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Bwrdd Iechyd Prifysgol
Bae Abertawe
Swansea Bay University
Health Board



Meeting Date	27th August 2019	Agenda Item	2.3
Report Title	Medical Agency Cap		
Report Author	Sharon Vickery, Assistant Director of Workforce & OD		
Report Sponsor	Hazel Robinson, Director of Workforce & OD Dr Richard Evans, Executive Medical Director Lynne Hamilton, Director of Finance Chris White, Chief Operating Officer		
Presented by	Hazel Robinson, Director of Workforce & OD		
Freedom of Information	Open		
Purpose of the Report	This report is submitted to the Workforce & OD Committee to provide an update on the implementation of the Medical Locum Cap within Swansea Bay University Health Board. Welsh Government has moved to quarterly reporting and so this monthly report focuses mainly on the metrics for July 2019.		
Key Issues	This report sets out the July performance compared to previous months together with plans to improve implementation of the all Wales agency cap.		
Specific Action Required <i>(please ✓ one only)</i>	Information	Discussion	Assurance
			✓
Recommendations	Members are asked to: <ul style="list-style-type: none"> • NOTE the metrics for July 2019. • NOTE the immediate actions outlined. 		

MEDICAL AGENCY CAP

1. INTRODUCTION

This report is submitted to the Workforce & OD Committee to provide an update on the implementation of the Medical Locum Cap within Swansea Bay University Health Board. Welsh Government (WG) has moved to quarterly reporting and so this monthly report focuses mainly on the metrics for July 19 together with any immediate plans to attempt to improve compliance.

The next quarterly submission is due by WG in October for the quarter period July - September in line with the instructions received by WG on 2nd July 2019.

2. PROGRESS

2.1 Total Booked Hours – July

- 13,170.98 internal and agency locum hours were booked in July 2019 compared to 13,511 in June 2019, a slight reduction.
- The number of agency hours booked decreased this month to 6,225 compared to 8,186 in June. Extensions of existing bookings equate to 5,026.00 hours, at a value of £395,779.08 with the balance of 1,229 hours for new and ad hoc bookings, costing £67,926.29.

	Hours	% of Total	Cost
Agency			
Extensions	5,026.00	80.35%	£395,779.08
New	1,229.00	19.64%	£67,926.29
Total Agency	6,225.00	47.26%	£463,705.00
Total Locum	6,945.98	52.74%	£477,297.36
Total	13,170.98	100%	£941.002.36

- This represents a decrease in the cost of work **booked** in July.
- NB - not all the booked hours will be worked in July as some of the bookings will extend into the following month(s)

2.2 Agency – the progress for July 2019 is reported below:

Agency Assignments

- The percentage of agency doctors paid at or below the capped rates in terms of the number of **assignments** has decreased from June.

Agency Hours

- The percentage of agency doctors paid at or below the capped rates based on **hours** decreased in July to 29.95% compared to June figures at 61.49%.

Agency Hours

- Total agency hours booked decreased in July to 6,225 compared to June figures at 8,186.

Month	% Cap Compliance Assignments	% Cap Compliance Hours	Total Hours Booked
May 18	36.2%	21%	2,478
June 18	28.6%	33.2%	6,698
July 18	20.8%	15.2%	10,252
August 18	20.2%	26.0%	10,280
September 18	8.3%	31.1%	12,560
October 18	6.5%	18.6%	9,790
November 18	8.3%	13.4%	10,579
December 18	7.8%	3.3%	10,885
January 19	17.1%	41.6%	10,605
February 19	36.6%	47.2%	8,385
March 19	39.3%	45.4%	7,472
April 19	29.5%	70.4%	3,556
May 19	16.2%	50.8%	3,499
June 19	22.5%	61.4%	8,186
July 19	20.0%	29.9%	6,225

	No. of Assignments	No. of Hours	% of Hours
Cap Breach	28	4,360.50	70.05%
Below/at cap	7	1,864.50	29.95%
Total	35	6,225.00	100%

Usage by Grade -

Grade	June 19 Hours	June 19 Booked Spend	July 19 Hours	July 19 Booked Spend	Variance On Prior Month Booked Hours	Variance On Prior Months Booked Spend
Consultant	4,409	£462,901	1,065	£105,113	-3,344	£-357,788
Specialty Doctor	337	£22,420	637	£42,349	+300	£+19,929
ST3+	314	£24,608	2,143	£182,475	+1,829	£+157,866
ST1/2	3126	£158,303	2,409	£133,766	-716	£-24,546

100% of Consultant expenditure is linked to vacant posts within Adult Psychiatry, General Medicine and Paediatrics; £105,133.71 is attributed to extensions.

100% of Specialty Doctor expenditure is linked to vacant post within Adult Psychiatry; £32,384.63 is attributed to extensions and £9,964.50 is attributed to new bookings.

100% of ST3+ expenditure is linked to vacant posts within Obstetrics & Gynaecology and Paediatrics; £182,475.97 is attributed to extensions.

100% of ST1/2 expenditure is linked to vacant posts within Accident & Emergency, Adult Psychiatry, General Medicine and General Surgery; £75,804.78 is attributed to Extensions and £57,961.79 is attributed to new bookings.

An analysis of the financial range of breaches by grade is included below:

Grade	% paid at cap or below	% paid £1p - £5 above cap	% paid £5.01 - £10 above cap	% paid £10.01 - £15 above cap	% paid £15.01 - £20 above cap	% paid £20+ above cap
Consultant	86%	0%	5%	8%	0%	0%
SAS	100%	0%	0%	0%	0%	0%
ST3+	0%	0%	0%	0%	0%	99%
ST1/2	12%	0%	0%	86%	1%	0%

2.3 Internal ad hoc locums

- The percentage of the internal ad hoc locums paid at or below the cap by **assignment** decreased for July to 73% compared to June figures (83%).
- The percentage of doctors paid at or below the capped rates based on **hours** in July stood at 80%.
- The total number of hours booked for internal ad hoc locum cover in July increased to 6,945.98 from 5,324 in June.

Month	% Cap Compliance Assignments	% Cap Compliance Hours	Total Hours Booked
May 18	73%	83%	
June 18	70%	78%	
July 18	67%	73%	
August 18	69%	78%	
September 18	68%	75%	
October 18	79%	86%	
November 18	77%	80%	
December 18	75%	80%	
January 19	71%	84%	
February 19	81%	86%	
March 19	75%	78%	
April 19	79%	87%	
May 19	72%	76%	
June 19	83%	85%	5,324
July 19	73%	80%	6,945

2.4 Agency and Locum Expenditure

- The Health Board has set a target agency/locum monthly spend as outlined in the table below. Actual monthly expenditure is as follows:-

Month	Target Spend	Actual Spend	Variance
April 18	1,245K	1,079K	
May 18	1,245K	1,224K	
June 18	1,245K	1,678K	
July 18	1,245K	1,664K	
August 18	1,245K	1,585K	
September 18	1,245K	1,633K	
October 18	1,245K	1,695K	
November 18	1,245K	1,806K	
December 18	1,245K	1,680K	
January 19	1,245K	1,720K	
February 19	1,245K	1,624K	
March 19	1,245K	1,926K	
April 19	1,129K	985K	-144K
May 19	1,129K	1,136K	+7K
June 19	1,129K	1,054K	-75K
July 19	1,129K	1,110K	-19K

- Based on expenditure reported **through the ledger** three Delivery Units were overspent in July with the exception of Neath Port Talbot.
- Since the boundary change the Health Board has set a new monthly target spend of £1,129m and the table above shows that the Health Board has spent under this target 3 out of 4 months.

Unit	Expenditure Target	Financial Target	Financial Spend	% over and underspend
Morrison		571K	642K	+12.43%
Singleton		306K	348K	+13.72%
MH/LD		129K	131K	+1.55%
Neath		111K	20K	-81.99%

Immediate actions

- The Executive Medical Director (EMD) and Chief Operating Officer (COO) met with Medacs and representatives from Workforce. The following actions were agreed:-
 - EMD, COO and Director of Workforce are meeting with each Unit Medical Director and Service Director to discuss their local scrutiny process, agency and locum utilization, off contract usage and use of Medacs permanent recruitment. This will include a review of all locums booked over 3-months, which has now been integrated with the report on the longest serving Medacs locums.
 - Meetings between the Medical Workforce team and Medacs are being scheduled to meet with each Delivery Unit to revisit the same issues with Service Managers and Clinical Directors in order to scrutinize each vacancy

and challenge all locums that have been booked for 3-months or more, this work is still ongoing.

- Progress to reduce the number of long term locums is summarised below:
- Outlined below are the actual conversions in post. FYE is circa £260K. However this is the lowest possible saving as some of the posts are Deanery doctors so we will get 50% of the salary.

Dr - initials	DU	Speciality	Grade	Annual cost Agency	Replaced on/by (date)	Annual cost HB appointment	Indicative cost saving
MK	Singleton	Obs & Gynae	SD	£167,853.62	1 st April 2019	£84,240	£83,595.20
BS	Singleton	General Medicine	ST3	£163,966.40	2 nd August 2019	£95,277 Based on max point of scale	£68,689.66
EG	Singleton	General Medicine	ST1	£98,009.60	6 th August 2019	£60,507 Based on min point of scale due to grade	£37,502.22
RV	Morrison	General Medicine	ST1	£135,928.00	6 th August 2019	£64,472 Based on min point of scale due to grade	£71,455.81

In addition the following are in train.

- *Morrison Hospital*
- **Radiology**
1 candidate interviewed and an offer has been made and accepted and a start date is anticipated for end of Oct/beginning Nov.

Radiology locums are sourced through Athona so Medacs unable to give an agency savings cost. There are 3 or 4 off contract agency workers we source through Athona and they are VERY expensive – often north of £200K pa. Once the offer is made and the current costs identified I would guess that the annual savings will be close to £100K (but tbc).

- *Singleton Hospital*
- **Haematology**
1 candidate being interviewed today at Consultant level – This would allow an exit strategy on one of the longest serving locums which would see an £88,918 annual saving.

- **Paediatrics**
4 CV's submitted to Unit for review – Awaiting feedback on suitability. All candidates submitted have completed their MRCPCH. Currently 1 long term locum in the service so if we can appoint with a substantive doctor this will see an annual saving of £99,863 on exit of the agency locum.
- **Neonates**
2 Cv's submitted over for review and the department wish to interview at the end of August. Currently no long term locums in post, so would have to look at the internal additional activity to equate the savings and also triangulate to empty Deanery posts to ensure that if an appointment is offered it is a cost effective solution.
- *Neath Port Talbot Hospital*
- **General Medicine**
1 starter due to commence in September (Reg) – offered and accepted which will see a saving of £19,531 annually on the exit of 1 of the long term agency workers
- 5 CV's submitted (Reg), reviewed and confirmed for interview on the 15th August – 3 gaps left to fill within the service, which if all appointed would see an annual saving on the longest serving locums of £54,130
- Additional meetings have been arranged between the Delivery Units and the Executive Team at the end of the quarterly performance reviews to continue to drive a further focus on the individual practices at delivery until level.
- Kendall Bluck (KB) have been contracted to work in the Emergency Departments (ED) at Morriston and Neath and to undertake a review of junior doctor rotas, across the Health Board. KB have provided template rotas for all grades of staff to the ED which are currently being reviewed.
- The Workforce & OD Committee should note that the HB is exploring the concept of a neutral vend arrangement when the Medacs contract expires in August 19. This contract will need to be extended to accommodate the All Wales work. Procurement advice has been sought and they have advised that this can be accommodated by the Chief Executive and the Director of Finance. A meeting was arranged in May to explore the differences between a master vend and neutral vend arrangement and there will be an all Wales workshop in September.
- The Locum on Duty project began its roll out on the 1st May. This will digitalize the booking of all locums, have a link to pay and introduce an internal medical Bank. It is anticipated that the project will take a minimum of six months to complete and will provide a more comprehensive suite of intelligence in real time to help try to drive costs down and current locums are being contacted to request they agree to register with the Medical Locum Bank.

WELSH GOVERNMENT QUARTERLY SUBMISSION

Welsh Government have requested the Health Board to report quarterly and therefore the submission will be included in the October report.

2 GOVERNANCE AND RISK ISSUES

The main risk with this work relates to the overall challenging recruitment market and the overall supply of doctors.

3 FINANCIAL IMPLICATIONS

The financial details are set out in section 2 and in the table below.

4 RECOMMENDATION

Members are asked to:

- **NOTE** the metrics for July 2019
- **NOTE** the immediate actions outlined

Governance and Assurance		
Link to Enabling Objectives <i>(please choose)</i>	Supporting better health and wellbeing by actively promoting and empowering people to live well in resilient communities	
	Partnerships for Improving Health and Wellbeing	<input type="checkbox"/>
	Co-Production and Health Literacy	<input type="checkbox"/>
	Digitally Enabled Health and Wellbeing	<input type="checkbox"/>
	Deliver better care through excellent health and care services achieving the outcomes that matter most to people	
	Best Value Outcomes and High Quality Care	<input type="checkbox"/>
	Partnerships for Care	<input type="checkbox"/>
	Excellent Staff	<input checked="" type="checkbox"/>
	Digitally Enabled Care	<input type="checkbox"/>
Outstanding Research, Innovation, Education and Learning	<input type="checkbox"/>	
Health and Care Standards		
<i>(please choose)</i>	Staying Healthy	<input type="checkbox"/>
	Safe Care	<input type="checkbox"/>
	Effective Care	<input type="checkbox"/>
	Dignified Care	<input type="checkbox"/>
	Timely Care	<input type="checkbox"/>
	Individual Care	<input type="checkbox"/>
Staff and Resources	<input checked="" type="checkbox"/>	
Quality, Safety and Patient Experience		
Whilst there are significant recruitment difficulties the supply of locum doctors is vital to safe patient care.		
Financial Implications		
Securing these doctors at appropriate rates is also key to the recovery and sustainability of the Health Board		
Legal Implications (including equality and diversity assessment)		
Not applicable.		
Staffing Implications		
None other than the need to improve the supply of the medical workforce.		
Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)		
Not applicable.		
Report History	This report was previously reported monthly to the Performance and Finance Committee and therefore this is the seventh report for the Workforce and OD Committee to scrutinise the Welsh Government submission in line with their timetable.	
Appendices	None	