

A Picture of Healthcare

Report of the Auditor
General for Wales

October 2021



This report has been prepared for presentation to the Senedd under the Government of Wales Act 1998

The Auditor General is independent of the Senedd and government. He examines and certifies the accounts of the Welsh Government and its sponsored and related public bodies, including NHS bodies. He also has the power to report to the Senedd on the economy, efficiency and effectiveness with which those organisations have used, and may improve the use of, their resources in discharging their functions.

The Auditor General also audits local government bodies in Wales, conducts local government value for money studies and inspects for compliance with the requirements of the Local Government (Wales) Measure 2009.

The Auditor General undertakes his work using staff and other resources provided by the Wales Audit Office, which is a statutory board established for that purpose and to monitor and advise the Auditor General.

© Auditor General for Wales 2021

Audit Wales is the umbrella brand of the Auditor General for Wales and the Wales Audit Office, which are each separate legal entities with their own legal functions. Audit Wales is not itself a legal entity. While the Auditor General has the auditing and reporting functions described above, the Wales Audit Office's main functions are to providing staff and other resources for the exercise of the Auditor General's functions, and to monitoring and advise the Auditor General.

You may re-use this publication (not including logos) free of charge in any format or medium. If you re-use it, your re-use must be accurate and must not be in a misleading context. The material must be acknowledged as Auditor General for Wales copyright and you must give the title of this publication. Where we have identified any third party copyright material you will need to obtain permission from the copyright holders concerned before re-use.

For further information, or if you require any of our publications in an alternative format and/or language, please contact us by telephone on 029 2032 0500, or email info@audit.wales. We welcome telephone calls in Welsh and English. You can also write to us in either Welsh or English and we will respond in the language you have used. Corresponding in Welsh will not lead to a delay.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg.

Contents

About this report	4
Main report	5
Healthcare context	5
Healthcare strategy	7
Healthcare finances	11
Healthcare: demand and capacity	14
Healthcare performance	26
Healthcare: key issues	31

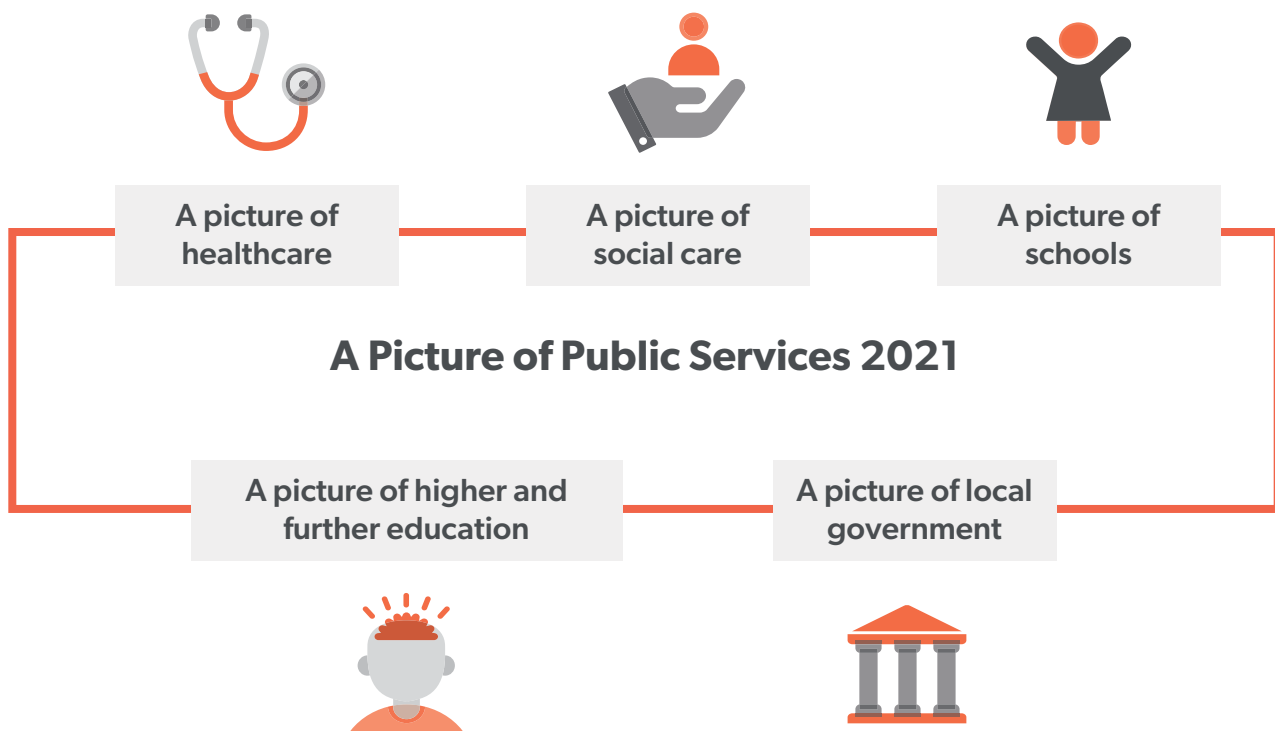
About this report

This report is part of a series of Picture of Public Services 2021 outputs. Our main Picture of Public Services 2021 report summarises some of the key trends in public finances and sets out our perspective on some of the key issues for future service delivery.

This report: A picture of healthcare summarises key information about healthcare in Wales including the strategic operating context, funding, performance and capacity. Healthcare is a hugely complex sector with specific issues affecting different parts of the system. This report is not intended to be comprehensive. It sets out what we consider to be some of the key issues for healthcare, recognising that other review bodies and commentators will have their own perspective on the key issues.

The report is based on a synthesis of our published work as well as research by other organisations.

Exhibit 1: Picture of Public Services outputs





Main report

Healthcare context

Delivering healthcare in challenging times

- 1 The COVID-19 pandemic has presented enormous challenges to public services and the people who deliver them. Some services were delivered differently, and others were paused. Staff had to adapt to new ways of working and many were redeployed to support the COVID-19 response. All of us at Audit Wales pay tribute to the dedication and extraordinary efforts of public servants during this difficult period.
- 2 At the time this report was written, the direct impacts of COVID-19 were still being felt. COVID-19 patients were still being admitted to hospitals and health bodies were trying to restart and recover their services. Work to understand the indirect impacts of COVID-19 had begun, but it was too early to gauge the scale and extent of these impacts.
- 3 The challenge of recovering services and addressing the indirect impact of COVID-19 will likely continue for years into the future. The problem is compounded by the fact that some healthcare services were already stretched before the pandemic. More immediately, health bodies continue to respond to the direct impact of COVID-19, operating within infection prevention control measures which limit physical capacity.
- 4 Despite the significant challenges ahead, there are opportunities to rebuild and deliver services differently, putting people at the centre of services, and learning from the collective response to COVID-19.

Structures and responsibilities

- 5 The Welsh Government sets the overall policy and strategic direction for NHS Wales. Healthcare services are delivered through seven local health boards, three NHS trusts¹ and two special health authorities². Health boards are responsible for the health and well-being of their local population which includes primary, community and secondary care services. The trusts are responsible for the ambulance service, public health, blood and non-surgical cancer services for parts of Wales.
- 6 In Wales, health boards are both providers and commissioners of services. They have contracts with dental and GP practices, optometry providers and pharmacies to deliver local services. Health bodies and the Welsh Government have worked together to establish collaborative commissioning arrangements, including via the Emergency Ambulance Services Committee, Welsh Health Specialised Services Committee and NHS Wales Shared Services Partnership. The Welsh Government's [website](#) explains the responsibilities of each organisation including other bodies that make up NHS Wales.

1 Public Health Wales, Velindre University, and Welsh Ambulance Service NHS Trusts.

2 Digital Health and Care Wales, and Health and Education Improvement Wales.

Healthcare strategy

Overall approach

- 7 The Welsh Government's strategic approach has evolved to focus on joining up health and social care and the vision of prudent healthcare. For the Welsh Government, prudent healthcare³ is about patients co-producing services with professionals based on what matters to them; prioritising people with the greatest health need first; avoiding unnecessary medical procedures; and reducing inappropriate variation by using evidence-based practices consistently.
- 8 The Welsh Government built on the prudent healthcare principles in its ten-year plan for health and social care: A Healthier Wales (2018). The plan aimed to create a 'whole system' approach to health and social care based on shared values and shift that system towards preventing illness, and promoting health and well-being. It intended digital technology to support transformation including sharing information between health and social care via the Welsh Community Care Information System. A Healthier Wales recognised the need to transform services by scaling up local innovation at pace. The Welsh Government set up a national Transformation Programme responsible for delivering the commitments in the plan.
- 9 Following the election, the Welsh Government published its new programme for government⁴ in June 2021. It included a specific well-being objective to create effective, high quality and sustainable healthcare. The programme for government provides more detail on how the Welsh Government intends to achieve its ambition including providing treatments which were delayed by the pandemic, improving patients' access to health professionals, and prioritising investment in mental health. Among other things, it also intends to reform primary care by bringing together GP services with pharmacy, therapy, housing, social care, mental health, community and the third sector.

3 The Welsh Government issued guidance on using prudent healthcare to improve services to health bodies in 2016.

4 Welsh Government, Programme for Government 2021 to 2026, June 2021

NHS planning requirements

- 10 The NHS Finance (Wales) Act 2014 requires health bodies in Wales to break even over a rolling three-year period. Health bodies must also have a three-year Integrated Medium Term Plan (IMTP) setting out how they will deliver services with the funding available.
- 11 The NHS Planning Framework sets out the Welsh Government's requirements and guidance for health bodies. The Welsh Government published a National IMTP for 2019-22 which brings together health bodies' IMTPs and explains how they are responding to national priorities. The Welsh Government sets out targets for health bodies in its NHS Delivery Framework and issues guidance for reporting against the Framework.
- 12 The Well-being of Future Generations (Wales) Act 2015 places a well-being duty on health boards and two of the three NHS trusts to set and publish well-being objectives. The duty requires the relevant bodies to carry out sustainable development by considering five ways of working: long-term; prevention; integration; collaboration, and involvement.
- 13 The Act established statutory Public Services Boards, of which local health boards are a member. NHS trusts are not statutory members of the Boards but work with them and other partners to plan and deliver services. Public Services Boards must undertake a local well-being assessment every five years, using local and national data to understand local need. The assessment informs a local well-being plan setting out the Public Services Boards' well-being objectives and the steps it will take to meet them.
- 14 The Social Services and Well-being (Wales) Act 2014 also requires health boards to work with councils in Regional Partnership Boards to assess the care and support needs in their area and identify what services are needed.

COVID-19 and beyond

- 15 In March 2020, the Welsh Government worked with NHS Wales to prepare for COVID-19. It relaxed targets and monitoring arrangements, provided emergency funding, and agreed with health bodies essential services to be maintained, and non-urgent activity to be paused⁵. The Welsh Government also told health bodies to work on a quarterly, six monthly, and then annual plans rather than three-year planning cycle. It also paused the requirement for health bodies to have a three-year IMTP. Since summer 2020, health bodies have been re-starting non-urgent activity where possible. Some stopped non-urgent activity again in the autumn of 2020 as infection rates rose.
- 16 Since 2020, the Welsh Government has worked with health boards, principal councils⁶, Public Health Wales and other partners to provide Test, Trace, Protect⁷ services. More recently, it has worked with Digital Health and Care Wales, health boards, Public Health Wales, NHS Shared Services, the Welsh Blood Service and other public and voluntary sector partners to deliver the COVID-19 vaccination programme⁸.
- 17 In 2021, the Welsh Government expects NHS Wales to address the direct and indirect harms associated with COVID-19. Its Annual Planning Framework 2021-22⁹ instructs health bodies to deliver services to prevent the 'four harms' (**Exhibit 2**). The Framework requires health bodies to balance their COVID-19 response with recovery planning.

5 Based on guidance in the World Health Organisation Essential Services Framework.

6 Principal councils are local government authorities in Wales which carry out statutory duties in their area. The term does not include town or community councils. All references to councils in this report refer to principal councils.

7 Auditor General for Wales, Test, Trace, Protect in Wales: An Overview of Progress to Date, March 2021

8 Auditor General for Wales, Rollout of the COVID-19 Vaccination Programme in Wales, June 2021

9 The Welsh Government's quarterly planning guidance for quarters 2, 3 and 4 for 2020-21 also required health bodies to set out how they would prevent the four harms.

Exhibit 2: the four harms

Source: NHS Wales Annual Planning Framework

- 18 The Welsh Government published an over-arching vision¹⁰ for recovering health and social care in March 2021. The document sets out the Welsh Government's priorities for health and social care as it looks towards recovery including:
- continued delivery of Test, Trace, Protect and the vaccination programme;
 - addressing the impact of COVID-19 on the health and social care workforce and wider population;
 - developing responsive primary and community care;
 - developing supportive mental health services;
 - delivering efficient and effective hospital services;
 - developing a resilient workforce; and
 - delivering a digital transformation programme in 2021.
- 19 The visioning document for health and social care includes specific priorities for planned care, cancer care, diagnostics, and social care. It also identifies opportunities to deliver services differently, particularly building on stronger use of technology and collaboration to respond to COVID-19. In May 2021, the Welsh Government committed to spend £1 billion to support its recovery plan. The Welsh Government has allocated £100 million of initial funding to fund immediate actions in its plan. Health boards have submitted plans to the Welsh Government setting out how they intend to use their share of the initial funding.

¹⁰ The Welsh Government, Health and Social Care in Wales – COVID-19: Looking Forward, March 2021

- 20 In March 2021, the Welsh Government published its National Clinical Framework. The Framework sets out planning and delivery arrangements for clinical services but also provides more detail on the Welsh Government's plans to set up an NHS Executive. It describes the future NHS Executive as a 'central guiding hand' over clinical services. In time, the Executive will incorporate existing national networks, programmes and support units.

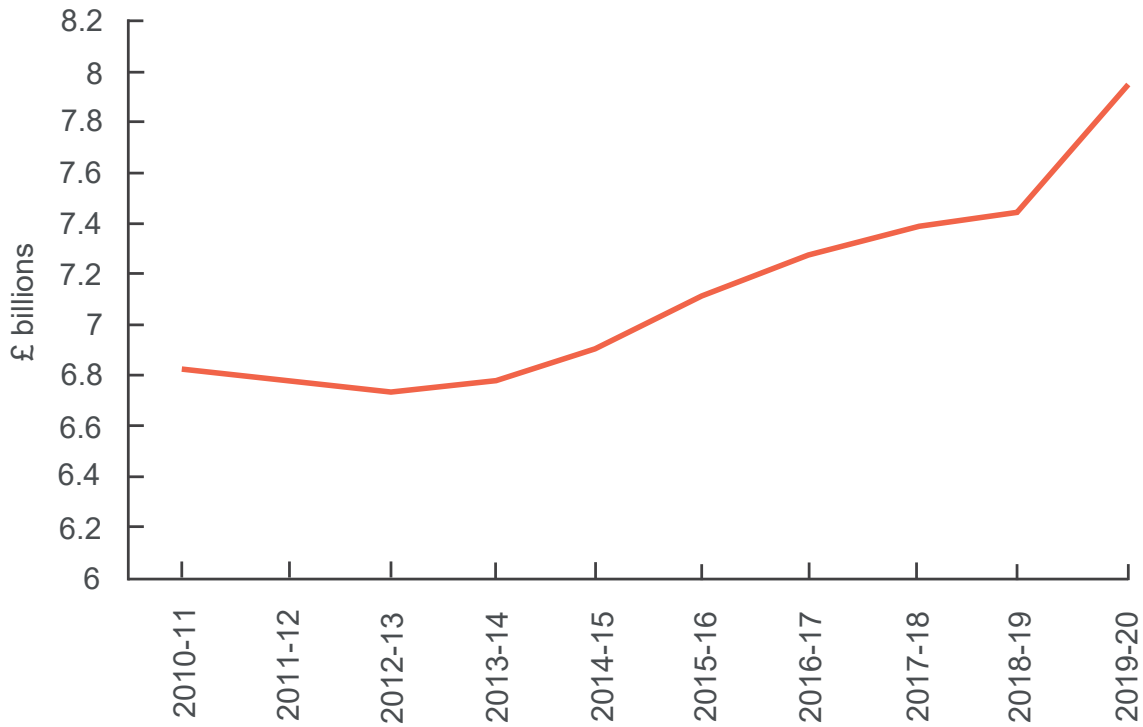
Healthcare finances

- 21 The Welsh Government sets the budget for health bodies in Wales. Our Guide to Welsh Public Finances¹¹ explains how the Welsh Government allocates funding and key issues for public bodies in setting their budgets.
- 22 The Welsh Government's budget for the day to day running of NHS services rose to almost £8 billion in 2019-20 – a real terms¹² increase of 16% since 2010-11 (**Exhibit 3**). In 2020-21, the health revenue budget increased by around £1.6 billion (a 13% increase in real terms), mostly due to extra funding to support the response to COVID-19. In early September, the UK Government announced additional funding for health and social care, which is expected to result in around £700 million extra annual funding for Wales by 2024-25, comprising UK-wide spending as well as funding through the Barnett formula.

11 Auditor General for Wales, Guide to Welsh Public Finances, July 2018

12 Real terms figures are adjusted to take account of inflation.

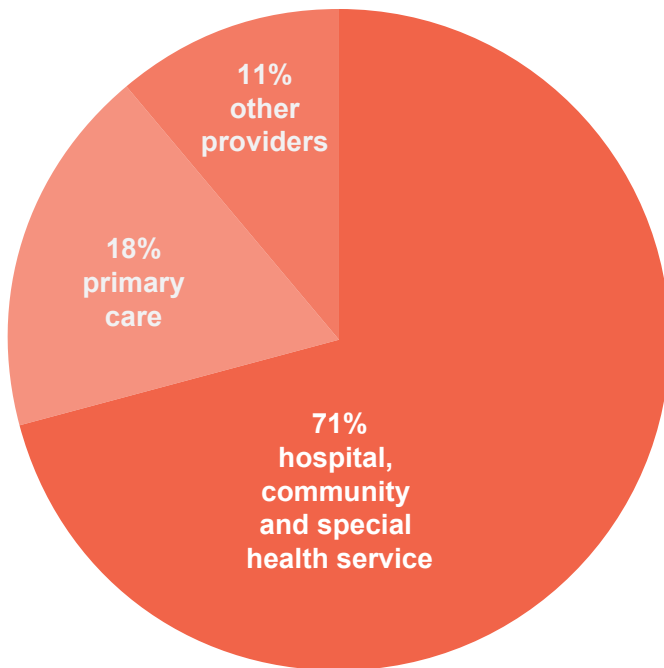
Exhibit 3: health revenue funding in real terms 2010-11 to 2019-20 (2019-20 prices)



Source: Audit Wales NHS Finances Data Tool

23 In 2019-20, almost three quarters of health revenue spending went on hospital, community and special health services (**Exhibit 4**).

Exhibit 4: health revenue spending by category 2019-20



Note: Hospital, Community and Special Health Services relates to spending on healthcare services that are provided in hospital, and a wide range of community services such as district nursing. Primary Care relates to spending on services provided by dentists, GPs, optometrists, pharmacists and other health professionals. Healthcare from other providers relates to spending on healthcare services provided by other organisations, not NHS Wales.

Source: NHS (Wales) Summarised Accounts Local Health Boards, NHS Trusts and Special Health Authority in Wales 2019-20

- 24 Despite increasing budgets, some health bodies have consistently failed to meet their financial duty to break even. Prior to the pandemic some were carrying large deficits. Our interactive data tool includes detailed information on [NHS finances](#) including spending on COVID-19. In July 2020, the Minister for Health and Social Services announced that to support COVID-19 recovery, the Welsh Government would write off £470 million of debt some health boards had amassed after failing to operate within their budgets.
- 25 Independent reviews in 2014 and 2016¹³ showed that the NHS faces cost pressures of around 3 to 4% each year on top of inflation. Between 2010-11 and 2019-20, funding for the NHS increased by an average of 1.7% a year, in real terms. These demand and cost pressures are part of the story that explains why, despite increased funding, the NHS has had to improve productivity and deliver cost savings each year and some health boards have struggled to live within their means.

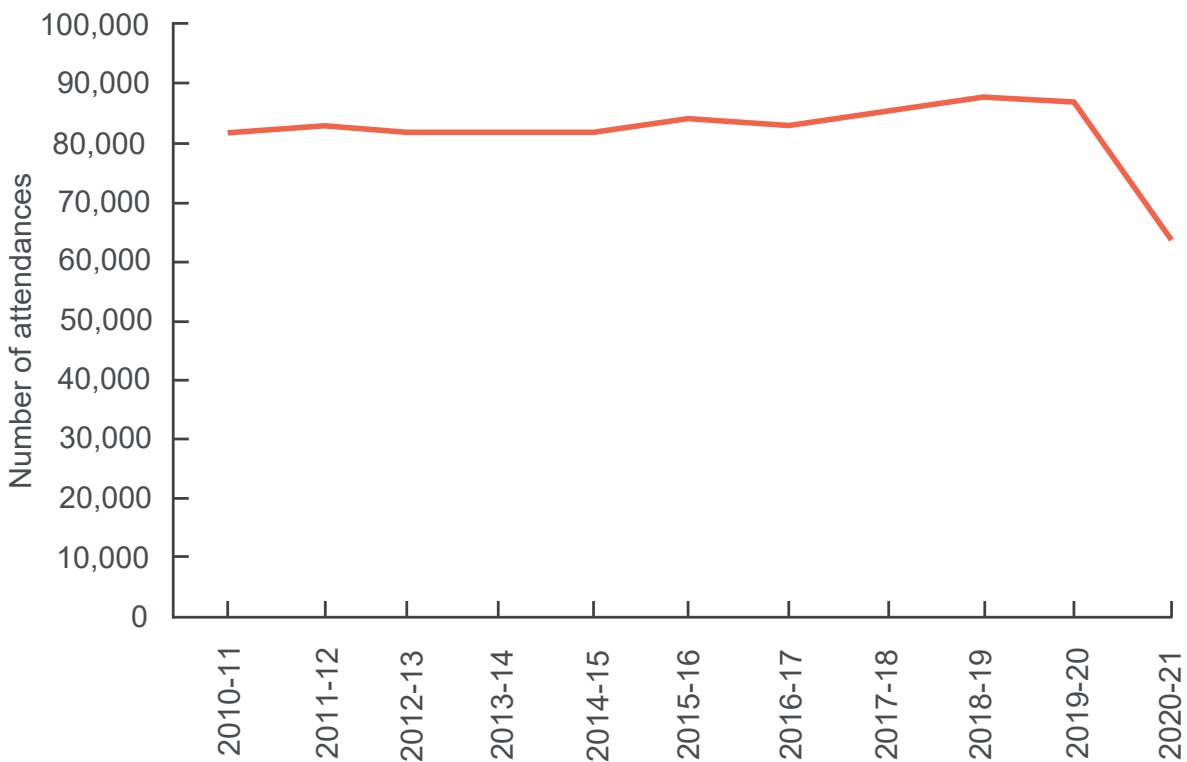
13 Nuffield Trust, A decade of Austerity in Wales? The funding pressures facing the NHS in Wales to 2025/26, June 2014; and Health Foundation, The path to sustainability: funding projections for the NHS in Wales to 2019/20 and 2030/31, October 2016

Healthcare: demand and capacity

Demand for some health services has steadily increased

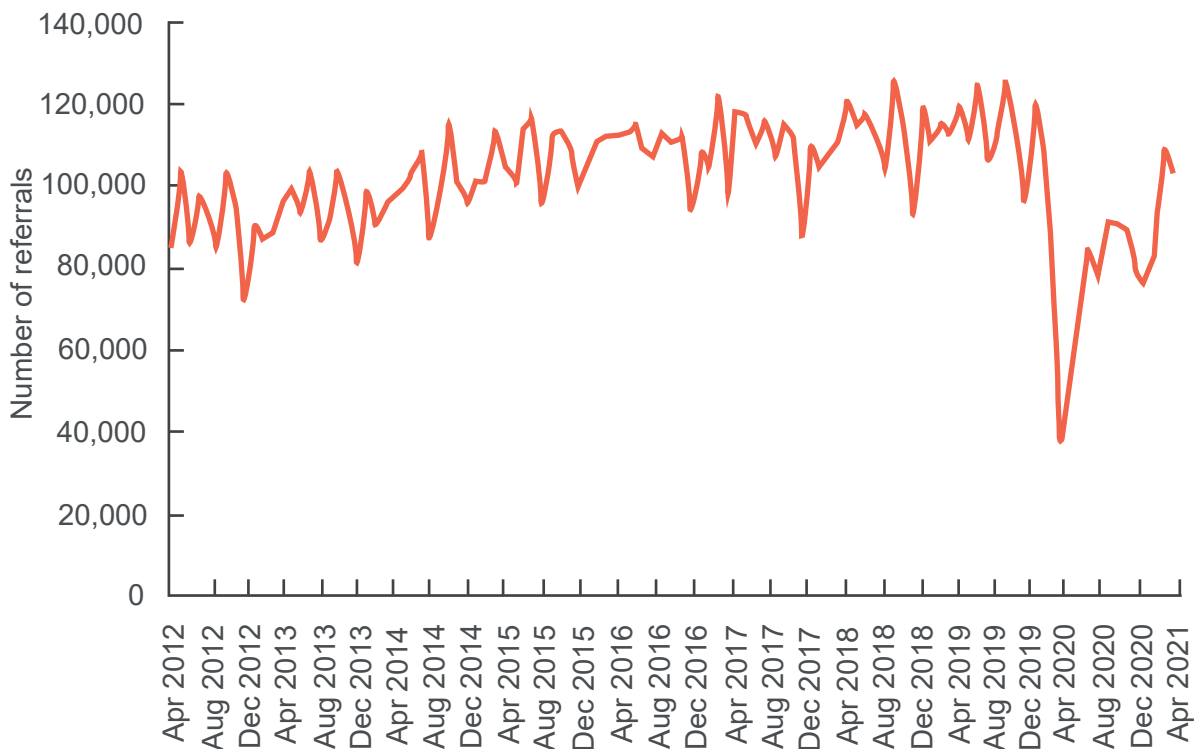
26 Welsh Government data shows that in the years before the pandemic, demand for key NHS services has been steadily increasing. Before the pandemic, the number of people attending emergency departments was increasing (**Exhibit 5**), and more people were being referred for a first outpatient appointment (**Exhibit 6**). As well as rising numbers, the NHS had also been seeing a shift in the age of patients, with the proportion of older people attending emergency departments steadily rising. COVID-19 had a dramatic impact on many parts of NHS Wales in March 2020, but activity has started to increase since then.

Exhibit 5: average annual emergency department attendances 2010/11 to 2020/21



Source: Audit Wales analysis of StatsWales: Accident and Emergency – Performance Against 4 Hour Waiting Times target

Exhibit 6: first outpatient referrals April 2012 to April 2021



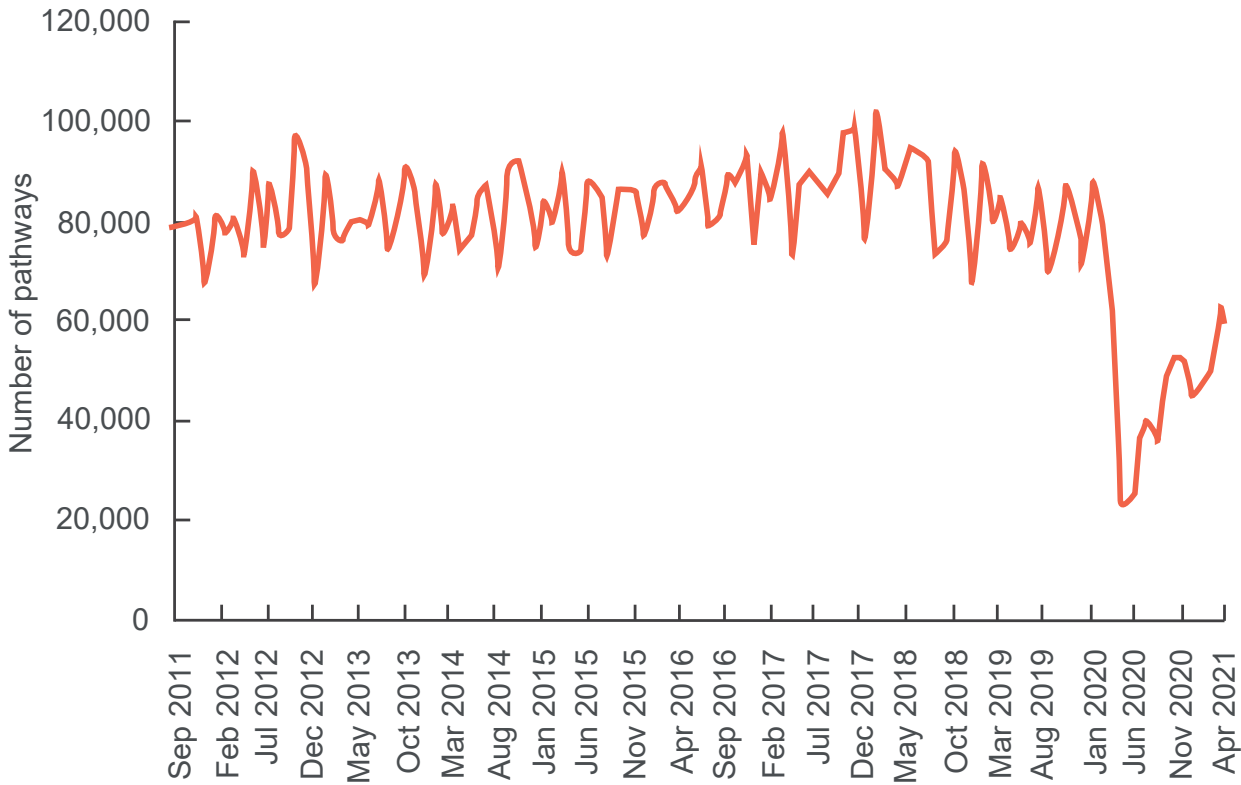
Source: StatsWales: Referrals by Local Health Board (area of residence)

- 27 Despite increased demand for planned care, the number of patient pathways closed¹⁴ each month started to fall in 2019 (**Exhibit 7**). In particular, rules¹⁵ on pension tax introduced by the UK government in 2019-20 had an impact on planned care in the months leading to the pandemic. In the past, the NHS relied on paying clinicians a premium rate to carry out work in their own time to improve waiting times. However, the new rules deterred many from taking on extra work because of the potential large tax bill it could incur.

14 A pathway is closed when a patient is admitted for their first definitive treatment, or a decision not to treat is made. Pathways are sometimes closed for other reasons such as if patients do not attend appointments.

15 In December 2019, the Welsh Government mirrored a temporary solution to the issue, implemented in England, whereby the NHS would pay for the tax liabilities. The Welsh Government's concerns are set out in a letter from the First Minister to the Permanent Secretary, directing her to implement the same approach as England.

Exhibit 7: patient pathways closed¹⁶ during the months September 2011 to April 2021



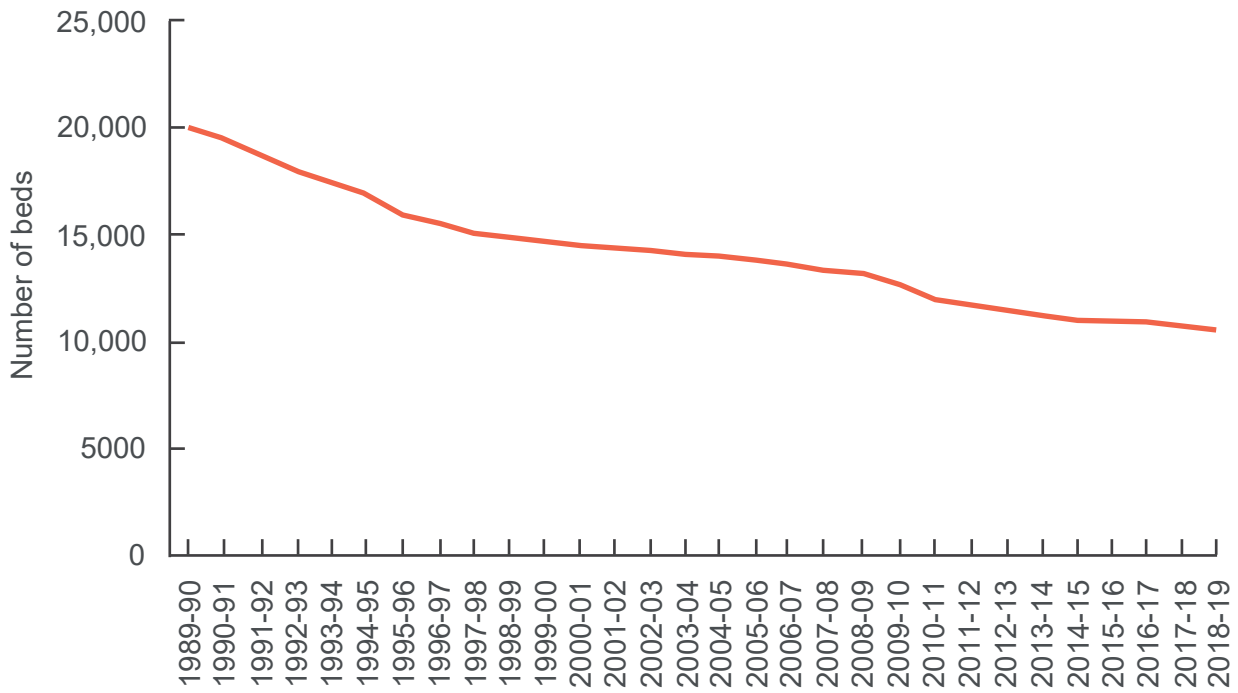
Source: StatsWales: Referral to Treatment – Closed Patient Pathways by Month

The number of NHS beds in Wales has been falling steadily for decades

28 COVID-19 put tremendous pressure on NHS services, but in many ways exacerbated problems that were already there. The number of daily available NHS beds in Wales almost halved from 1989-90 to 2018-19 (**Exhibit 8**). During this period, data on the length of time patients stayed in hospital suggests that NHS Wales made more efficient use of its beds which may account for some of the reduction in bed numbers. The Welsh Government stopped publishing bed numbers in 2019 but resumed during the pandemic. **Exhibit 9** shows bed numbers from April 2020 including temporary beds in field hospitals and other facilities. Bed data from 2020 onwards cannot be directly compared with previous years due to changes in the way health boards report bed numbers.

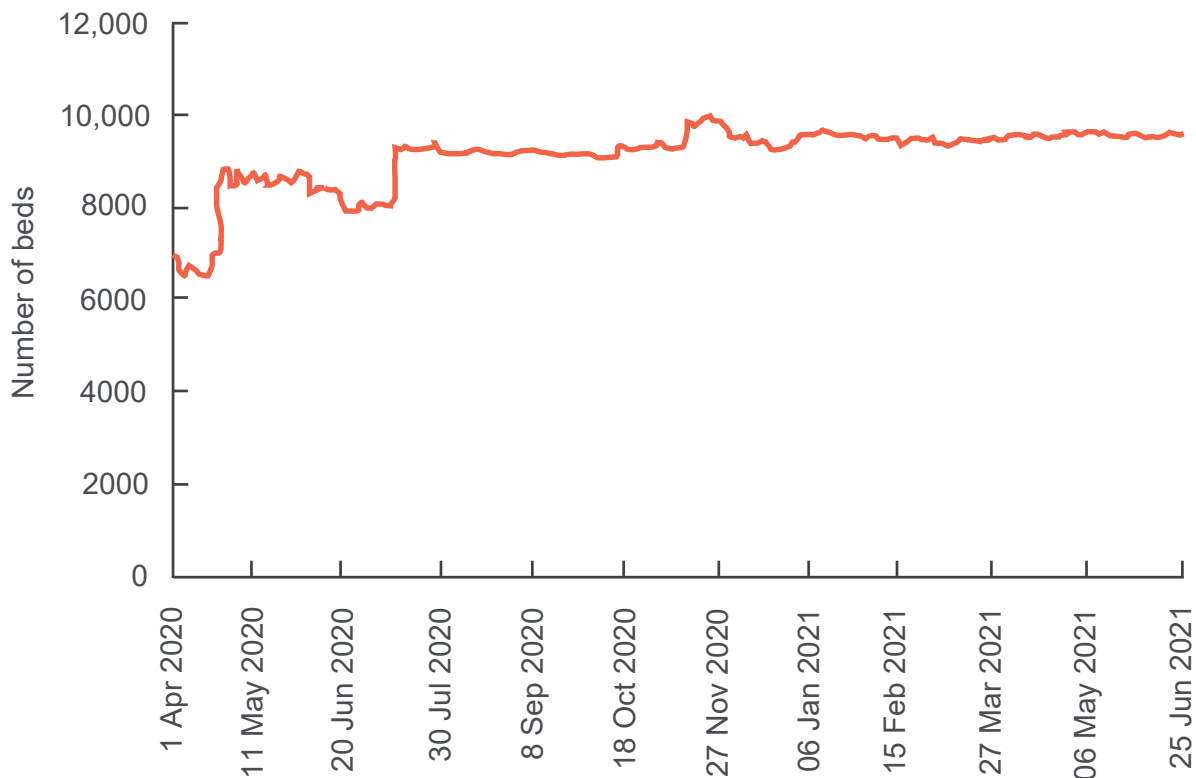
16 Patients with more than one condition can have more than one pathway.

Exhibit 8: daily available NHS beds 1989-90 to 2018-19



Source: StatsWales: NHS Beds Summary Data by Year

Exhibit 9: daily available NHS beds from 1 April 2020 to 25 June 2021



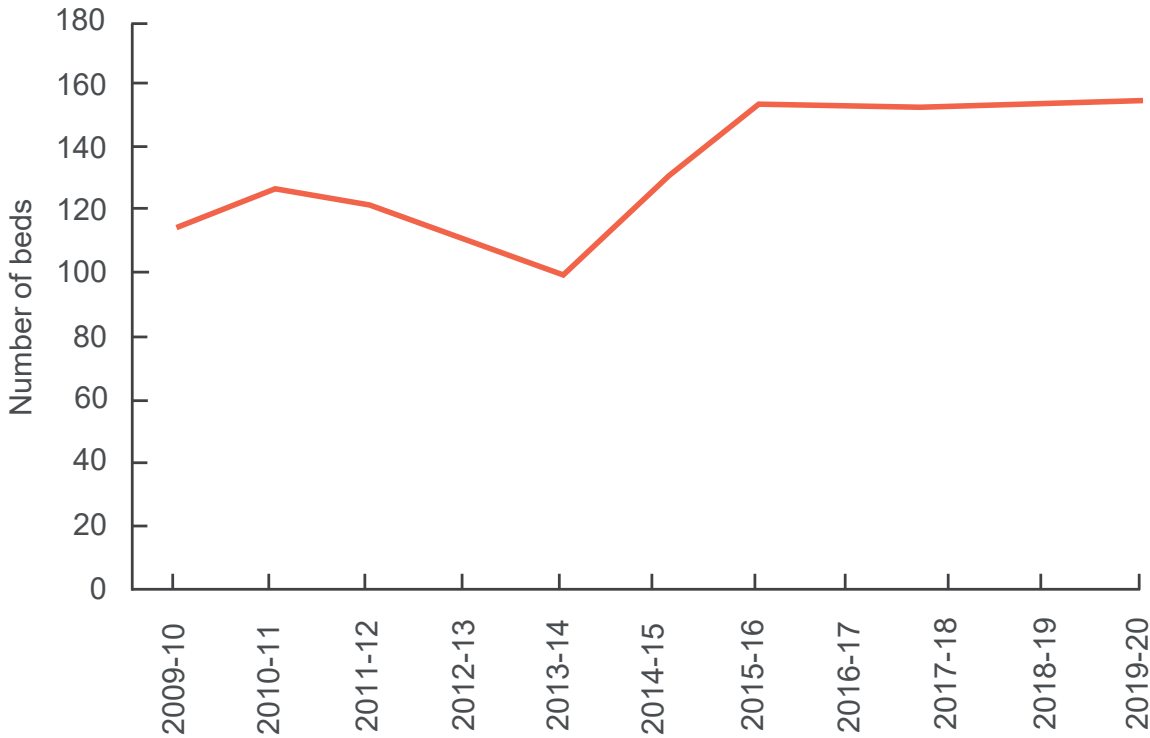
Note: StatsWales bed numbers include field hospitals from 20 April 2020 onwards, community hospitals from 23 April 2020 onwards, and mental health units from 10 July 2020 onwards.

Source: StatsWales: NHS Activity and Capacity During the Coronavirus – NHS Beds by Date and Use

29 The pandemic highlighted the low critical care bed capacity in Wales. The Welsh Government reviewed critical care capacity in 2018 and gave health boards £15 million recurring funding to increase beds and staffing. Despite investment, by 2019-20 there were 154 critical care beds (**Exhibit 10**) – the lowest per head of the population in the UK and amongst the lowest in Europe¹⁷. In response to COVID-19, health boards increased critical care capacity by repurposing capacity from elsewhere and cutting back on other services.

17 Faculty of Intensive Care Medicine and Intensive Care Society, Guidelines for the Provision of Intensive Care Services, June 2019

Exhibit 10: critical care beds 2009-10 to 2019-20



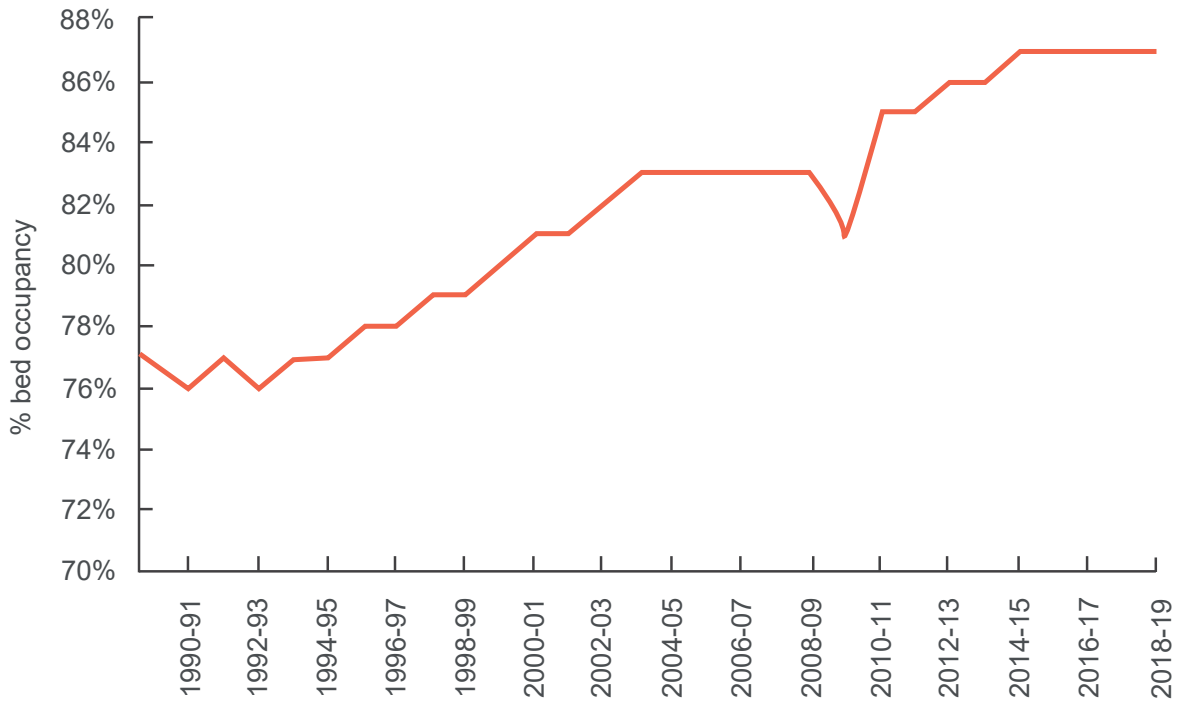
Source: StatsWales: NHS Beds by Specialty

Bed occupancy rates in Wales have been above recommended safe and efficient levels since 2012

30 The National Institute for Health and Care Excellence recommends¹⁸ bed occupancy rates should not exceed 85% because high occupancy rates are linked to poorer patient outcomes and periodic bed crises. Bed occupancy rates in Wales have been over 85% since 2012-13 (**Exhibit 11**). The Welsh Government stopped publishing data on bed occupancy in 2018-19 and resumed in April 2020. Occupancy rates fell dramatically in the first months of 2020-21 but have been over 85% in June 2021 (**Exhibit 12**).

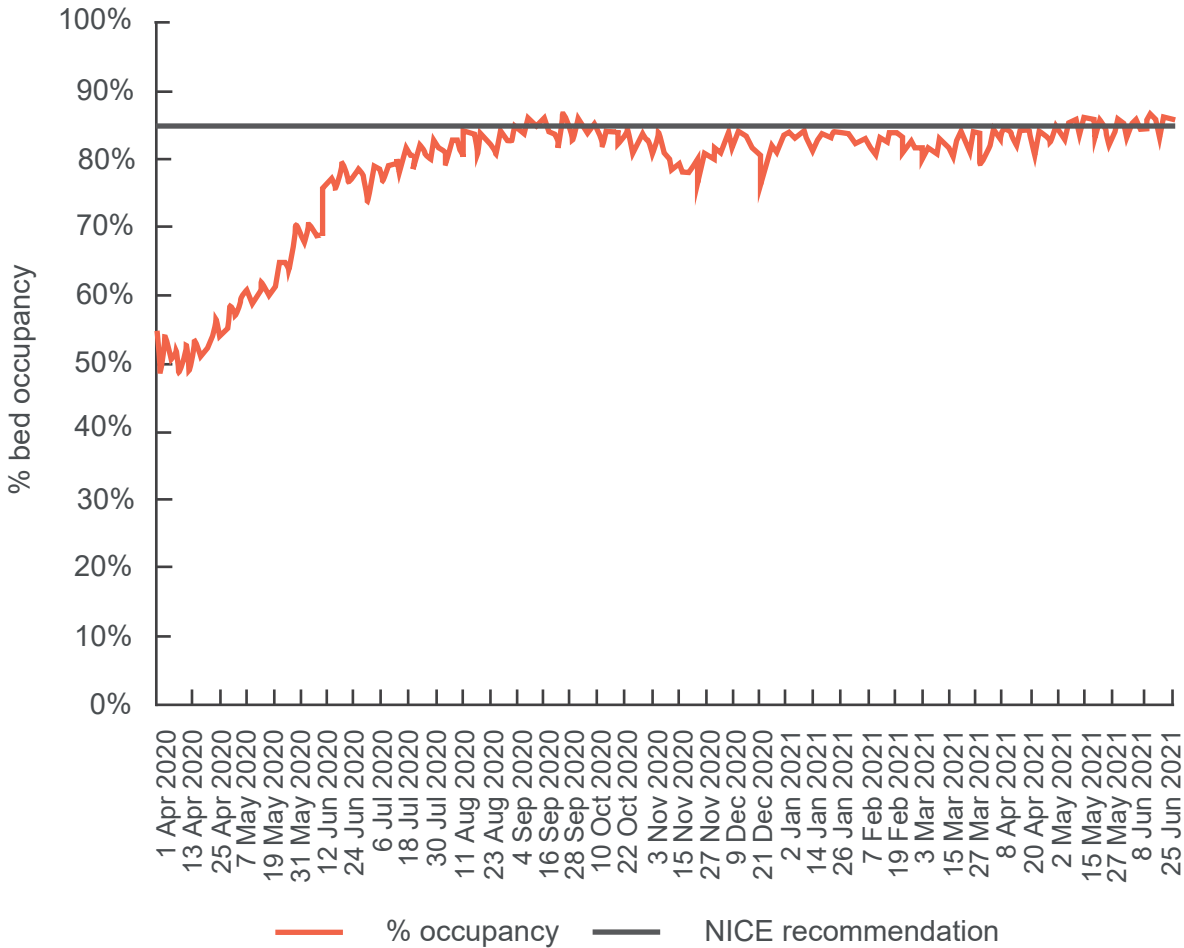
18 National Institute for Health and Care Excellence, Bed Occupancy. Emergency and Acute Medical Care in over 16s: Service Delivery and Organisation. NICE Guideline 94, March 2018

Exhibit 11: percentage bed occupancy 1989-90 to 2018-19



Source: StatsWales: NHS Beds Summary data by Year

Exhibit 12: percentage bed occupancy from 1 April 2020 to 25 June 2021



Note: The Welsh Government changed the way it reports bed occupancy several times during 2020 and 2021. It has not validated data from April 2020 onwards. One key change was to only count beds as available if there were enough staff to support them.

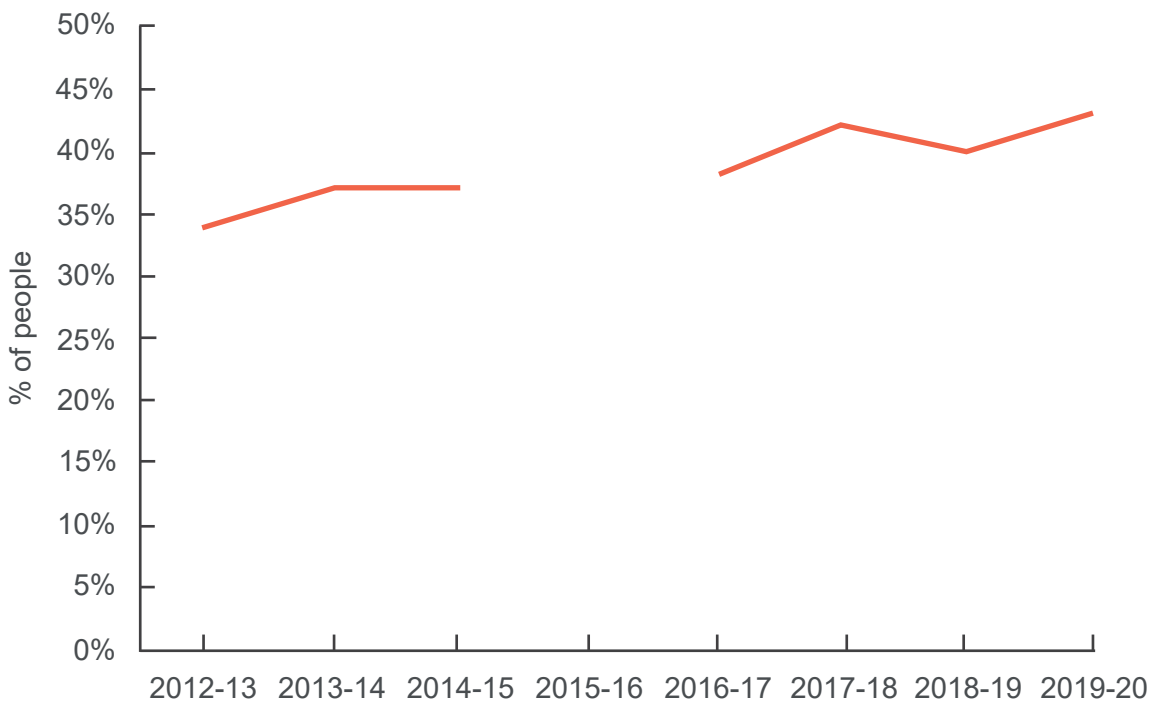
Source: StatsWales: NHS Activity and Capacity During the Coronavirus – NHS Beds by Date and Use

Prior to the pandemic, there is evidence that people struggled to get convenient GP appointments

- 31 For many years, primary and community care services have been a key part of the Welsh Government’s focus on preventing health issues getting worse and reducing pressure on general hospitals as a result. In particular, people who cannot access a GP or dentist may go to emergency hospital departments instead.

32 The number of GP practices in Wales has fallen from 476 in 2011 to 407 in 2019. The reduction may be due in part to different working arrangements including practices merging. The Welsh Government’s National Survey for Wales¹⁹ shows that in 2019-20, 43% of respondents found it very or fairly difficult to make a convenient GP appointment (**Exhibit 13**). In 2019, the Welsh Government introduced Access to In-hours General Medical Services Standards which set eight targets for GP practices to improve accessibility to GP practices by March 2021. GP practices achieving all eight would receive a share of £5.7 million funding. The Welsh Government decided not to monitor performance against the standard as a result of the pressure on GP telephone systems during COVID-19. It allocated £3.7 million in June 2020 for practices to improve digital telephone systems.

Exhibit 13: the percentage of respondents to the National Survey for Wales who found it fairly, or very difficult to get a convenient GP appointment



Note: Data for 2015-16 is not available.

Source: StatsWales – National Survey for Wales

19 National Survey for Wales data is available on the Welsh Government’s StatsWales website.

The NHS Wales workforce has increased but there are shortages in specific areas

- 33 The overall number of NHS Wales staff increased by 13% from 2010 to March 2020 (**Exhibit 14**). Numbers increased by another 5% from March to December 2020 as part of the response to the pandemic. Some of the additional staff are temporary. Medical and dental staffing has increased by 25% from 2010. However, representative bodies have highlighted specific gaps in the workforce including: the Royal Colleges of Anaesthetists²⁰, General Practitioners²¹, Nursing²², Ophthalmologists²³, Paediatricians²⁴, Physicians²⁵ and Radiology²⁶.
- 34 In the past, the Welsh Government published data on the number of GPs per 100,000 population and the number of whole term equivalents. It stopped publishing the data in 2018. The data shows that the number of GPs fell slightly (by 3%) from 2013 to 2018. Since March 2020 the Welsh Government has published quarterly data on the number of GPs employed in general practices but the data is not comparable to previous years. What the recent data does show, is that in September 2020 GP locums²⁷ made up a quarter of GP staff employed in GP practices contracted by health boards. Our 2019 report on primary care²⁸ described issues affecting the GP workforce in Wales including training, morale, pay and costs.
- 35 More recently, some health boards are concerned that staff are leaving or retiring early due to the pandemic. In April 2021, the British Medical Association published results from its COVID-19 tracker survey of UK doctors²⁹. Almost a third of respondents said they are now more likely to take early retirement, a quarter are more likely to take a career break, and 21% are more likely to leave the NHS for another career. The Welsh Government has not yet published staff numbers since December 2020, so it is difficult to understand the impact of the pandemic on the permanent workforce.

20 The Royal College of Anaesthetists, Medical Workforce Census Report, 2020

21 The Royal College of General Practitioners Wales, Transforming General Practice, Building a Profession Fit for the Future, December 2018

22 The Royal College of Nursing, Staffing for Safe and Effective Care in the UK, 2020

23 The Royal College of Ophthalmologists, Workforce Census, 2018

24 The Royal College of Paediatricians and Child Health, 2017 Workforce Census: Focus on Wales, 2017

25 The Royal College of Physicians, The Medical Workforce BC (Before COVID-19): the 2019 UK Consultant Census, 2019

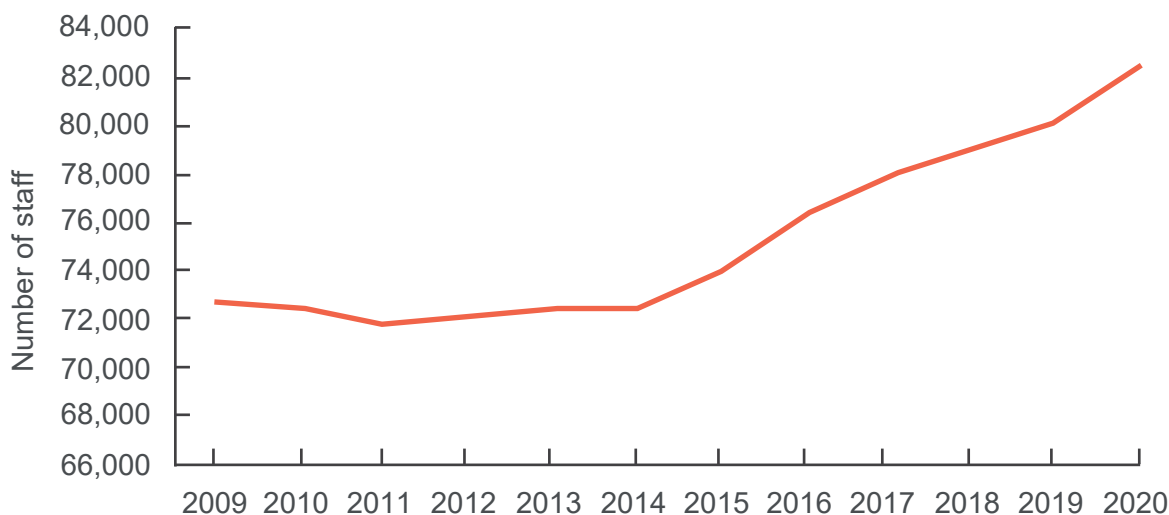
26 The Royal College of Radiologists, Clinical Radiology UK Workforce Census 2020 Report, 2020

27 GP locums are self-employed contractors who typically cost GP practices more money.

28 Auditor General for Wales, Primary Care Services in Wales, October 2019

29 The survey is based on a self-selecting sample of doctors working in the UK.

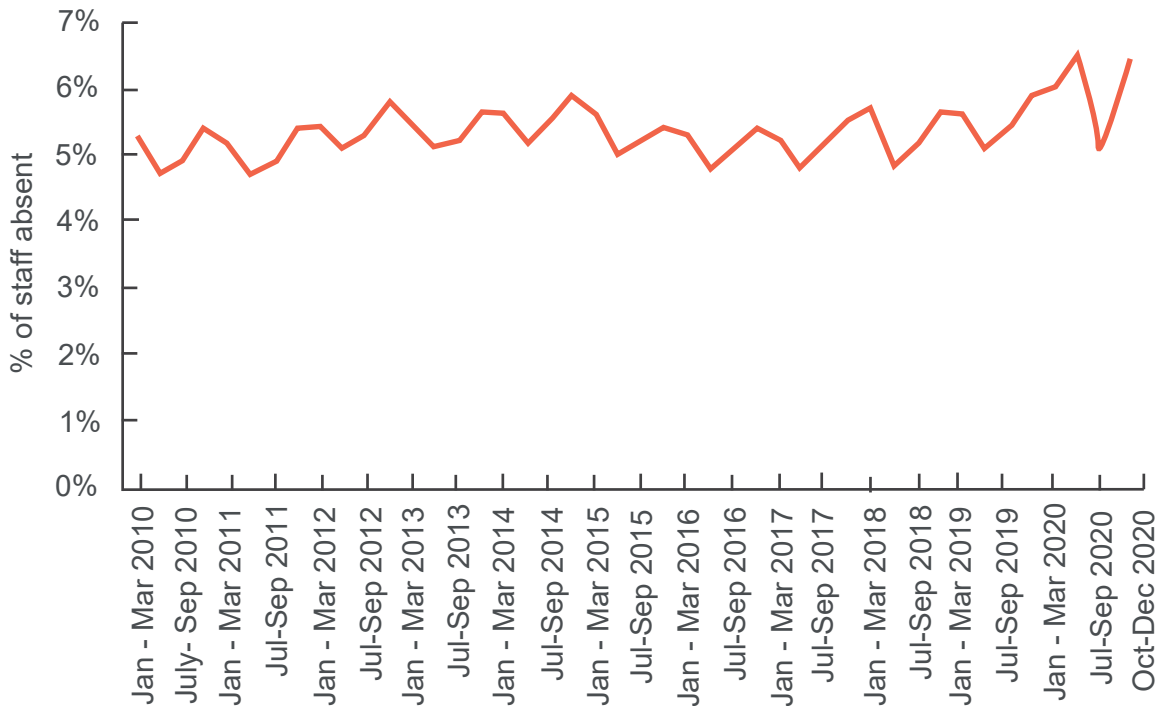
Exhibit 14: number of NHS staff 2009 to 2020



Source: StatsWales: NHS Staff Summary

36 **Exhibit 15** shows sickness absence rates (for any reason) amongst NHS staff increased during 2020. In evidence to the Public Accounts Committee in March 2021, the Chief Executive of NHS Wales described the considerable pressure the pandemic has put on health and social care staff. He warned of long-term impacts on the mental and physical health of staff including Post Traumatic Stress Disorder. Despite support mechanisms and a 5% increase in the NHS workforce, he recognised more investment is needed to ensure a resilient NHS workforce.

Exhibit 15: sickness absence rates in NHS staff from January 2010 to December 2020



Source: StatsWales: Sickness Absence – Percentage Absent by Staff Group

There are direct and indirect impacts of COVID-19 on the health and well-being of the population

- 37 We do not know the full impact of the pandemic on the population. Grief, trauma, isolation and loss have taken their toll, but it is too soon to understand the scale of the health issues the pandemic has caused. The NHS is still treating COVID-19 patients, rehabilitating people who experienced severe symptoms, and learning how to treat patients with long COVID.
- 38 Throughout the pandemic, Public Health Wales has been looking at the broader impact of COVID-19 on the population through its national engagement survey, health impact assessments, and international research. In March 2021, it published a health equity report³⁰ mapping the social, economic and environmental impact of COVID-19. Public Health Wales also plans to develop a dashboard of data on health and well-being trends.

30 Public Health Wales, Placing Health Equity at the Heart of COVID-19 Sustainable Response and Recovery: Building Prosperous Lives for all in Wales, March 2021

- 39 Stopping and reducing non-urgent activity also means that some patients on the waiting list will have developed more severe symptoms while they wait, and now need urgent treatment. Pauses to some screening programmes increase the risk of undetected cancers, or cancers not identified early enough for successful treatment. Other health conditions may have gone undetected because people were worried about going to their GP or emergency departments³¹.
- 40 Public Health Wales' health equity report estimated between 361 and 1,231 additional lives had been lost due to delayed cancer screening, referral backlogs and restricted diagnostic capacity. The report also described spiralling demand for mental health services. **Exhibit 6** (in previous section) shows that overall referrals fell dramatically in the first months of the pandemic and have not fully returned to pre-COVID levels. We do not know why referrals have not returned to previous levels. It is possible that pent up demand will become apparent as infection levels fall and people become more confident visiting health professionals.

Healthcare performance

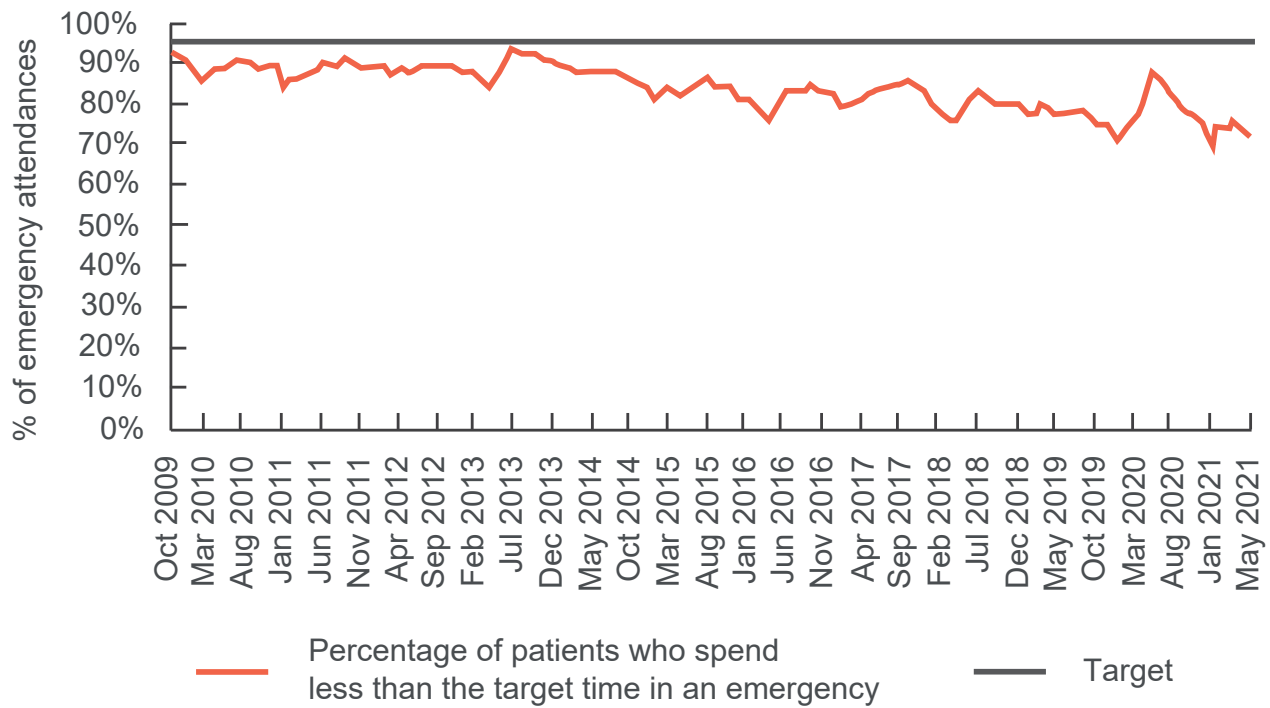
- 41 The Welsh Government publishes health board level data on NHS activity and performance monthly on an NHS Wales [dashboard](#).

NHS Wales has not met some key targets for almost a decade

- 42 Despite increasing activity, NHS Wales has not met key targets on the timeliness of emergency and planned care, and cancer services for several years (**Exhibits 16 to 18**). Performance against targets varies considerably between health boards.

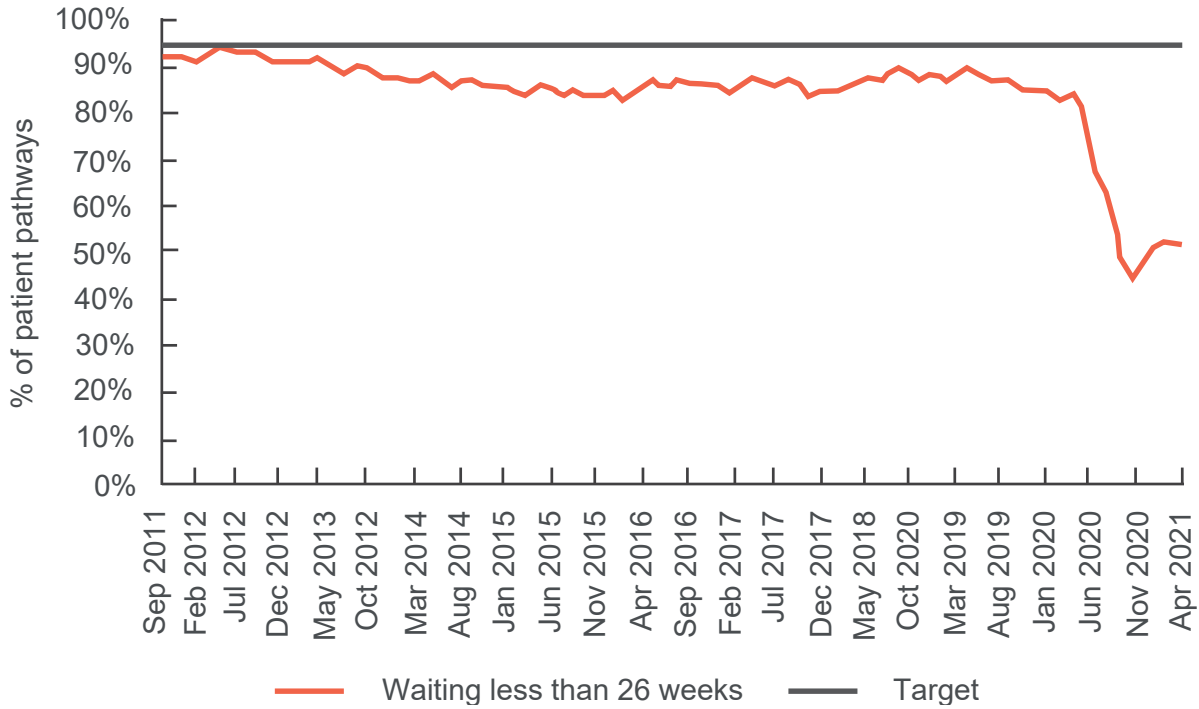
31 Although attendances at emergency departments may have reduced due to 'phone first' triage systems introduced by hospitals during COVID-19.

Exhibit 16: percentage of attendances spending less than four hours in an emergency department October 2009 to May 2021



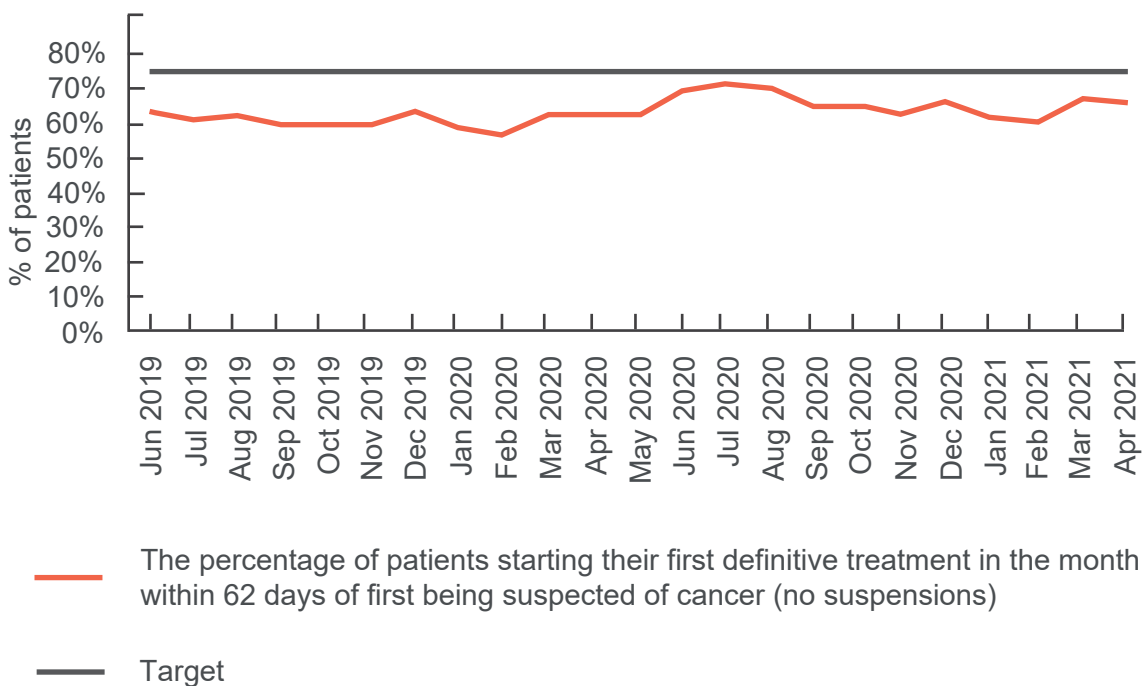
Source: StatsWales: Accident and Emergency – Performance Against 4 Hour Waiting Times target

Exhibit 17: percentage of patient pathways waiting less than 26 weeks to start treatment September 2011 to April 2021



Source: StatsWales: Patient Pathways Waiting to Start Treatment

Exhibit 18: percentage of cancer patients starting treatment in the month within 62 days of first being suspected of cancer July 2019 to April 2021

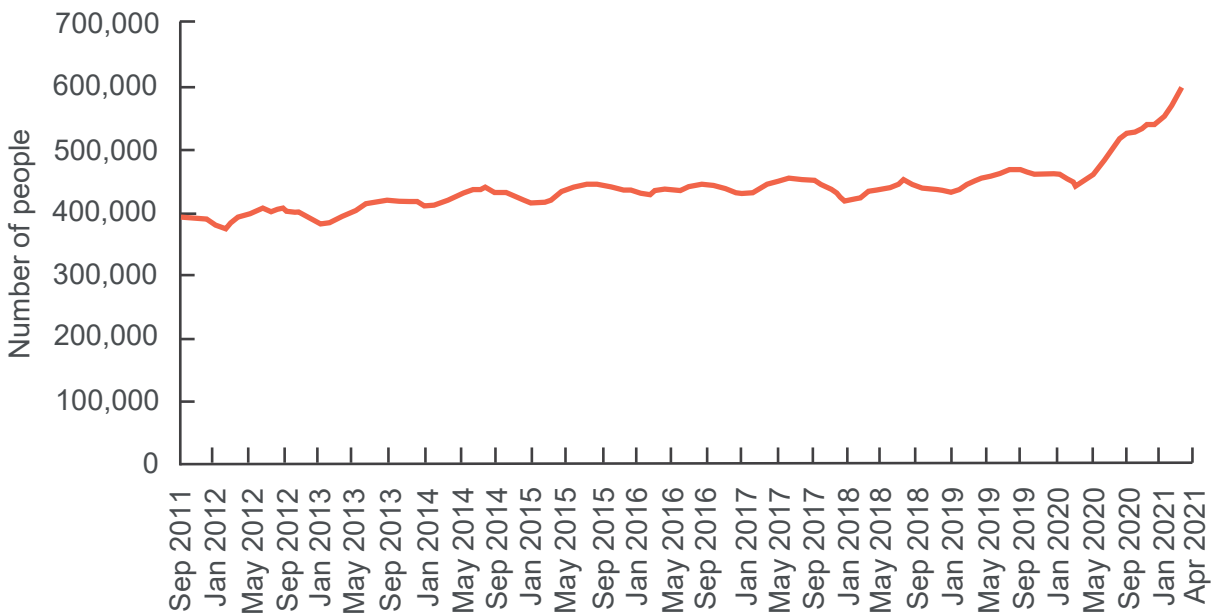


Source: StatsWales: Suspected Cancer Pathway – Closed Pathways

There are significant backlogs of patients waiting for treatment

43 As in the other UK nations and other parts of the world, pauses and reductions in non-urgent activity during the pandemic increased the backlog of patients waiting for treatment dramatically. By February 2021, there were almost 550,000 open patient pathways (**Exhibit 19**) representing huge numbers of people on the waiting list for treatment and a 19% increase from February 2020; over half had been waiting more than 26 weeks. Wales Fiscal Analysis’ review³² of the NHS and the Welsh Budget estimates that restoring NHS waiting lists to pre-COVID levels could cost between £152 million and £292 million a year over a four-year period from 2022-23.

Exhibit 19: number of people waiting for planned treatment September 2011 to April 2021

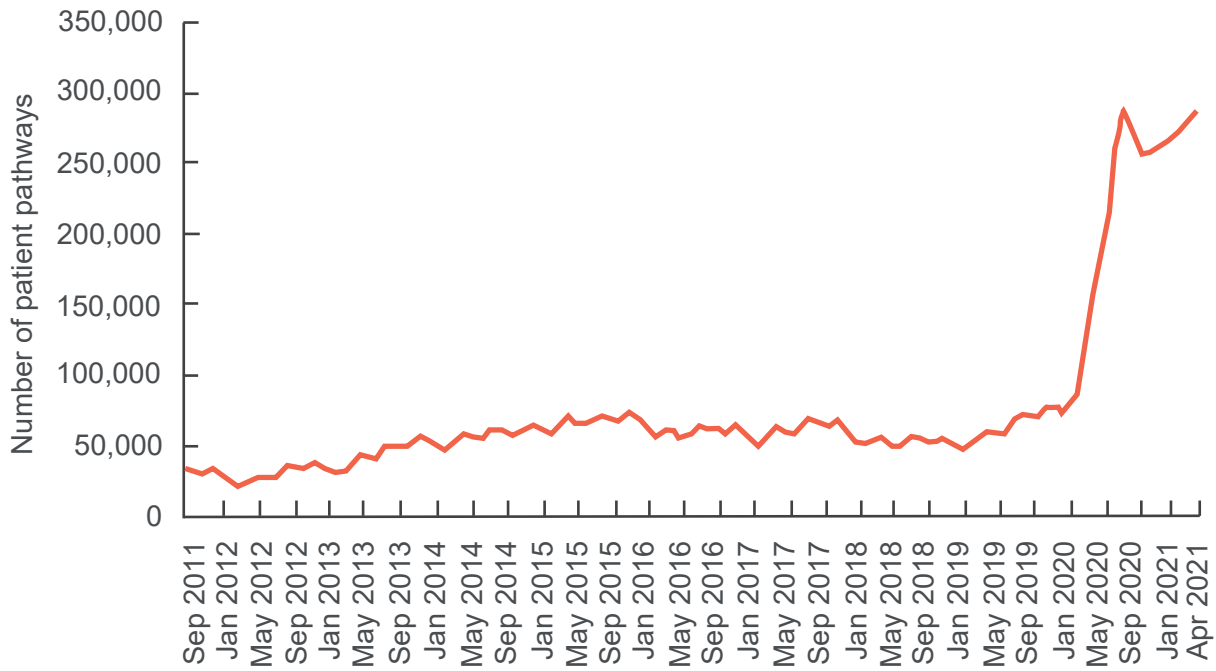


Source: StatsWales: Patients Waiting to Start Treatment by Month

44 However, pre-COVID waiting lists were already under considerable pressure. Some health boards had made progress reducing the number of patients waiting more than 26 weeks for treatment but the target across Wales had not been met and the position had been deteriorating through 2019-20. **Exhibit 20** shows that pre COVID-19 (February 2020) there were over 72,000 patient pathways waiting more than 26 weeks for treatment.

32 Wales Fiscal Analysis, The NHS and the Welsh Budget: Outlook and Challenges for the Next Welsh Government, April 2021

Exhibit 20: numbers of patient pathways waiting over 26 weeks for treatment September 2011 to April 2021



Source: StatsWales: Closed Patient Pathways by Month

Healthcare: key issues

Whole system change is overdue

- 45 Before the pandemic, parts of the health system, and health and social care as a 'whole system' were under great pressure. In 2016, the [then] Minister for Health and Social Services announced a parliamentary review by an independent panel of experts on the future of health and social care. The review³³ found that service delivery was not consistently good and a risk averse culture was hindering change. A Healthier Wales set out plans to address the issues in the parliamentary review and said services had to transform quickly.
- 46 The Welsh Government and health bodies have long recognised the need to change. Over the last decade, our reports have found positive examples of innovation and improvement across NHS Wales. So far, change has been limited to a few small areas and Welsh Government initiatives including the Planned Care Programme, and new models of care funded by the Transformation Fund and Integrated Care Fund³⁴, have been slow to affect system wide transformation.
- 47 In 2019-20, we followed up our review of NHS waiting times for elective care. Despite some progress, we found that the whole system change needed to create sustainable planned care services had not happened. Our report set out ten opportunities for resetting and restarting the planned care system³⁵. Since then, the Welsh Government told us it is making progress against those opportunities, including exploring new ways of managing waiting for elective care to better focus on patient outcomes and prioritise those in greatest need.

33 Parliamentary Review of Health and Social Care in Wales, Interim Report, July 2017, and Final Report, January 2018

34 Auditor General for Wales, Integrated Care Fund in July 2019

35 Auditor General for Wales, 10 Opportunities to Reset and Restart the Planned Care System, September 2020

Learning from the COVID-19 response offers opportunities to overcome barriers to transformation

- 48 Positively, health bodies, principal councils and their partners moved a step closer to operating as a whole system in their collective response to COVID-19. Our reports on Test, Trace, Protect, Personal Protective Equipment³⁶, and the vaccination programme all describe strong collaboration between different organisations and delivery at pace. With Test, Trace, Protect, public bodies worked together to design and deliver a new service from scratch in a few months. The NHS Confederation's COVID-19 Transformation and Innovation Study³⁷ describes examples of innovation during the pandemic. In the COVID-19 crisis, public bodies overcame some of the barriers to successful collaboration and service delivery they have struggled with for years.
- 49 The pandemic accelerated digital transformation projects that could offer learning to address weaknesses in the delivery of other projects. Our reports on NHS Informatics Systems³⁸ and the Welsh Community Care Information System³⁹ described slow progress implementing digital programmes. However, during the pandemic, public bodies quickly put in place digital solutions to organise and deliver services, communicate with patients and colleagues and for collaboration. For Test, Trace, Protect, Digital Health and Care Wales worked with the private sector to develop and implement a digital platform for contact tracing at pace. Similarly, it quickly developed the Welsh Immunisation System for the vaccination programme.

There are opportunities to better focus the health system in Wales around outcomes for patients and the wider population

- 50 Our 2020 waiting times work (paragraph 47) said that sometimes the focus on meeting targets can distort clinical decision making and prioritising patients by need. For decades, large parts of NHS Wales have been driven by the need to meet timeliness targets rather than the outcomes for patients. There are opportunities to reflect on accountability arrangements as the Welsh Government develops its NHS Executive. In bringing national delivery, oversight and improvement functions together, NHS Wales could reflect on getting the right balance between quality, delivery and patient outcomes.

36 Auditor General for Wales, Procuring and Supplying PPE for the COVID-19 Pandemic, April 2021

37 NHS Confederation, NHS Wales COVID-19 Innovation and Transformation Study Report, June 2021

38 Auditor General for Wales, Informatics Systems in NHS Wales, January 2018

39 Auditor General for Wales, Welsh Community Care Information System, October 2020

- 51 Going forward, there may be opportunities to better connect health and social services with broader public services to form a whole system response to the direct and indirect harms of COVID and improving population health. The pandemic highlighted significant health inequalities across the UK, particularly around ethnicity and deprivation, that require new energy and resource to tackle. Public Health Wales' health equity report said the pandemic revealed the chronic under-resourcing of public health, disease prevention and health promotion.
- 52 The Welsh Government's Recovery Plan for Health and Social Care recognised the need to tackle the wider determinants of health such as housing, employment and education to prevent problems occurring or getting worse. In his evidence to the Public Accounts Committee (paragraph 36), the Chief Executive of NHS Wales said the pandemic has elevated expectations of a 'wellness' service.

Transforming services at the same time as tackling backlogs and the ongoing COVID-19 response will be challenging

- 53 In May 2021, the Welsh Government allocated £100 million between health boards to tackle the backlog of patients waiting for treatment. Some of the extra activity will be done by paying existing staff to work overtime. Staff are tired and many have worked long hours during the pandemic. Health boards can pay private providers to see NHS patients but private capacity in Wales is not huge and some is already being used to deliver essential services during the pandemic. In addition, private providers often use NHS staff outside their contracted hours to do the work. Recruiting additional staff relies on the right staff being available.
- 54 Now, with huge backlogs of patients waiting to be seen, the need for transformation is greater than ever. But the challenge of achieving it is considerable. Large scale transformation takes leadership, energy and staff resources. Health bodies need breathing space to plan and do things differently. Existing workforce shortages have been compounded by COVID-19 sickness and self-isolation due to exposure to COVID-19, and by the redeployment of NHS staff into the ongoing COVID-19 response. In addition, many staff carried forward annual leave during the pandemic.

- 55 COVID-19 is still active across the UK and transformation must be balanced with treating and reducing the spread of the virus. Test, Trace and Protect services and the vaccination programme will continue, with plans to give booster vaccinations in the near future. Health bodies will also have to deliver the seasonal flu vaccination programme as usual. In addition, social distancing and other measures to prevent transmission limit productivity because they restrict the number of staff and patients who can safely use buildings. Even with significant investment, the NHS needs staff and safe premises to treat the backlog which will be challenging while the COVID response continues.



Audit Wales

24 Cathedral Road

Cardiff

CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

We welcome telephone calls in
Welsh and English.

E-mail: info@audit.wales

Website: www.audit.wales