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Bwrdd Iechyd Prifysgol  
Abertawe Bro Morgannwg  
University Health Board



<b>Meeting Date</b>	<b>27<sup>th</sup> March 2019</b>	<b>Agenda Item</b>	<b>2.2</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 Chris White, Chief Operating Officer		
<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 February 2019.		
<b>Key Issues</b>	This report sets out The February 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>Recommendations</b>	<p>Members are asked to:</p> <ul style="list-style-type: none"> <li>• <b>NOTE</b> the metrics for February 2019.</li> <li>• <b>NOTE</b> the immediate actions outlined</li> <li>• <b>NOTE</b> Kendall Bluck's initial findings.</li> <li>• <b>NOTE</b> the comments from the High Value Opportunities Programme as this was not resolved at the last meeting</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 February 2019 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 17<sup>th</sup> January 2019. The next quarterly report is due for submission to WG on 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 – February

- A total of 15,180 hours were booked in February for agency and internal locum medical staff compared to 16,804 for January. This resulted in a reduction of 1,023 hours (-10%).
- The number of agency hours utilised decreased this month to 8,285 from 10,605 in January (-22%). Extensions of existing bookings equate to 6,568 hours, at a value of £574,760, with the balance of 1,817 hours for new and ad hoc bookings, costing £143,523K.

	Hours	% of Total	Cost
<b>Agency</b>			
Extensions	6,568.00	78.32%	£574,760.00
New	1,817.50	21.67%	£143,523.00
<b>Total Agency</b>	8,385.50	55%	£718,283.00
Total Locum	6,795.27	45%	£464,088.40
<b>Totals</b>	<b>15,180.77</b>	<b>100%</b>	<b>£1,182,371.40</b>

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

3.2 Agency – the progress for February 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 January and is set out as follows:-

April 18	May 18	June 18	July 18	Aug18
56.2%	36.2%	28.6%	20.8 %	20.25%

Sept 18	Oct 18	Nov 18	Dec 18	Jan 19	Feb 19
8.33%	6.15%	8.33%	7.89%	17.19%	36.36%

	No. of Assignments	No. of Hours	% of Assignments
Cap Breach	21	4,425.00	63.63%
Below/at cap	12	3,960.50	36.36%
Total	33	8,385.50	100%

### Agency Hours

The percentage of agency doctors paid at or below the capped rates based on hours has increased markedly in February from 3% in December to 47%. This is positive progress. This is the best compliance position this financial year.

April18	May 18	June 18	July 18	Aug 18
41%	21%	33%	15%	26%

Sept 18	Oct 18	Nov 18	Dec 18	Jan 19	Feb 19
31%	19%	13%	3%	42%	47%

The Total hours booked are as follows:

April 18	May 18	June 18	July 18	Aug 18
4,485	2,478	6,698	10,252	10,280

Sept 18	Oct 18	Nov 18	Dec 18	Jan 19	Feb 19
12,560	9,790	10,579	10,885	10,605	8,385

This is the lowest level of usage since June 2018.

## Usage by Grade

Grade	January Hours	January Booked Spend	February 19 Hours	February 19 Booked Spend	Variance On Prior Month Booked Hours	Variance On Prior Months Booked Spend
<b>Consultant</b>	2,021.50	£206,456	4,603.00	£509,000	+2,581.50	<b>+£302,544</b>
<b>Specialty Doctor</b>	472.50	£29,569	0.00	£0.00	-472.50	<b>-£29,569</b>
<b>ST3+</b>	2,368.50	£175,980	1,347.50	£82,696	-1,021.00	<b>-£93,284</b>
<b>ST1/2</b>	5,743.00	£299,095	2,435.00	£126,547	-3,308.00	<b>-£172,548</b>

100% of Consultant expenditure is linked to vacant posts within Cardiology, Obstetrics & Gynaecology, Radiology, General Medicine, Trauma & Orthopaedics and Adult Psychiatry.

£73,637 was attributed to new bookings and £435,393 to extension of 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
<b>Consultant</b>	48.71%	1.04%	0.00%	0.00%	2.39%	47.86%
<b>SAS Dr.</b>	100%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>ST3+</b>	60.78%	11.13%	10.54%	0.00%	11.95%	5.60%
<b>ST1/2</b>	36.94%	1.40%	33.88%	26.67%	0.45%	0.66%

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 with further improvement to 47.23% in February.

### 3.3 Internal ad hoc locums

#### Assignments

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

April 18	May 18	June 18	July 18	Aug 18
81%	73.1%	70%	67%	69%

Sept 18	Oct 18	Nov 18	Dec 18	Jan 19	Feb 19
68%	79%	77%	75%	71%	81%

- The percentage of doctors paid at or below the capped rates based on hours in January stands at 86%, which again has improved on last month's performance.

April 18	May 18	June 18	July 18	Aug 18
86%	83%	78%	73.2%	78%

Sept 18	Oct 18	Nov 18	Dec 18	Jan 19	Feb 19
75%	86%	80%	80%	84%	86%

- The total number of hours booked for internal ad hoc locum cover in February increased slightly from 6,165 to 6,795. This marginal increase has been more than offset by the reduction in external agency usage.

### 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	Feb £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	1,254
<b>Actual Spend</b>										
1,079	1,224	1,678	1,664	1,585	1,633	1,695	1,806	1,680	1,720	1,624

- 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 and Mental Health overspent in February. Morryston and POW were the Delivery Units most overspent in February.

Unit	Expenditure Target	Financial Target	Financial Spend	% over and underspend
Morryston		418K	606K	45% +
POW		324K	508K	57% +
Singleton		262K	325K	24% +
MH/LD		160K	122K	24% -
Neath		61K	41K	33% -

#### 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 to meet with each Unit Medical Director and Service Director to discuss their local scrutiny process, agency and locum utilisation, off contract usage and use of Medacs permanent recruitment.
  - Medacs to produce a list of all locums booked over 3 months and to integrate this with the report on the longest serving Medacs locums.
  - Meetings between the Medical Workforce team and Medacs 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.
- Kendall Bluck (KB) have been contracted to work in the Emergency Departments (ED) at Morryston and Neath and to undertake a review of junior doctor rotas, across the Health Board. Their initial report was presented to the Executive Team on 27<sup>th</sup> February 2019. Their work was well received and a final presentation will take place on 3<sup>rd</sup> April. Attached at Appendix A is summary of the initial findings
- 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 2019. This arrangement has the potential to drive more competition, lower costs and greater fill rates.
- Attached as Appendix B are the list of internal doctors earning £120 or more per hour. 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. This has been included once more as this was not resolved at the last meeting.

#### **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 February 2019.
- **NOTE** the immediate actions outlined
- **NOTE** Kendall Bluck's initial findings.
- **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 third report for the Workforce and OD Committee to scrutinise the Welsh Government submission in line with their timetable.								
<b>Appendices</b>		Appendix A Kendall Bluck initial findings Appendix B: Internal doctors earning £120 or more per hour in February 2019								