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WALES

Bwrdd Iechyd Prifysgol  
Abertawe Bro Morgannwg  
University Health Board



<b>Meeting Date</b>	<b>Workforce &amp; OD</b>		<b>Agenda Item</b>	<b>2.1</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, Dr Richard Evans, Executive Medical Director, Lynne Hamilton, Director of Finance and Chris White, 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 Workforce & OD Committee to provide an update on the implementation of the Medical Locum Cap within ABMU. Welsh Government has moved to quarterly reporting and so this monthly report focuses mainly on the metrics for January 2019.			
<b>Key Issues</b>	This report sets out The January performance compared to previous months together with plans to improve implementation of the all Wales agency cap.			
<b>Specific Action Required</b> <i>(please ✓ one only)</i>	<b>Information</b>	<b>Discussion</b>	<b>Assurance</b>	<b>Approval</b>
			✓	
<b>Recommendations</b>	<p>Members are asked to:</p> <ul style="list-style-type: none"> <li>• <b>NOTE</b> the metrics for January 2019.</li> <li>• <b>NOTE</b> the immediate actions outlined</li> <li>• <b>NOTE</b> the response from the DUs around their local scrutiny processes.</li> <li>• <b>NOTE</b> the comments from the High Value Opportunities Programme</li> </ul>			

## MEDICAL LOCUM CAPS

### 1. INTRODUCTION

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

To date the Workforce & OD Committee receives and approves the information submitted to WG relating to organisational compliance of the medical locum cap. Quarterly data for October to December 2018 was submitted to WG on the 17<sup>th</sup> January 2019. The next quarterly report is due for submission to WG on the 17<sup>th</sup> April 2019. At that point a more comprehensive report will be presented to the Committee.

### 2. BACKGROUND

The medical locum cap was introduced across all Health Boards in Wales in November 2017. Please note that the term agency doctor used is 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

#### 3.1 Total Booked Hours – January

- A total of 16,804 hours were booked in January for agency and internal locum medical staff compared to 18,724 for December. A reduction of nearly 2,000 hours, circa 10% reduction.
- The number of agency hours utilised decreased slightly this month to 10,605.50. Extensions of existing bookings equate to 6,165 hours, at a value of £459K, with the balance of 4,440 hours for new and ad hoc bookings, costing £251K.

	Hours	% of Total	Cost
<b>Agency</b>			
Extensions	6,165.00		£459,550.93
New	4,440.50		£251,598.67
<b>Total Agency</b>	10,605.50	63%	£711,149.60
Total Locum	6,198.79	37%	£414,384.06
<b>Totals</b>	<b>16,804.00</b>	<b>100%</b>	<b>£1,125,533.66</b>

- NB - not all the booked hours will be worked in January as some of the bookings will extend into the following month(s).

**3.2 Agency** – the progress for January 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 increased from December and is set out as follows:-

Assignments % Compliance									
April 18 %	May 18%	June 18%	July 18%	Aug18 %	Sept 18%	Oct 18%	Nov 18%	Dec 18%	Jan 19%
56.2	36.2	28.6	20.8	20.25	8.33	6.15	8.33	7.89	17.19

	No. of Assignments	No. of Hours	% of Assignments
Cap Breach	97	6,189.00	82.81%
Below/at cap	21	4,416.50	17.19%
<b>Total</b>	<b>118</b>	<b>10,605.50</b>	<b>100%</b>

### Agency Hours

- The percentage of agency doctors paid at or below the capped rates based on hours has increased markedly in January from 3.39% in December to 41.64%. This is positive progress.

Hours % Compliance									
April 18	May 18	June 18	July 18	Aug 18	Sept 18	Oct 18	Nov 18	Dec 18	Jan 19
41.5%	21%	33.2%	15.27%	26%	31.11%	18.60%	13.49%	3.39%	41.64%

Total Hours Booked									
April 18	May 18	June 18	July 18	Aug 18	Sept 18	Oct 18	Nov 18	Dec 18	Jan 19
4,485	2,478	6,698	10,252	10,280	12,560	9,790	10,579	10,885	10,605

### Usage by Grade

Grade	December Hours	December Booked Spend	January 19 Hours	January 19	Variance On Prior Month	Variance On Prior Months

				Booked Spend	Booked Hours	Booked Spend
<b>Consultant</b>	1,322.00	£131,156	2,021.50	£206,456	+699.50	+£75,300
<b>Specialty Doctor</b>	187.50	£12,456	472.50	£29,569	+285.00	+£17,133
<b>ST3+</b>	2,901.00	£220,157	2,368.50	£175,980	-532.50	-£44,177
<b>ST1/2</b>	6,475.00	£375,485	5,743.00	£299,095	-732.00	-£76,390

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
<b>Consultant</b>	51.55%	13.06%	0.00%	19.79%	1.76%	13.85%
<b>SAS Dr.</b>	100%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>ST3+</b>	29.98%	0.00%	7.16%	0.00%	0.00%	62.87%
<b>ST1/2</b>	38.17%	9.54%	18.11%	21.66%	11.23%	1.29%

This may suggest that the Health Board is missing the opportunity to negotiate effectively to bring some grades within the capped rate or to reduce cost. Below is an analysis of the 62.87% where the ST3+ (registrar level) breached the cap by more than £20 per hour:-

Unit	Specialty	Hours	Total Cost
Princess Of Wales	Accident & Emergency	59.5	£4,738.58
Morrison	Accident & Emergency	174.5	£14,124.78
Princess Of Wales	Medicine	24	£1,1918.80
Princess Of Wales	ENT	35	£2,818.20
Singleton	Obs & Gynae	180	£14,101.20

Mental Health	Adult	16	£1,445.60
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The HB has a new Medacs Client Relationship Manager. She is proving proactive in challenging the DUs to drive rates down. There is evidence that this is possibly having some positive effect given that compliance with the cap based on hours worked improved from 3.39% in December to 41.64% in January.

### 3.3 Internal ad hoc locums

#### Assignments

The percentage of the internal ad hoc locums paid at or below the cap by assignment deteriorated marginally this month and is outlined below:-

Assignments % Compliance									
April 18	May 18	June 18	July 18	Aug 18	Sept 18	Oct 18	Nov 18	Dec 18	Jan 19
81%	73.1%	70%	67%	69%	68%	79%	77%	75%	71%

- The percentage of doctors paid at or below the capped rates based on hours in January stands at 84%, which has improved on last month's performance.

Hours % Compliance									
April 18	May 18	June 18	July 18	Aug 18	Sept 18	Oct 18	Nov 18	Dec 18	Jan 19
86%	83%	78%	73.2%	78%	75%	86%	80%	80%	84%

- The total number of hours booked for internal ad hoc locum cover in January reduced from 7,838 to 6,165.

### 3.4 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:-

April 18 £K	May £K	June £K	July £K	Aug £K	Sept £K	Oct £K	Nov £K	Dec £K	Jan 19 £K
<b>Target Spend</b>									
1,245	1,245	1,245	1,254	1,254	1,254	1,254	1,254	1,245	1,245
<b>Actual Spend</b>									
1,079	1,224	1,678	1,664	1,585	1,633	1,695	1,806	1,680	1,720

- January expenditure is the second highest recorded so far..
- 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 all Delivery Units, apart from Neath and Port Talbot overspent in December. POW's performance however, although overspent, improved this month. Moriston and Singleton were the Delivery Units most overspent in January.

Unit	Expenditure Target	Financial Target	Financial Spend	% over and underspend
Morrison		418K	648K	55% +
POW		324K	376K	16% +
Singleton		262K	401K	53% +
MH/LD		160K	219K	37% +
Neath		61K	56K	8% -

### Immediate actions –

- The Executive Medical Director (EMD) and Chief Operating Officer (COO) wrote jointly to the Service Directors and Unit Medical Directors asking for assurance around the scrutiny process the Delivery Units have in place to book locums. Also the letter encouraged them to make greater efforts with negotiating rates. The result of this work is included at Appendix A. Overall the outcome of the exercise gives reasonable assurance that the DUs do have a framework to manage this process. Mental Health and Learning Disabilities did not respond on this occasion and this will be followed up.
- Unit Medical Directors take responsibility for agreeing rates and breaches to the locum cap. Wherever possible, existing junior doctors are used to cover shifts rather than agency locums.
- The EMD scrutinises all breaches to the locum cap and returns these to the Delivery Units if further clarification is required before sign-off
- The EMD and COO will be writing to the Delivery Units once again to ensure that they are reporting use of any off-contract agencies to ensure that these are providing adequate pre-employment checks.
- Kendall Bluck (KB) has been contracted to work in the Emergency Departments (ED) at Morrison and Neath and to undertake a review of junior doctor rotas, across the Health Board. The Health Board has provided KB with a range of information and given them access to the system holding all the junior doctor rotas

managed by the Medical Workforce team. Site visits for KB to speak to medical and general managers took place in January 2019. Their initial reports will be available for the Health Board to consider on the 27th February 2019 when they report to the Executive Team. Early indications are that there are significant savings. The outcome of this work will be reported to the March WOD Committee.

- 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 arrangement has the potential to drive more competition, lower costs and greater fill rates. At present the company utilized by Cwm Taf is meeting all HBs to present the benefits of such a relationship.

Attached as Appendix B are the list of internal doctors earning £120 or more per hour. For the first time the identity of the DU has been included. The High Value Opportunity Programme has specifically asked the HB to consider where issues such as this should be considered to avoid these issues not being fully addressed. The Workforce & OD Committee are asked to comment on this.

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

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

#### **5. FINANCIAL IMPLICATIONS**

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

#### **6. RECOMMENDATION**

Members are asked to:

- **NOTE** the metrics for January 2019.
- **NOTE** the immediate actions outlined
- **NOTE** the response from the DUs around their local scrutiny processes.
- **NOTE** the comments from the High Value Opportunities Programme

<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>		This report was previously reported monthly to the Performance and Finance Committee and therefore this is the second report for the Workforce and OD Committee to scrutinise the Welsh Government submission in line with their timetable.								
<b>Appendices</b>		Appendix A: DU responses: local scrutiny processes Appendix B: Internal doctors earning £120 or more per hour in January 2019								