

Inquiry into preparations for replacing EU funding for Wales – Consultation

Response from Hywel Dda University Health Board

This response has been prepared on behalf of Hywel Dda University Health Board which welcomes the opportunity to provide evidence on the impact of withdrawal of funding received from the EU.

As we understand that NHS Wales receives little direct funding for Health therefore we assume there will be a minimal direct impact upon the funding of NHS Wales. Reduction of EU funding to sectors other than Health may however put further pressure on other Welsh Government budgets which may in turn impact on the Health budget allocation and, as a consequence, Hywel Dda UHB.

EU funding withdrawal from Local Authorities that has a direct impact upon services provided by NHS staff may be a possibility. This includes schemes that are commissioned by local authorities and provided by Welsh NHS organisations such as Surestart, Flying Start and Families First. The funding for these initiatives could cease with the resultant impact upon service provision.

Between 2007 and 2013 the UK contributed 5.4 billion Euros into EU research and development (Office for National Statistics 2015) but also received 8.8 billion Euros for research, development and innovations activity (European Commission). There is therefore a financial risk on this part of R&D funding streams.

Within Hywel Dda UHB R&D work, the main projects with EU funding are the KESS (Knowledge Economy Skills Scholarships) studentships – we currently have a role in supporting the following:

1. Aberystwyth University
 - a. PHD - Establishing novel, rapid and cost effective screening for pulmonary diseases (due to end 2020)
 - b. PHD - MATILDA: data Management and Analytics for Lung Disease Research (due to end 2020)
 - c. PHD - Rapid diagnostic approaches for thoracic disease based on pleural effusions (due to end 2021)
 - d. Mphil - Cared for and Carer experiences and acceptability of 'Care Messenger' to facilitate social inclusion and well-being (due to end 2019)
 - e. Mphil – Evaluating nurse led lung cancer support (due to end 2019)
2. Cardiff University
 - a. PHD – Characterisation of the Immune Response to Kidney Cancer, clues to immune evasion (due to end 2020)

3. Trinity St. David's

- a. PHD – Developing personalised approaches for treatment delivery for patients with OSA (due to end 2020)

In discussion of KESS with Abertawe Bro Morgannwg University Health Board we do not anticipate that current students will be affected due to the completion dates of projects. However, it would be good to have this confirmed and have clarity over access to similar funding streams in the post Brexit period to continue such valuable work.

Two bids have recently been made to Horizon2020 in collaboration with EU teams and funding, we anticipate, should not be affected on these projects if successful. AgorIP and CALIN (Swansea University) are partly funded by EU funds and although we access their support we do not fund this service. Again confirmation of the treatment post Brexit and the arrangements for similar future collaborations, is urgently required so we can plan effectively our R&D effort.

We may have external studies that we recruit into that are funded from EU funds. As a result of leaving the EU these may close, resulting in reduced patient recruitment and a reduction in our activity based R&D funding however this will take time to assess properly. There may also be an impact on R&D due to a reduction in available grant funding for projects. It is ultimately the level of uncertainty that is the key risk.

The EU's policy on freedom of movement and mutual recognition of professional qualifications within the EU has resulted in many health professionals working in the UK having come from other EU Countries. A potential loss of recruitment and retention where the NHS is already struggling to recruit and retain permanent staff could result in additional pressures on services and premium cost temporary workers. Recruitment challenges are particularly acute in the Hywel Dda area with this featuring as one factor in our recently launched consultation "Transforming Clinical Services". At the current time we have 5.4% of our posts vacant overall with up to 20% in some wards. This has driven our significant cost of Agency staffing. 79% of our staff members have a recorded country of origin on our payroll systems and 285 individuals or 2.5% of our staff declare themselves to be EU nationals originally from other member states.

The wider overall uncertainty over withdrawal from the EU will have a much bigger impact upon the NHS in Wales than specific EU funding streams. Whilst the impact on the UK Economy of the departure from the EU is unknown, there is a risk however of some further economic instability leading to a decline in the value of sterling and inflationary increases. Much of our Medical and Surgical Equipment is after all imported and of high value. This together with the overall impact of the Brexit deal could potentially lead to pressures on a UK economy which in turn could result in the need to curtail public sector spending. This is the biggest risk facing NHS Wales. The potential impact of this and the differing views of the scale of such risks if there are indeed any are well rehearsed at a national level on a daily basis.