

Dr Andrew Goodall
Director General Health and Social Services/ NHS
Wales Chief Executive Health and Social Services
Group
Welsh Government

28 March 2019

Dear Andrew

Expenditure on agency staff by NHS Wales

The Auditor General for Wales published the above report on 22 January 2019. The report found that NHS expenditure on agency staffing in Wales in 2017–18 was £135.7 million, an increase of 171% since 2010–11, with expenditure peaking at £164.4 million in 2016–17.

The report highlights that nearly half of agency expenditure is on medical and dental staff and a further third on nurses and midwives. Health bodies report that about 80 per cent of agency expenditure is incurred in order to provide cover for vacant positions.

Although the report does not make any specific recommendations, it identifies a number of challenges to improving the management of agency staffing expenditure. The Committee would therefore welcome a response from the Welsh Government on the report findings, and its plans for addressing those challenges.

It is likely that we will undertake scrutiny of a number of the Health Boards 2018–19 annual reports and accounts in the summer term, where we will likely explore further the use of agency staff and the impact on their budgets. It would be useful if you could include some observations on the impact of expenditure on agency staff undertaken by Health Boards in your response together with the total expenditure, by each Health Board, on agency staff in 2018–19. I would also be



appreciative if this expenditure could be broken down to clinical, nursing and non-medical staff.

Yours sincerely,

A handwritten signature in black ink, reading "Nick Ramsay". The signature is fluid and cursive, with a long horizontal flourish extending from the end of the name.

Nick Ramsay AM
Chair

