April 18</b>	<b>May 18</b>	<b>June 18</b>	<b>July 18</b>	<b>Aug 18</b>
70%	78%	86%	83%	78%	73.2%	78%

- The total number of hours for internal ad hoc locum cover in August fell marginally to 8,231, compared with 8,403 in July.
- In total, 18,511 hours were booked for agency and locum medical staff. External agency staff make up 55% of this figure and internal locum the remaining 45% of the total. This equates to approx. 104 FTE of temporary staff resource. Excluding consultant medical staff the Health Board currently has 97 FTE medical staff vacancies.
- The Health Board has set a target agency/locum monthly spend as outlined in the table below. Actual monthly expenditure is as follows:-

<b>Feb 18</b>	<b>March 18</b>	<b>April 18</b>	<b>May 18</b>	<b>June 18</b>	<b>July 18</b>	<b>Aug 18</b>
<b>Target Spend</b>						
£1,377K	£1,377K	£1,245K	£1,245K	£1,245K	£1,254K	£1,254K
<b>Actual Spend</b>						
£1,026K	£1,243K	£1,079K	£1,224K	£1,678K	£1,664K	£1,585K

- The marginal decrease in expenditure has continued in August. This is the third consecutive month where expenditure is reported at above target levels.
- It should be noted however that fully aligning shifts booked, worked and paid is complex. On occasions claims are submitted late, which impacts on the monthly spend profile.

- Based on expenditure reported through the ledger Mental Health reported an underspend in August, however Morriston, POW and NPT overspent with the greatest overspend at Singleton during the month of August.

Unit	Expenditure Target	Financial spend
POW		£92K+
Singleton		£119K+
Morriston		£115K+
MH/LD		£4K-
Neath		£4K+

### 3.1 Challenges and Further Actions

- Work continues with the Delivery Units to improve confidence and compliance with the system, which is improving month on month. Please note that due to high levels of annual leave a lot of the information has had to be chased and there may be gaps due to individuals not being at work. This emphasises the fragility of the current manually driven system, which relies on staff having to be at work to deliver their part of the process. In the long-term this is not a sustainable process.
- An Investment and Benefits Group bid has been prepared to purchase the Allocate product “Locum on Duty” which will provide the software to electronically facilitate shift booking, which in turn will support improved utilisation reporting and the establishment of an internal medical bank facility.
- It should be noted that the Health Board has agreed to fund this bid pending the outcome of the Welsh Government process. This will digitalise the system for users and enable a more robust and visible process for sift management and booking. This is a fairly new product and those who have purchased the product, including Betsi Cadwaladar UHB are reporting a much greater uptake of shifts from internal ad hoc locum doctors.
- This system will also support more accurate cost reporting. At present they rely on the accuracy and completeness of the returns from the Delivery Units. The system will also eradicate doctors submitting ADH forms late as this will be automated by the system and paid as the work is done.
- Appendices 3 and 4 highlight the highest utilisation of locum shifts by Delivery Units and Specialty. The utilisation of agency and locum varies notably each month and no general pattern has yet emerged and utilisation remains highly unpredictable This is summarised below:

<b>Delivery Unit</b>	<b>July 18</b>	<b>August 18</b>
Morrison	Surgery dominated internal spend. ED were high users with Anaesthetics, General Medicine and Anaesthetics needing about the same level of cover. Radiology required an element of internal cover. Agency utilisation was low with Surgery being the highest user.	Anaesthetics had the highest spend and was also the highest user. Dental, Surgery and Medicine all had a similar level of usage. Agency utilisation was highest for ED.
Singleton	General Medicine was the highest user of internal cover. With O&G and Paeds needing about the same level of cover. Surgery received some element of cover. Haematology and O&G have booked large amounts of agency cover with limited spend in oncology and palliative care.	Paediatrics was the highest internal spend and also highest user. For agency utilisation O&G was the highest user followed by Paediatrics.
POW	Surgery dominated internal spend. With General Medicine, Anaesthetics, ED and O&G needing about the same level of internal cover. For Agency the largest spend was in Radiology with high usage in T&O and O&G. Less cover was sought in General Medicine and ED.	Surgery had the highest spend and was also the highest user. Anaesthetics were in a similar regional of monthly spend to Surgery. The agency utilisation was highest by O&G followed by Medicine.

- Work continues with Medacs to replace the longest serving agency locums with permanent staff. The analysis has highlighted that despite the agency introductory fee the savings across the board could be potentially circa £1m per annum, this would be dependent on doctors remaining for the term of their contract.
- Currently, Medacs and the Medical HR Team are meeting each Delivery Unit including the Unit Medical Director, to review each post to develop a plan for

each of the longest serving locums. A number of alternative more cost effective employment solutions have been identified which are in the process of being implemented. The full outcome of this work will be reported to the Director of Workforce and OD and the Chief Operating Officer shortly.

- At the informal Executive Team, on the 16<sup>th</sup> June, Kendall Bluck, who work in partnership with Medacs, presented the work they have undertaken in a range of Trusts in England which has generated considerable savings. They are a group of clinicians allowing clinician to clinician challenge. They reported the work they had undertaken in England in respect of Emergency Departments, Radiology and junior doctor rota review. The Executive Team agreed to contract Kendall Bluck to work in the Emergency Department at Morriston and to undertake a review of junior doctor rotas, across the Health Board.
- A teleconference took place in August to explore in more detail the savings they have achieved in England to make sure the work they undertake represents value for money. The Health Board has agreed how to engage with this company and the procurement process is now nearing completion following the receipt of positive references from organisations in England who have commissioned support from them previously. It is anticipated that this work will commence in the October 2018.
- Consequently, plans are now being developed to recruit more medical staff. These include:-
  - Participating in the All Wales BAPIO Campaign in November 2018. So far the Health Board have identified thirty nine posts. The specialties included in the initiative are T&O, Surgery, Medicine, Emergency Medicine, Mental Health, Paediatrics, Ophthalmology and Anaesthetics. For this round, BAPIO are informing candidates to sit either the IELTS or OET language tests as soon as they apply and it is hoped this will help to reduce the time from recruitment to commencing employment.
  - It was reported that some of the thirty nine posts are at a junior clinical fellow level and the Royal College will only sponsor senior clinical fellows at ST4 and above. It has been decided the doctors will be assessed at interview on their level of experience and those at the junior level will be asked if they wish to take up the offer of employment under a Tier 2 visa following the changes to visa restrictions by the Home Office.
  - Consideration to undertaking a second BAPIO Campaign each year either in conjunction with All Wales or stand alone as a Health Board. BAPIO are also providing an induction into the cultural differences to ease doctors into Wales.
  - Further enhance the induction/cultural induction to Wales and the Health Board for overseas doctors. This is already in place, but may benefit from

a refresh. This measure will make it easier to recruit and retain doctors and will enhance the Health Board's reputation for future recruitment campaigns.

- Develop innovative rotations between different specialities, which may be of interest to doctors.
- Develop exchange programmes with different countries.
- Participate in recruitment fairs and events.
- Optimise our relationship with the BMJ to enhance our position in the market. They have recently offered the Health Board an attractive package.
- Develop innovative solutions such as the SAS development programme they have utilised in a number of English Trusts to support the SAS doctors through the CESR route to become consultants. This has worked very well in ED and they now have a considerable number who can now be appointed at consultant level.
- Increase the relocation package for overseas doctors from £3,000 to £5,000 to be in line with the BAPIO Campaign.
- There is also the need to look at how the Health Board can maximise consultant recruitment as this can be more complex with overseas recruitment. It is suggested that the Chief Operating Officer initiates a conversation with each of the Delivery Unit's senior teams to look at the cost of consultant cover as this seems to be significant for both agency consultant cover and ad hoc locum cover.
- Attached as Appendix 5 is a breakdown of the internal doctors earning over £120.00 per hour. The Appendix lists 55 consultants earning in excess of this rate. The Performance and Finance Committee will note that this was a feature of the previous month's paper.
- An internal review of medical rotas is underway but is not yet yielding any significant benefit due to the high number of vacancies. This work will be greatly helped by working with Kendal Bluck when they commence in the autumn. Another measure to alleviate these issues is the opportunity to concentrate staff on fewer sites, which could be delivered through service reconfiguration. This is not a short-term solution and should be considered as part of the developing Organisational Strategy.
- In addition, representations have been made to the incoming HEIW Medical Director in respect of the Wales Deanery requirement to staff 1:11 junior doctor rotas, which were introduced without consultation. A return to rotas

between a 1:8 and 1:10 would significantly ease rota compliance and costs without compromising training requirements.

### **2.3 Welsh Government Submission**

Please refer to the following Appendices for details of the July 2018 submission:-

Appendix 1: August WG Report

Appendix 2: August Finance Assessment

Appendix 3: August Agency Top Five Specialties by DU and Utilisation

Appendix 4: August Internal Ad Hoc Locum Top Five Specialties by DU and Utilisation.

Appendix 5: August Internal doctors earning £120 or more per hour

## **4. GOVERNANCE AND RISK ISSUES**

The main risk with this work relates to the overall challenging recruitment market and the overall supply of doctors. These factors are covered in section 2.

### **FINANCIAL IMPLICATIONS**

The financial details are set out in section 2 and in Appendix 2.

## **5. RECOMMENDATION**

Members are asked to:

- **NOTE** the content of the Welsh Government submission and give retrospective approval to the documentation
- **NOTE** the progress and challenges outlined
- **NOTE** the follow up actions.

<b>Governance and Assurance</b>							
<b>Link to corporate objectives</b> <i>(please ✓)</i>	Promoting and enabling healthier communities		Delivering excellent patient outcomes, experience and access	Demonstrating value and sustainability	Securing a fully engaged skilled workforce	Embedding effective governance and partnerships	
				√	√		
<b>Link to Health and Care Standards</b> <i>(please ✓)</i>	Staying Healthy	Safe Care	Effective Care	Dignified Care	Timely Care	Individual Care	Staff and Resources
			√				√
<b>Quality, Safety and Patient Experience</b>							
Whilst there are significant recruitment difficulties the supply of locum doctors is vital to safe patient care.							
<b>Financial Implications</b>							
Securing these doctors at appropriate rates is also key to the recovery and sustainability of the Health Board							
<b>Legal Implications (including equality and diversity assessment)</b>							
Not applicable.							
<b>Staffing Implications</b>							
None other than the need to improve the supply of the medical workforce							
<b>Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)</b>							
Not applicable							
<b>Report History</b>	A similar report is presented to the Committee monthly to scrutinise the WG submission which is submitted in line with their timetable.						
<b>Appendices</b>	Appendix 1: August WG Report Appendix 2: August Finance Assessment Appendix 3: August Agency Top Five Specialties by DU and Utilisation Appendix 4: August Internal Ad Hoc Locum Top Five Specialties by DU and Utilisation Appendix 5: August Internal doctors earning £120 or more per hour						