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Bwrdd Iechyd Prifysgol
Abertawe Bro Morgannwg
University Health Board



Meeting Date	Performance and Finance	Agenda Item	2b
Report Title	Medical Locum Caps		
Report Author	Sharon Vickery, Assistant Director of Workforce - Delivery Units and Medical Staffing		
Report Sponsor	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.		
Presented by	Hazel Robinson , Director of Workforce and OD		
Freedom of Information	Open		
Purpose of the Report	<p>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.</p> <p>.</p>		
Key Issues	This report sets out progress, challenges and follow up actions required to improve implementation of the all Wales agency caps.		
Specific Action Required <i>(please ✓ one only)</i>	Information	Discussion	Assurance
			✓
Recommendations	<p>Members are asked to:</p> <ul style="list-style-type: none"> • Note the content of the Welsh Government submission and give retrospective approval to the documentation; and • Note the progress and challenges outlined and the follow up actions. 		

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. July data was submitted to Welsh Government on the 16th August 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:

2.1 Progress

1. Following the provision of further focused training and additional support the July 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.
2. **Agency** – once again less positive progress is reported for July 2018.

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

Assignments					
February 18	March 18	April 18	May 18	June 18	July 18
40.3%	47.2%	56.2%	36.2%	28.6%	20.89%

- The percentage of agency doctors paid at or below the capped rates based on hours deteriorated in July, 15.27% compared to 33.2% in June.

Hours					
February 18	March 18	April 18	May 18	June 18	July 18
43.1%	39.8%	41.5%	21%	33.2%	15.27%

- In June the hours utilised rose considerably to 6,678 from the May position but have increased again in July with them peaking at their highest rates since the cap was introduced at 10,252 hours. The increase of booked

hours is due to multiple extensions of existing agency locums which equates to 5,695 hours translating into £511,309.75 of cost and in addition 2,247 of hours for new bookings which translates into £144,220.74.

- Of the total 10,252 hours booked, existing and new bookings equate to 7,942, leaving the balance of 2,310 for more ad hoc bookings/requirements.
- 16 assignments account for 7,942 hours. Of these 1,120 hours (3 assignments) were secured below/at cap, with the remaining 6,822 hours (13 assignments) above cap. It should be noted that not all the booked hours will be worked in July as some of the bookings will extend into the following month(s).

Speciality	Grade	Location	Unit	Hours	Charge Rate	Requirement	Total Cost
Orthopaedics & Trauma	ST3+	Abertawe Bro Morgannwg University LHB	Princess Of Wales Hospital	360.00	£57.06	Extension	£20,541.60
Haematology	Cons	Abertawe Bro Morgannwg University LHB	Morriston Hospital	900.00	£83.61	Extension	£75,249.00
Obstetrics & Gynaecology	ST3+	Abertawe Bro Morgannwg University LHB	Princess Of Wales Hospital	360.00	£78.34	Extension	£28,202.40
Palliative Care	Cons	Abertawe Bro Morgannwg University LHB	Singleton Hospital	300.00	£133.03	New Booking	£39,909.00
Obstetrics & Gynaecology	ST3+	Abertawe Bro Morgannwg University LHB	Singleton Hospital	840.00	£79.38	Extension	£66,679.20
Obstetrics & Gynaecology	ST1	Abertawe Bro Morgannwg University LHB	Princess Of Wales Hospital	480.00	£62.11	Extension	£29,812.80
Radiology	Cons	Abertawe Bro Morgannwg University LHB	Princess Of Wales Hospital	950.00	£127.85	Extension	£121,457.50
Adult Psychiatry	Cons	Abertawe Bro Morgannwg University LHB	Mental Health	600.00	£97.23	Extension	£58,338.00
Obstetrics & Gynaecology	ST1	Abertawe Bro Morgannwg University LHB	Singleton Hospital	487.00	£56.22	New Booking	£27,379.14
Obstetrics & Gynaecology	ST1	Abertawe Bro Morgannwg University LHB	Singleton Hospital	480.00	£56.22	New Booking	£26,985.60
Orthopaedics & Trauma	ST1	Abertawe Bro Morgannwg University LHB	Princess Of Wales Hospital	340.00	£52.07	New Booking	£17,703.80
Orthopaedics & Trauma	ST1	Abertawe Bro Morgannwg University LHB	Princess Of Wales Hospital	320.00	£55.00	New Booking	£17,600.00
Oncology	Cons	Abertawe Bro Morgannwg University LHB	Singleton Hospital	405.00	£117.85	Extension	£47,729.25

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

- An analysis of the total hours booked revealed that 4,457 hours were booked for consultant cover, with 9 doctors booked in July at a cost of £475,731.
- Increasingly, Medacs are reporting that agency locum doctors are now negotiating strongly and report that junior doctors demanding circa £60.00 an hour with some registrars demanding over £100.00 an hour. Consultant cover is also very expensive with a number of Consultants being booked for long assignments. Some doctors are reported as saying “you need me, what are you going to pay me”.
- 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 July by individual Health Boards. The Committee will note that this Health Board has performed more positively

than other organisations although the number of hours is higher for the reasons mentioned above.

Health Board	Total nos. of hours booked July 18	Percentage compliance with cap or below cap
ABM	10,252	28.57%
C/V	1,899	18.36%
Hywel Dda	5,569	18.18%
Cwm Taf	4,312	12.50%

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

Assignments					
February 2018	March 2018	April 2018	May 2018	June 2018	July 18
60%	77%	81%	73.1%	70%	67%

- The percentage of doctors paid at or below the capped rates based on hours in May was 83% and in June was 78%. In July this stands at 73.2%.

Hours					
February 2018	March 2018	April 2018	May 2018	June 2018	July 18
70%	78%	86%	83%	78%	73.2%

- Linked to the increasing agency rates there is some evidence that doctors are more willing to undertake internal shifts, but will negotiate to obtain higher rates. The total number of hours for internal ad hoc locum cover in July was 8,403, compared with 6,678 in June.
- The Health Board has set a target agency/locum monthly spend as outlined in the table below. Actual expenditure for the financial year to date is as follows:-

February 18	March 18	April 18	May 18	June 18	July 18
Target					
£1,377K	£1,377K	£1,245K	£1,245K	£1,245K	£1,254K
Actual					
£1,026K	£1,243K	£1,079K	£1,224K	£1,678K	£1,664K

- A sharp increase in expenditure was recorded for June and this has continued, albeit marginally lower for July. This is the second month where expenditure is reported at above target levels. This is wholly attributable to

an increase in both agency expenditure, rising from £578K in June to £835K in July and ad hoc locum costs rising from £469,012 in June to £638,366 for July based on booked data.

- 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, Neath and Mental Health underspent, however Morriston and Singleton overspent with the greatest overspend again at POW during the month of July .

Unit	Expenditure Target	Financial spend
POW		£235K+
Singleton		£114K+
Morriston		£98K+
MH/LD		£9K-
Neath		£18K-

2.2 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 relays 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 IBG 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 enable 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 shift management and booking. This is a fairly new product and those who have purchased the product, including BCU 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:

Delivery Unit	June 18	July 18
Morrison	T&O dominated agency spend. Dental were the highest users of internal cover, with a spread across Anaesthetics, ED, Surgery and General Medicine.	Surgery dominated internal spend. ED were high users with Dental, 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.
Singleton	Agency in O&G. Paediatrics was its highest user of internal locums, with some cover provided in Surgery and General Medicine.	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.
POW	Agency doctors in O&G and internal cover was in the main concentrated in ED and Surgery.	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.

- 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 circa £1m per annum.

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. The 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 16th 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.
- The Health Board has agreed how to engage with this company. 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. It is anticipated that this work will commence in the autumn 2018.
- The vacancy situation had deteriorated following the August rotation of junior doctors. In August 2017 99 vacancies were reported at junior and middle grade level. At August 2018 123 vacancies are now in existence. This is likely to lead to a greater reliance on locum cover and may increase costs further.
- The Performance and Finance Committee again will note that fundamentally, the underlying factors impacting on the compliance with the medical locum cap and agency usage more generally will only be resolved through increasing the supply of medical staff. The recent decision of the Home office to remove doctors and nurses from the monthly quota for Tier 2 certificates should help any recruitment campaigns.
- 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 put forward 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.

- Undertaking a second BAPIO Campaign each year either in conjunction with All Wales or stand alone as a Health Board.
 - 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 Derby 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 57 consultants earning between £333.00 per hour and £154.50. It should be noted that a significant percentage of these are Consultant Anaesthetists working at weekends and being paid Waiting List Initiative rates for work that is not classed as such.

The Performance and Finance Committee will note that this was a feature of the previous month's paper.

- In respect to the cardio thoracic surgeons who covered annual leave at £333.00 per hour this is a long standing local arrangement outside of the amended consultant contract that needs to be reviewed. The Morrison Delivery Unit have noted that they are committed to reviewing this but wish it noted that the Health Board receive income of between £3K to £5.5K per cardiac case and if the activity is cancelled due to annual leave then this funding is lost .
- A 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, which is not a short term solution.
- 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: July WG Report

Appendix 2: July Finance Assessment

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

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

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

3. GOVERNANCE AND RISK ISSUES

The main risk with this work lies in 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.

4. RECOMMENDATION

Members are asked to note:

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

Governance and Assurance											
Link to corporate objectives <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		
					✓		✓				
Link to Health and Care Standards <i>(please ✓)</i>	Staying Healthy	Safe Care	Effective Care		Dignified Care		Timely Care	Individual Care	Staff and Resources		
			✓						✓		
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		A similar report is presented to the Committee monthly to scrutinise the WG submission which is submitted in line with their timetable.									
Appendices		Appendix 1: June WG Report Appendix 2: June Finance Assessment Appendix 3: June Agency Top Five Specialties by DU and Utilisation Appendix 4: June Internal Ad Hoc Locum Top Five Specialties by DU and Utilisation Appendix 5: July Internal doctors earning £120 or more per hour									