



# **The Review of Health and Social Care in Wales**

## **Summary**

The full report may be viewed at:  
**[www.wales.gov.uk/subieconomics/hsc-review-e.htm](http://www.wales.gov.uk/subieconomics/hsc-review-e.htm)**

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In October 2002, the Finance Minister of the Welsh Assembly Government announced a substantial increase in future resources to be allocated to health in Wales. It was made clear that the extra resources had to be allied to improved performance and modernisation of health and social care services. Concurrently, a team was established to review health and social care in Wales and to examine how resources should be translated into reform and improved performance. The team was advised by Derek Wanless who was the author, for the Chancellor of the Exchequer, of *Securing our Future Health: Taking a Long Term View* ("The Wanless Report"). The team included representatives from the NHS, the National Audit Office and the Welsh Assembly Government. It reported to a project board and drew on the expertise of many people and organisations - and on that of an expert reference group - and undertook a widespread consultation exercise. The report was published in July 2003.

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## Looking to the Future

**Demand for health and social care services could overwhelm the system of provision and the workforce.**

**The increase in funding announced in the Comprehensive Spending Review 2002 should provide greater certainty about future resources.**

**Health and social care organisations will need to improve performance and modernise services to justify increases in resources.**

**Citizens and communities will need to be involved in the decision making about health and social care services and must contribute by taking greater responsibility for their own health.**

**Services will need to be realigned to focus on prevention and early intervention.**

**Where and how care is provided will need to change, and health and social care services need to be brought closer together.**

**Policies must be more evidence based, backed by a robust financial strategy with greater freedom for success and stronger sanctions.**

**Changes should be supported by more sophisticated workforce planning, improved technology and investment in the estate.**

**Roles need to be clarified and accountabilities strengthened with enhanced incentives, improved information and better performance management.**

**Implementation will be underpinned by a realistic programme of change and development.**

# The Context of Health and Social Care in Wales and the UK

## The UK Perspective

The main findings of *Securing our Future Health: Taking a Long Term View* ("The Wanless Report") were:

- The main influences on the resources required for health and social care services include changing public expectations, greater expectation of choice, advances in technologies, changing health needs including demographic shifts, increased costs and improved productivity.
- Life expectancy, mortality and key survival rates in the UK are worse than average.
- There has been a cumulative under-investment over decades, in particular the UK's record of technology development lags many other countries.
- Spending growth for health services has been erratic leading to a short term focus.
- UK health services have serious capacity shortfalls: there are high rates of consultant vacancies in a number of specialties and staff shortages elsewhere.
- The balance of services is skewed too much to acute hospital beds.
- There are not enough skilled people, modern premises or appropriate IT systems.
- Data quality is poor and there is a lack of robust evidence.
- Patient pressure for improvements will intensify.
- Achieving these objectives will require additional funding, the level of which will depend on health productivity gains and the degree of public engagement.

- Evidence based public health and health promotion is important even though much of the return is long term.
- Sustained investment in social care is vital, as is the need to integrate thinking about health and social care.
- The roles of professionals have to change and there should be more self care.
- Public engagement could play a stabilising role for the NHS.

## The Wales Perspective

Taking *Securing our Future Health* as a starting point, the Review Team looked at health and social care services in Wales and found:

- Underlying socio-economic factors mean that the health of the people of Wales is poor compared to the UK overall.
- Hospital activity has grown by more than 33% over the last ten years – but demand still outstrips supply. Emergency admissions are very high and impact upon the delivery of elective services. As a result of these factors, some hospital waiting lists and waiting times are unacceptably long.
- Generally, the position in Wales is worse than in the UK as a whole, reflecting trends evident over decades. Wales does not get as much out of its spending as it should.
- Expertise is spread too thinly to meet modern quality standards.
- There is an excessive reliance on provision of care in institutional settings rather than in the community.
- There is an unsupportable burden on acute hospital services and some of the beds in community facilities are not well used. There is unacceptable variation in performance between NHS trusts and within primary and social care.

- Elective activity is crowded out by emergency admissions.
- There has been repeated overspending in the NHS and there is significant variation in spending on social services.
- The number of people at or above the retirement age is projected to rise by 11% over the next twenty years, compared with 3% overall for the UK, which will lead to additional demand for health and social care services.
- When either health or social care services do not meet the demand for their own services, the burden of care is often shifted to the partner service.
- Policy development plans and implementation programmes are not always connected sufficiently and the link between costs and funding is not always clear.

The overall conclusion is that the current position is not sustainable.

# Taking the Vision Forward

## Individuals and Communities

- individuals must take more responsibility for their own health
- parents are responsible for their children's health
- everybody must be responsible for using services properly
- capacity-building is critical for some groups of citizens and communities
- there must be an emphasis on the risk factors of major diseases, such as heart disease, lung cancer and diabetes
- there must be a focus on young people and children and older people
- more effective management of conditions of diseases can minimise their impact
- actions should be based on evidence from enhanced research

## Reshaping Services

- increasing the capacity of the acute sector will not solve the problem of demand; alternatives are needed, and reconfiguration will be needed
- a focus is needed on early intervention, which is more effective
- a whole-systems approach is needed
- short term actions based on new ways of working can provide long term solutions
- primary care must have increased capacity, e.g. specialist GPs, nurse practitioners, resource centres
- secondary care needs to be redesigned to make better use of intermediate care and community facilities

- public and patients must be involved in shaping health and social care services
- there should be shared decision-making between professionals and users and patients
- there needs to be integrated thinking across health and social care boundaries
- health and social care services are national services delivered locally – they need national standards
- a new approach is needed to the management and funding of the continuum of health and social care

## Operational Framework

- policies should be based on published evidence, and include costings and time-frames for implementation
- policies need to be mutually reinforcing
- public involvement is essential in the debate about the future of health and social care services
- investment and resources must be focussed on delivering resource-effective health gain
- development of a consistent and stable financial strategy is vital
- the flow of resources and money needs to be kept under review to support better performance

## Improved Performance

- the Welsh Assembly Government should stop funding deficits
- there is no need for the Assembly to micro-manage local organisations
- there must be an emphasis on rewarding success, rather than punishing failure

- incentives should be aligned to match the policy agenda
- good performance should be rewarded by greater freedom and autonomy
- sanctions should be based on loss of autonomy, and not necessarily changing management
- there should be a fast track introduction of the rounded, balanced scorecard approach, including development of standards, benchmarking and scrutiny
- there should be less reliance on stand-alone targets
- best practice must be encouraged

### **Delivery: workforce**

- workforce planning is a long-term task which requires a central lead and a long-term vision for workforce development
- enhanced training is required for all staff
- relationships should be developed further with education and training institutions
- the future workforce will require assistance with changing skill mix
- there should be a focus on who is best placed to deliver the service, rather than on traditional modes of delivery
- new innovative professional roles and practice should be encouraged, including pilot schemes
- a coordinated approach to staff transfer is needed in order to aide retention

### **Delivery: information systems**

- a long term programme is needed for information & communication technologies (ICT) with increased investment being a priority

- a common strategy is needed for health and social care ICT
- universal and shared systems are required between health and social care, including protocols for the exchange of information
- outputs and performance must be linked to expenditure and standards
- expenditure should be tracked by programme
- development of comparative cost information is required
- standards should be set centrally
- increased use of telemedicine and shared electronic records will be necessary in the future

### **Delivery: organisational structures**

- a five-year national strategic framework is required with annual local operational plans
- a collaborative model must be developed based on shared principles, common decision-making and an agreed approach to conflict resolution
- the principle of local solutions to local issues must be adopted
- clarity is needed about the relationship between national roles and local freedoms

### **Delivery: accountability**

- accountability arrangements need to be strengthened: e.g. chief executives should answer for both the service and the financial performance of their organisations
- networks must be held to account in addition to organisations

## Pace of Change

- immediate action is required to reduce delays in the transfer of care
- immediate action must be taken to develop alternatives to hospital admission
- capacity to change can be increased by providing more training and more resources
- long-term strategic planning needs to be based on consistent priorities
- accelerated ICT investment and accelerated estate investment are priorities
- funding of new services and service adjustments should not be automatic but should be based on transparent criteria and incentives and rewards for achieving change
- every person and every organisation has a leadership role