



Welsh NHS Confederation
Confederasiwn GIG Cymru

Investing in the NHS: Priorities for future government budgets

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About

This briefing examines the funding priorities that should be considered in future UK and Welsh Government budgets. It also highlights the areas that should be scrutinised by the Senedd to improve patient outcomes, enhance the quality and safety of healthcare services and reduce inequalities.



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Introduction

The COVID-19 pandemic is arguably the biggest challenge the health and care system across the UK, and the world, has ever faced. The pandemic caused unprecedented demand and pressure on the system, resulting in worsening health inequalities, performance against targets, workforce pressures and funding shortfalls. The NHS must continue to transform what care it delivers and how it is delivered to address these issues.

Like healthcare systems across the globe, the NHS in Wales has reached a tipping point. The cost of providing healthcare continues to increase due to issues such as the ongoing COVID-19 response; a growing and ageing population; developments in medical technology; increase in energy prices; pay and price inflation; pharmaceutical developments; and recruitment and retention challenges. At the same time, both demand on and expectations of the service continue to increase, while patient safety and quality of services remains paramount at a time when the Health and Social Care (Quality and Engagement) (Wales) Act 2020 and the duty of quality comes into force in 2023.

In view of the funding outlook, there is a pressing need for the UK and Welsh Government to review the long-term funding model for health and social care to ensure future sustainability and better outcomes for patients and the population as a whole. The response from NHS Wales organisations to the challenges of the pandemic demonstrate that the system can respond quickly, effectively and efficiently to challenges when the resource framework supports the direction of travel and aims to achieve the same outcomes.

Long-term investment in capital and revenue funding is also vital. NHS leaders are concerned that a lack of investment in capital and ongoing revenue funding may impact their ability to uphold quality and safety standards. This is because they cannot sufficiently maintain their estate, embed positive digital innovations and reduce the elective backlog. Healthcare leaders have highlighted numerous ways that investment in capital across all parts of the health and care system helps to provide better care, drive productivity improvements in the NHS and support local communities and economies by providing jobs, skills and procurement opportunities.

We need to maximise the way in which our country spends the resources available and focus on achieving the best outcomes for patients by embedding Value-Based Healthcare across the system. At the core of Value-Based Healthcare is the concept of maximising value for people: that is, achieving the best outcomes for patients using the finite resources that the healthcare system has available. This means moving away from a supply-driven healthcare system, organised around what clinical and medical teams do, towards a person-centred approach based on what matters to people.

Alongside healthcare services, other public services play a vital role in supporting the population's health and wellbeing. It is essential that funding flows are designed so that organisations and systems meet their potential to improve overall population health and tackle inequalities. The Well-being of Future Generations (Wales) Act 2015 is central to this vision.

NHS Wales organisations recognise the significant investment in the service during the pandemic and do not underestimate the challenges that governments across the UK have around public service budget-setting in these unprecedented times. NHS leaders across Wales are committed to doing the very best they can to deliver high-quality, timely and safe care to the people of Wales and deliver outcomes that matter most to patients for the same or lower cost.

Key recommendations

The priorities that should be in future Welsh Government budgets and areas that ought to be scrutinised by the Senedd include:

- **Revenue:** Providing additional funding to cover ongoing COVID-19 costs, recovery of care services, addressing the backlog in elective care and supporting the maintenance of NHS estates and infrastructure.
- **Capital:** Developing a ten-year investment plan for service change to reshape NHS estates and infrastructure, making them more sustainable, reducing carbon emissions and maximising public assets.
- **Digital:** Increase investment in digital data, technology and opportunity across NHS Wales and benchmark the level of digital investment against other health systems.
- **Workforce:** Increasing investment in the NHS workforce so we continue to see an increase in the number of students and trainees across a range of professional groups, the development of new roles and support for education and training opportunities.
- **Efficiencies:** Recognising the significant efficiencies NHS Wales organisations have made and continue to make and introduce a three-to-five-year efficiency programme to positively incentivise efficiency improvements, grounded in quality improvement data, better outcomes for citizens and Value-Based Healthcare.
- **Social care:** Providing local authorities with ring-fenced allocations for social care, to support system-wide health and wellbeing sustainability and to meet the needs of their population.
- **Prevention and early intervention:** Setting a nominal proportion of health and social care funds which should be spent on preventative and early intervention activities and to hold spending bodies to account for the use of these monies.

- **Inequalities:** Publishing a delivery plan that outlines the action being taken across all government departments to tackle inequalities, how success will be measured and evaluated, and how individual organisations should collaborate across Wales to reduce inequalities and tackle the cost-of-living crisis.
- **Climate and sustainability:** Providing further investment to support public bodies to reach the net zero target by 2030.
- **NHS and the economy:** Recognising the significant contribution the NHS makes to wider economic and social recovery when allocating funding. NHS organisations are well positioned to use their spending power and resources to address the adverse social, economic, and environmental factors that widen inequalities and contribute to poor health outcomes, to help create an ‘economy of wellbeing’.
- **Accessing Levelling Up Fund:** Working with the UK Government to ensure that the strategic priorities for NHS organisations in Wales are considered as part of the Levelling Up Fund and investment.

Revenue

Future budgets must help the NHS recover and continue to manage the direct and indirect costs of COVID-19. At a time of continuing uncertainty, the Welsh Government should provide additional revenue funding to cover ongoing COVID-19 costs, recovery of care services, addressing the backlog in elective care and supporting the maintenance of NHS estates and infrastructure.

The Welsh Government 2021-22 and 2022-23 budgets recognised the ongoing need to stabilise the health system following the pandemic, providing significant additional financial support to NHS organisations in Wales as they continued to respond to the various challenges, including financial, in the health and social care system. However, COVID-related additional costs aren't just going to be with us in 2022-23, but for possible subsequent COVID peaks and vaccination programmes, impacting patient pathways. COVID continues to impact on NHS services and the operational costs of providing services. This includes elective care resources, increased demand on emergency and urgent care due to higher levels of acuity of patients as well as demand on primary, community and social care. This could therefore mean that the NHS is unable to deliver with its current resources.

The Wales Governance Centre analysis of the Welsh Government budget estimated that COVID-19 related pressures could average £530 million a year over the next three years, on top of underlying pressures. Although there were huge uncertainties around these estimates, they found that health-related consequential from NHS spending in England would broadly be sufficient to cover the projected funding pressures over the next three years. Previous Welsh Government COVID-19 funds have enabled the NHS to maintain financial stability whilst also supporting:

- at a local level, to be COVID-19 ready and for NHS services to continue their COVID-19 response through a period of increasing infection rates
- the recovery of waiting lists and waiting times that have grown significantly during the pandemic
- the continued successful delivery of all-Wales programmes to support the containment of the pandemic, including Test Trace Protect and the vaccination programme
- the capacity of the NHS to respond to increased emergency pressures
- the social care system, including discharging patients from hospital
- the health and wellbeing of NHS staff.

The funding has enabled many NHS organisations in Wales to implement changes and support innovative service models by integrating services across sectors, shifting services upstream and taking a preventative approach to design and delivery of services.

The response by the NHS in Wales to COVID-19 created a need to radically rethink and accelerate the way the service interreacts with patients and delivers care. The Welsh financial response has been supported by upscaling, accelerating and adopting new digital solutions, as highlighted within the [NHS Wales COVID-19 Innovation and Transformation Study Report](#). It also capitalised on the data, software and functionality that already existed within the NHS, but which now incorporates greater flexibility and reporting.

While previous funding has been supported, the future forecast for COVID-19 response requirements remains fluid. The current financial challenges that the NHS faces are a consequence of significant demand on the system, supply chain constraints, the increasing cost of energy, the challenge of configuration of services and old hospitals that have significant running and maintenance costs.

Also, reducing the elective backlog will take sustained investment over many years and a commitment from the government. It is important that there is a costed programme of the revenue implications to meet the Welsh Government priorities and targets within the [Planned Care Recovery Plan](#).

Addressing the backlog must consider all parts of the health and social care system, not just acute hospital settings. There is a need for recurrent funding to support the pump priming of 'upstream/out of hospital' transformation and long-term service development. Mental health, primary care and community care form an eco-system that helps patients wait well before elective treatment and are key to the pathway to diagnosis.

Finally, there should be transparency regarding the level of funding held in reserve by Welsh Government and financial priorities must align with long-term policy priorities. It is sometimes unclear what resources are available to the NHS and social care in a financial year, and therefore it is important that revenue funding is devolved to health boards, to which they are held to account. NHS bodies need to know early when additional funding is becoming available to accommodate timelines for recruitment, service change and possible partnership working across health and wider sectors.

Changing for the Future programme

Swansea Bay University Health Board

In October 2021, the Welsh Government announced recurrent funding of £170m for NHS Wales to support its recovery from COVID with planned care transformation. Swansea Bay University Health Board (UHB) has been working on recovery of services post-COVID through its Changing for the Future programme, which envisions the development of its three main hospitals into centres of excellence with unique roles, through modernisation and reconfiguration.

Neath Port Talbot Hospital (NPTH) is to become a centre of excellence for orthopaedics. This includes building three new operating theatres and recruiting up to 150 additional staff. Most people waiting for elective joint or spinal surgery will be treated at NPTH while complex orthopaedic and trauma surgery will be undertaken at Morriston Hospital. The health board is working with Hywel Dda and Cwm Taf Morgannwg UHBs on regional plans for orthopaedic surgery.

This is a significant investment, which simply would not have been possible without the additional revenue funding from Welsh Government. While the health board is using this funding in the current year to address waiting lists by insourcing, outsourcing and running additional clinical sessions, implementation of the Changing for the Future programme will provide a sustainable solution to meet ongoing orthopaedic demand in the future.

The issue is whether the funding allocated is enough to fully deliver this ambitious programme. Changing for the Future involves Morriston Hospital becoming the centre of excellence for urgent and emergency, complex and specialist care, and regional surgery from autumn 2022, and Singleton Hospital becoming the centre of excellence for cancer care and diagnosis, elective surgery excluding orthopaedics, and women's health.

The health board is working to transition from its COVID models of care to these new models. With early notice of more funding becoming available, the health board could accelerate its plans. The health board currently has no resources to do this alongside addressing the other challenges involved in creating a more integrated health and care system in Swansea Bay.

Capital

Recovering from COVID-19 and reducing the size of waiting lists will require significant additional capital investment in the NHS. Research shows capital constraints hamper the ability of NHS organisations to successfully deliver care, that the state of the built environment affects patient outcomes, and staff are more productive when they have up-to-date equipment to efficiently treat patients.

While NHS leaders share the government's commitment to boost NHS productivity and are doing all they can to tackle the waiting list backlog, the lack of capital funding is now a major barrier. The Welsh Government should develop a ten-year investment plan for service change to reshape NHS estates and infrastructure, making them more sustainable, reducing carbon emissions and maximising public assets. It is key that the ten-year investment plan is linked to clinical service plans and such plans examine the merits of new hospital developments versus investment in pathways that transfer services from secondary to primary care.

Capital investment is key to continuing delivery of high-quality, safe health services, as well as meeting longer-term goals to integrate care. Creating a multi-year capital funding settlement for the entire NHS would drive productivity and support reducing the backlog, ensure the safety of the NHS estate, embed positive pandemic-era changes, and truly make inroads in reducing inequalities by transforming models of care.

In our [Senedd election survey](#) carried out in 2020, NHS leaders cited the biggest financial challenge as being the development and maintenance of the NHS estate. While there has been significant investment over the years in some areas of Wales, including the Grange University Hospital in Aneurin Bevan University Health Board and in primary care, NHS estates are often in poor shape. Many of the hospitals in Wales were built in the 1960s or earlier, meaning significant investment is needed to bring them in line with modern standards. This includes making them energy efficient and improving patient experience and the quality of patient care.

Health capital budgets in Wales

	Cash		Real terms 2022/23 prices	
	£ billions	£ per head	£ billions	£ per head
Outturn expenditure				
2018/19	0.43	£138	0.48	£154
2019/20	0.43	£135	0.46	£147
2020/21	0.44	£140	0.46	£145
Budget plans				
2021/22	0.52	£164	0.54	£171
2022/23	0.34	£106	0.34	£106
2023/24	0.38	£117	0.37	£115

Many NHS organisations are using significant funding to repair their estates and are having to undertake essential maintenance and repair work rather than looking at investing in new infrastructure. This is an issue for NHS systems across the UK, with a recent NHS Confederation poll highlighting that nine in ten NHS leaders in England say their efforts to reduce the size of the waiting list are being hindered by a decade-long lack of investment in buildings and estate. The report highlighted that patient safety, as well as the NHS' ability to drive down waiting lists and hit performance targets, is being severely hampered because the NHS has had one of the worst records for capital investment in the Organisation for Economic Co-operation and Development (OECD) over the past decade, with NHS capital spending being around half that of other OECD countries.

In relation to the implications of NHS estates during the COVID-19 pandemic, the buildings and design of many hospitals have meant they are unprepared for the kind of infection prevention and control required. Examples include the need to separate COVID and non-COVID patients and maintain social distancing for patients and staff. These factors mean that NHS organisations face capacity constraints across all services, with hospitals having to run at much lower rates of occupancy than normal as services are remodelled to deal with the ongoing impact of COVID-19. However, opportunities presented by digital, virtual wards and remote working might mean a re-evaluation of NHS estates and how the NHS engages with patients and service users in the future, for example, by further fostering agile working and more telephone and digital health engagements between health and care staff and patients/service users.

While staff working within primary care can now invite more patients into their waiting rooms than at the height of the pandemic, they are nevertheless not in a position to return to pre-pandemic numbers in waiting rooms. This is because practices continue to adhere to the latest infection prevention and control guidance and many do not have proper ventilation.

As highlighted by the [BMA Cymru Wales](#) and the [Royal College of General Practitioners \(RCGP\) Cymru Wales](#), throughout most of the pandemic, primary care have been able to continue to carry out patient consultations through a blended approach, as there were periods of time when patients could not be seen in person. Those patients needing a face-to-face appointment – after an assessment of clinical need – are seen by a GP, while those that can be helped via other means initially have either online or telephone consultations. However, with demand for GP appointments now vastly outstripping capacity, it is unlikely that GPs will be able to offer a timely face-to-face appointment for everyone who asks for one. The only way doctors will be able to safely invite more patients back into their waiting rooms is through an injection of funding from Welsh Government to significantly upgrade primary care facilities to a standard where patients and staff are able to attend in greater numbers and remain safe.

In addition to enabling primary care to see more patients, the investment is also needed to ensure that primary care has the space and adequate facilities to commit to training doctors, medical students and physicians associates. The benefits of being training practices are three-fold: the supervisors learn a lot from the students and trainees and ensure they are practicing at the top of their game; the practice gains from the increased diversity of the team which brings a fresh energy and ideas and improves morale; the patients appreciate the longer appointments and increased attention they receive from two clinicians – the trainee and their supervisor. Many practices in Wales are short of space, which impacts on morale as well as the ability to practice best medicine.

For the system to be empowered and to transform, investment in NHS estates is key. It is how the system buys new IT equipment for diagnostics, new estates to expand and integrate care, and upgrade older estates to help fight inequalities. Research shows that capital investment is positively associated with better productivity in healthcare and digital technology improves health outcomes. All of this requires investment, capital to improve services and then long-term revenue to keep those services maintained into the future.

Case study from primary care practice, north Wales

Royal College of General Practitioners Cymru Wales

“My practice serves 10,250 patients in rural north Wales. Our practice was built 30 years ago and due to the increasing clinical and administrative staff needed to run a general practice, we have run out of space.

At the end of 2019 we divided our treatment room in half, creating an additional clinic room and a larger wheelchair-friendly patient toilet. This was at a cost of £40,000 of which we were able to claim back 60 per cent after completion of the work (through the improvement scheme) and took a bank loan to fund the rest.

We have three trainee GPs, a year 3 medical student and two year 5 medical students each year. As our rooms are running at constant full capacity, clinicians, trainees and students are often shifting around rooms day to day, we have no rooms to house any additional allied services which we would like to host for the benefit of our patients, and we can't consider any expansion of student or GP trainees.

Our practice was purpose built, but we now face the difficult decision of either looking to rebuild the whole practice or undertaking a considerable building project to enable us to train students and GPs and run an ever-expanding primary care team. We don't begin to know how we can do either without taking on considerable debt.”

Digital

Digital investment, both capital and revenue, is an essential part of transforming and modernising healthcare. The COVID-19 response demonstrated the value of standard digital solutions, deployed nationally at pace and developed and enhanced through a lean but effective governance and service process. Through the Welsh Government increasing investment in digital data, technology and opportunity across NHS Wales and benchmarking the level of digital investment against other health systems across the world, it will give staff the best tools for the job and drive transformation of services.

COVID-19 has highlighted the opportunities across the health and care system afforded by digital technology. Its availability, dependency, access, resilience and security are now essential to ensure the continuity of services and NHS organisations are committed to building on the progress made. For example, the all-Wales contact tracing and vaccine programme systems have enabled these services to be delivered in Wales. Using collaborative public sector models and all-Wales digital systems, the NHS in Wales has delivered better outcomes for the public and patients, at relatively low cost, compared to other UK health systems.

Alongside these specific digital services, there has also been a transformation in ways of working and supporting digital infrastructure. A relatively modest investment in 2019 and 2020 upgraded legacy infrastructure across the NHS Wales estate; modernised desktops, laptops and tablets, increased bandwidth, and deployed Microsoft Teams and Office 365 nationally. This had a transformative impact on the NHS' ability to design, develop and deliver services throughout the pandemic. Therefore, it is important that the Welsh Government's future investment priorities include a significant digital aspect.

Digital technology should be seen as one of the most significant strategic tools available to shift to a new preventative model of health and care. By investing in digital and technology, there is an opportunity to help transform care and enable people to access information and treatment in a way that meets their needs and supports them to stay well. Importantly, digital technologies can enable patients to do more to diagnose themselves and manage their condition and recovery; reducing waiting lists and demand for planned care. In some cases, this can help earlier detection and diagnosis of illness, reducing demand by enabling different interventions. The pandemic saw people testing themselves at home and reporting results digitally, for example using lateral flow devices. It also saw people monitoring their condition at home and referring themselves through virtual wards, for example using pulse oximetry. The transformational benefit and return on investment from digital could be tracked and reported through the newly created Digital Health and Care Wales (DHCW).

With additional investment, new technologies and digital services can be scaled up more quickly and they can help professionals to work more effectively and safely in a sustainable way. The NHS workforce should be supported to deliver care using digital skills, allowing them to manage workloads and caseloads more effectively. Equipping the workforce with these skills provides a great opportunity to engage more closely with the public and patients, using social media and interactive technology to support self-care.

Through the availability of data, technology can support staff to make better decisions and provide safer, faster care. It enables staff in different settings and citizens to share care plans so that individuals experience a joined-up service. It also means patients and unpaid carers have the information they require to be empowered in keeping well and accessing the right care in the right place for their individual needs.

We must ensure that technology is accessible to all, with no barrier to equality of opportunity, and prevent digital exclusion. Not everyone has the finances or the skills to use technology and support must be made available to those who need it. This can be done by working with partners in education and the community to promote digital skills and opportunities, to prevent people from becoming further disadvantaged. Increasing people's confidence in using digital technology also supports the NHS because it enables an increasing number of people to access vital services from home.

Further investment in digital will safeguard and improve the infrastructures that NHS Wales organisations have already developed nationally and locally. Also, it ensures transformations in patient pathways continue to support not only the COVID-19 recovery, but also the transition more generally to a healthier Wales.

Microsoft 365 transforms ways of working with NHS Wales staff

Digital Health and Care Wales

Microsoft 365 (M365) tools are supporting over 100,000 members of staff in NHS Wales, across 13 organisations, boosting productivity and supporting the NHS Wales workforce to continue to deliver critical services across Wales.

NHS Wales struck its landmark M365 deal in 2019, moving from multiple contracts to a single tenant that serves all NHS Wales organisations. As well as creating better digital capability for the workforce, the deal created a cost saving of £11.7m over the three-year term.

With the adoption of M365 and the security improvements put in place by the programme team at Digital Health and Care Wales, NHS staff can now work from the device and location of their choice. This increased agility played a key role in the Welsh COVID-19 response, enabling safer remote working which had a reduction in travel and subsistence costs of at least £800,000.

The M365 tools have led to improved ways of working:

- SharePoint has replaced local file storage, allowing staff to securely store, collaborate, and share information. As of March 2022, it hosts over 43 million documents.
- OneDrive has replaced personal network drives. As of March 2022, it hosts over 120 million documents.
- Teams is widely used, facilitating easier communication and collaboration between organisations. In February alone, 3.2 million messages were sent and 610,000 meetings were attended.
- InTune, an integrated mobile device management solution, has enabled organisations to decommission other services with a saving of around £4m.

A network of 3,000 staff champions, representing multiple professions, have supported the innovation of M365 within NHS Wales organisations. These staff champions regularly meet to discuss local innovation work and new opportunities.

Workforce

The NHS is Wales' largest employer, currently directly employing around 105,000 people and providing a significant contribution to national and local economies.

The health and care workforce is at the heart of how we deliver care and services to patients and their families, with staff having worked tirelessly to fight COVID-19 and protect our communities. It is vital that Welsh Government provides increased investment in the NHS workforce so we continue to see an increase in the number of students and trainees across a range of professional groups, the development of new roles and support for education and training opportunities.

In December 2021, the Welsh Government approved Health Education and Improvement Wales' (HEIW) Education and Training Plan 2022-23 for NHS Wales, supporting the creation of a record number of training places. The £260 million investment boosts training and helps maximise the future health and care workforce in Wales.

The overall workforce growth in Wales has steadily increased for the last decade and the 2022/23 plan will see:

- an additional 205 nursing students
- an additional 111 medical specialty places
- funding of more than £2.5 million to maintain growth
- the maintenance of current target of 160 GPs, with an option to over-recruit to 200 where feasible
- continued efforts to upskill the existing pharmacy workforce; and,
- a commitment to growth of other areas, including midwifery, allied health professionals, healthcare support workers, physician associates and dental.

There are well-recognised benefits of investing in student education and staff training, which extend beyond financial gains. These include improvements to patient experience, quality and continuity of care and a reduction in complaints and adverse incidents. HEIW has undertaken work which shows that investing in additional nurse student placements can be repaid in a little over a year of those students graduating and working within the health and social care systems in Wales, by reducing reliance on agency staff.

It is also evident that investment in educating and training existing staff to acquire new skills and expertise is essential to support NHS Wales' drive to deliver new ways of working and adopt innovative technology. This supports the sustainability of the system and patients to maintain physical and mental wellbeing at home.

Recruitment, retention, staff engagement and training are the biggest challenges for the NHS. Having staff working to the top of their licence, multi professional working and shared budgets designed around patients and the population is key to responding to these challenges.

New strategic workforce planning resources available for healthcare professionals

Health Education and Improvement Wales

Health Education and Improvement Wales has shared a suite of newly developed resources to support strategic workforce planning for both primary care and wider healthcare across Wales.

The resources include an interactive toolkit that offers a guide through strategic workforce planning based on the Skills for Health Six Step approach. The toolkits will support effective workforce planning at all levels of organisations and help them create a sustainable workforce, prepare for future changes, identify and plan for any workforce gaps, whilst managing risk and exploring new innovative workforce opportunities.

Developing a strategic workforce plan has many benefits, which can include:

- ensuring the supply of a workforce with the skills and competence to meet the health needs of the population
- developing enhanced working relations both across the organisation and with other partners to support system wide service planning
- providing a focus for potential collaborative approaches to workforce planning, including the development of cross-professional and cross-boundary working to support effective multidisciplinary working
- improving staff retention and recruitment
- making the best use of existing staff skills and identifying future skills requirements
- contributing to the delivery of effective and efficient services.

For primary care, the resources have been designed specifically to support cluster-based workforce planning. For wider healthcare, the resources include a toolkit and guidance together with a set of resources and templates to support the development of strategic workforce plans. In addition to the workforce planning resources, a Workforce Planning Capability Self-Assessment Tool has been developed in collaboration with the NHS Wales Workforce Planning Network.

Efficiencies

Financial pressure is a constant challenge for healthcare systems across the globe and the NHS in Wales is no different. Years of public finance constraint has meant that the NHS, like other public services in Wales, has had to find recurrent annual efficiencies for many years. It is important that the Welsh Government, and Members of the Senedd, recognise the significant efficiencies NHS Wales organisations have made and continue to make and how Wales is leading the way in embedding Value-Based Healthcare. It is vital that the Welsh Government introduce a three-to-five-year efficiency programme to positively incentivise efficiency improvements, grounded in quality improvement data, better outcomes for citizens and Value-Based Healthcare.

The delivery of savings remains a challenge across health boards and trusts in Wales. The focus of these savings has traditionally been placed on driving out efficiencies from transactional services. More recently, the NHS in Wales is looking at more transformational innovations to improve outcomes for patients and deliver better value for money by further embedding Value-Based Healthcare and quality improvement data.

NHS organisations are under a legal duty to prepare Integrated Medium Term Plans, and these are helping to plan service provision, finances and improvement over a three-year period. Some health boards have encountered particularly acute financial challenges in recent years and are required to submit plans annually, which illustrates the challenges the NHS in Wales is facing. To make the healthcare system in Wales financially sustainable, NHS leaders have developed the Welsh Value in Health Centre and Value-Based health and care Action Plan, based on priorities that will ensure the best patient experiences and outcomes, while ensuring the best value for money.

Value-Based Healthcare is a transformational approach to designing and delivering care solutions that offer the greatest value to a person receiving them, at the lowest possible cost to health and social care systems. It is rapidly gaining global popularity as an effective way of improving patient experience, health outcomes and sustainably using finite resources. While prior to the pandemic many NHS organisations in Wales had already set up dedicated teams to focus on Value-Based Healthcare, it is now vital to embed a value-based approach across the entire healthcare pathway.

The NHS and local government have delivered millions of pounds of recurrent efficiency savings, and we now need to become more sophisticated in our search for further resource releasing efficiencies. We need to go beyond the delivery of traditional technical efficiencies to think innovatively and consider the efficiency of our resource allocation, based on a better understanding of the outcomes of spending decisions.

Transformation through a value lens

Aneurin Bevan University Health Board

In Aneurin Bevan University Health Board the Value-Based Healthcare team have worked with clinical service users to design and develop the value approach to transformation across the organisation, in particular the way in which they use outcomes to meet the requirements and needs of their citizens and staff.

The nurse-led heart failure team within the health board provide a service to patients diagnosed with Heart Failure with Reduced Ejection Fraction (HFrEF). Patients with this condition account for 60 per cent of all heart failure hospital admissions. As a result, they are a high-risk group for readmission, negatively impacting their wellbeing while having a significant financial impact on the NHS, equating to one to two per cent of its annual budget.

The health board, led by prescribing heart failure specialist nurses, optimises medication and provides a holistic approach to enable patients and carers to manage the condition. To improve patient outcomes, the guidance advises that a specialist follow up should take place within two weeks and medication be optimised within six months of initial diagnosis. However, due to the increasing numbers of patients presenting with HFrEF, meeting these targets was not achievable for the nurse-led team. Consequently, patients were waiting an average of 62 days following hospital discharge to attend their first outpatient appointment.

To address the challenges, the nurse team collaborated with the Value-Based Healthcare team to develop a new patient pathway with a focus on patient and clinical reported outcomes. The pilot looked specifically at patients who had been discharged from acute cardiology care with a HFrEF diagnosis within the last year. As part of the project, an e-referral system was implemented, ensuring all referrals were directed to one point of access for review by an experienced nurse. This digital approach enabled appointments to be effectively prioritised and ensured more complex and urgent cases that the nurse-led team could not support were immediately passed on to cardiologists. Patients received a call from a nurse within two weeks of their discharge, followed by an in-person appointment to assess their medication and symptoms through the service. A community hub was also established, averting the need for low-risk patients to go to the hospital to have their medication optimised.

The pilot took place between October 2020 and October 2021, during which time 145 patients were seen and put through the new pathway. The new approach helped to streamline the entire referral process, cutting waiting times and freeing up capacity within the NHS, which ultimately improved patients' experiences and outcomes.

Key results:

- Reduced the average waiting time for the first appointment by six weeks, from eight weeks to two weeks.
- The average waiting times for first and second outpatient appointments were reduced by 50 per cent, from 75 days to 35 days.
- 30-day readmission rates were reduced by 97 per cent.
- A reduction in readmissions resulted in cost benefit of £260,000.
- Patient reported experience measures up by 28 per cent from 2020-21.
- Patient reported outcomes measures up 1,900 from 2020-21 to 3,000.

Social care

To enable health and wellbeing systems to operate effectively, the whole system needs to be appropriately resourced, including increasing the funding provided to social care. The Welsh Government should provide ring-fenced local authority allocations for social care funding, to support system-wide health and wellbeing sustainability and to meet the needs of their population.

We need to work towards achieving a consensus that the NHS and social care services are interdependent. As things stand, the significant pressure on social care services is having a huge impact on the NHS and on citizens, both in relation to keeping people well at home and enabling people to leave hospital. It is not possible to consider the long-term future of healthcare in Wales without considering the issue of how, and to what level, the social care system should be funded in the future.

Social care services play a crucial role in continuity of care pathways and protecting NHS capacity by keeping people well for longer outside of hospital, and enabling faster, safer discharges home. However, in recent years there have been significant pressures around capacity and demand for care services, with COVID-19 exacerbating this problem and demonstrating the need for a new settlement for the sector.

The last two years have exposed deep cracks in the system and exacerbated structural vulnerabilities, with devastating consequences for social care residents and their families. The challenges facing social care services include vulnerabilities in funding and market stability, increased demand on the sector, growing unmet need, staff vacancy issues, contingency planning and the need for consistent standards and quality measures between health and social care.

It is vital to ensure appropriate access for those who need support. Regional Partnership Boards play a key role, and it is important that a clear framework is developed for social care commissioning to stabilise the provider market and ensure the right model of care is provided.

The social care sector also needs time to transform and change. To enable the transformation of the social care sector, a sustainable workforce is required, and social care staff need to be properly valued, paid and respected for this vitally important work. It is key that the social care sector has long-term investment, and this investment is ring-fenced and clearly evidenced in local government budgets. Without additional funding for social care, the most vulnerable in society will have worse outcomes.

@Home service

Cwm Taf Morgannwg University Health Board

The @Home Service is a partnership between Cwm Taf Morgannwg University Health Board and local authorities to support individuals to remain at home and avoid a stay in hospital.

The @Home Service, established by the health board at the Dewi Sant Health Park, moves care out of the hospital and into the local community. The @Home Service have a team made up of doctors, advanced nurse practitioners, registered nurses, health care support workers, physiotherapists, occupational therapists, speech & language therapists, dieticians, mental health nurse practitioners & administrators, to put together a care package.

In its first year, the service dealt with more than 1,200 cases, some 60 to 70 per cent of which would otherwise have had to be admitted to hospital.

Those who do go into hospital can also be allowed home earlier because of the services provided in the community. Patients, who are often elderly with complex needs, are able to maintain their independence and improve their health while staying at home.

Prevention and early intervention

NHS Wales leaders recognise that partners across the public sector are facing acute financial challenges due to COVID-19. They therefore support an approach to further protect funding for preventative measures that recognise the importance of improving population health outcomes and sustainability of services in the longer term. Resources must be allocated to provide the best outcomes for the population, and it is important that Welsh Government set out that a nominal proportion of health and social care funds should be spent on preventative and early intervention activities and spending bodies are held to account for the use of these monies.

The UK is one of only two OECD countries whose population's life expectancy has fallen over the past 11 years. A central focus for Welsh Government should be to address and properly resource the factors that cause ill-health in the first place, such as poor housing, transport and food quality. Shifting the focus from public health initiatives delivered through the NHS and local authorities to addressing these factors would allow the health system to respond more effectively to the significant demand it faces.

In addition to recognising the impact that a range of organisations and sectors have on the population's health, there also needs to be a shift to increasing preventative spending, supporting early intervention. There is clear commitment by the Welsh Government to focus on transforming the NHS and shifting budgets towards prevention through the 'Building a Healthier Wales', the prevention element of [A Healthier Wales](#). However, the shift to increasing preventative spending needs to be supported with clear local evidence and data to demonstrate a cause-and-effect relationship between these competing factors, along with a clear impact timeframe. This will give the public and patients confidence that the improved future health state of the country is worth investing in now in comparison with short-term investment in treatments.

Public Health Wales is currently building a portfolio of work to help health boards and NHS trusts to think about a Value-Based public health approach. This includes the triple bottom line (social, economic and environmental), by capturing the social value of activities. In 2019, Public Health Wales published [How to Make the Case for Sustainable Investment in Well-being and Health Equity: A Practical Guide](#)". The guide outlines four key phases on how to synthesize, translate and communicate public health economics evidence into policy and practice.

The guide aims to:

- prevent disinvestment in health
- increase investment in prevention (public health) and
- mainstream cross-sectoral investment to address the wider determinants of health and equity, driving sustainable development for prosperity for all.

In addition, through its World Health Organization (WHO) Collaborating Centre (CC), Public Health Wales has initiated work on developing and applying innovative health economics and multi-disciplinary methods, approaches and tools. These could, at greater scale and pace, allow more integrated perspective and impact across health, other sectors, society and the economy. This work contributes to both health improvement and reducing inequalities, with a focus on strengthening the case for sustainable investment in population health, wellbeing and equity, while also building human and social capital and protecting the environment.

NHS Wales organisations are committed to delivering on the vision set out in the Well-being of Future Generations (Wales) Act 2015. This supports new ways of working across the health and social care system and acts as a framework for considering how the impact of decisions made in the here and now will likely impact the health and wellbeing of future generations.

The Public Services Boards will play a vital role in ensuring that joined up population modelling is undertaken to understand the local needs of the area and support the commissioning and provision of services to meet those needs.

Supporting local communities to build resilience through moving more and eating well

Cardiff and the Vale of Glamorgan area

Move More, Eat Well was launched on 27 July 2020. It brought together partnerships across Cardiff and the Vale of Glamorgan, including the Regional Partnership Board, Cardiff Public Services Board and the Vale of Glamorgan Public Services Board. The partnership aimed to inspire individuals to make positive lifestyle changes and improve their health and wellbeing. It outlines ten priority areas: healthy travel, healthy workplaces, healthy communities, and healthy educational settings, to name a few.

Local people were encouraged to join the #MoveMoreEatWell movement, and a range of ideas, tips and local opportunities were developed to support people to embrace positive lifestyle changes. All partners involved in the plan aimed to create an environment where physical activity and healthy food choices are the easiest choices to make.

Despite the restrictions placed on Wales over the past two years due to the pandemic, a number of local projects have adapted and successfully continued to provide opportunities for communities to make healthy choices.

South Riverside Community Development Centre (SRCDC) has worked with Grow Cardiff as part of the Cardiff Growing Together project to run a number of veg plant giveaways to residents in Riverside, encouraging families to take part in growing over the lockdown. Cardiff Salad Gardens grew plants for the giveaway alongside Bute Park Nurseries. As a collective, they ran online workshops so people could learn to grow their own veg too. The sessions attracted considerable numbers of local people, all of whom took away salads, vegetables and herbs to grow at home.

Oak Field Primary School has worked with Vale of Glamorgan Healthy Schools Scheme to implement healthy food choices and prioritise physical activity. Working with community partners, the school identified areas of improvement that could be made to drive a whole school approach that promotes healthy living. With the help of In School Healthy School Coordinators and keen learners, the school began to introduce some new initiatives that ensures healthy food choices and physical activity are the easy choice.

Inequalities

As we emerge from the COVID-19 pandemic, we need to identify and support new opportunities to improve health and reduce inequalities, which arise as a result of the social and economic inequalities that shape the conditions in which people are born, grow, live, learn, work and age.

The COVID-19 recovery presents an opportunity to create a healthier and more resilient society by addressing the root causes of poor health. We recommend that the Welsh Government takes cross-government action to tackle inequalities by publishing a delivery plan that outlines the action being taken across all government departments, how success will be measured and evaluated, and how individual organisations should collaborate across Wales to reduce inequalities and tackle the cost-of-living crisis.

The pandemic has highlighted the widening gap in inequalities and has sharply demonstrated the link between poverty and poor health outcomes. There have been many detailed and well-evidenced reports on health inequalities in recent years. In just the past year, many reports have called for system-wide action on health inequalities including the Welsh Health Equity Status Report initiative (WHESRI), [Placing health equity at the heart of the COVID-19 sustainable response and recovery](#), [The Marmot Review 10 Years On](#) and the Health Foundation report, [Unequal pandemic, fairer recovery](#).

[Public Health Wales](#) has also found that the economic impacts of the pandemic have had a particularly negative effect on those on a low income, women and young people. Some women, children and young people have also been at greater risk of harm from, or exposure to, violence and abuse. The impact of reduced incomes and eligibility for some benefits [has been felt hardest by the most vulnerable population groups](#) (e.g. those already in insecure and poor-quality housing, living on low incomes and/or with existing health problems). These households and individuals are particularly susceptible to homelessness and fuel poverty because of higher housing costs, higher energy costs (due to energy-inefficient housing) and the higher cost of other household bills.

The rising cost-of-living will also have a significant impact on people's health and wellbeing. A report by Wales Governance Centre, [When ends don't meet: a cost-of-living update](#), highlights that the energy price hikes and tax rises will hit the poorest households the hardest and price rises will further limit their ability to purchase essential goods and services. [Official figures](#) show that 14 per cent of Welsh households were living in fuel poverty in October 2021, with a further 153,000 households at risk of fuel poverty (before the price cap rose).

The Welsh Government has estimated that 45 per cent of all households could be in fuel poverty following the price cap increase, with 115,000 households experiencing severe poverty.

In April 2021, the Welsh NHS Confederation's Health and Wellbeing Alliance (the Alliance) published a short paper, Making the difference: Tackling health inequalities in Wales. In this paper, the Alliance suggested initial steps the new Welsh Government should take in their first year to respond urgently to health inequalities and make the greatest possible impact, by coordinating a renewed commitment from all partners.

Following the initial paper, the Alliance, in partnership with the Royal College of Physicians, published Mind the gap: what's stopping change? The cost-of-living crisis and the rise in inequalities in Wales. The paper, published in July 2022, sets out the case for a cross-government plan for reducing poverty and inequalities in adults and children and the evidence to support the need for a plan. A key driver within this is the Well-being of Future Generations (Wales) Act 2015.

A shift towards a preventative approach therefore requires tackling the underlying causes of inequalities, with investment targeted at infrastructure and services which provide sustainable solutions, such as housing, education and employment. Health boards in Wales, and wider NHS organisations, as population health systems, recognise that they need to do more to guide resource allocation processes to target areas of greatest need. However, the NHS alone does not hold all the levers required to create the necessary conditions for good health and wellbeing. Meaningful progress will require coherent, strategic efforts across all sectors using their available resources, expertise and relationships to close the gap.

International Health Coordination Centre (IHCC)

Public Health Wales NHS Trust

The International Health Coordination Centre (IHCC) is a unique all-Wales programme of work, promoting and facilitating international health partnerships to maximise potential gains for the people of Wales and beyond. The IHCC promotes a culture of global citizenship and supporting a health system, which is globally responsible, as well as being more equal, resilient, sustainable and prosperous.

As part of the IHCC, the Welsh Health Equity Status Report initiative (WHESRI) aims to provide an up-to-date dynamic picture of health inequities, their burdens, determinants and related policies in Wales. This then informs solutions and investment prioritisation, as well as facilitating a joint cross-sector, whole-of-government, whole-of-society policy dialogue and action.

The Welsh Health Equity Solutions Platform (WHESP) forms a key part of the WHESRI and is in the early stages of development. The platform will provide an easy-to-access-and-navigate portal / gateway to existing data, evidence, legislation, policies, tools and practical solutions to reduce health inequity and improve health and wellbeing in Wales. It will be used to support and inform decision-making, investment prioritisation and policy action, and to monitor progress toward creating the conditions for everyone in Wales to live a healthy life.

Climate

Slowing down climate change must be a priority in supporting economic and social recovery. However, further investment is required, including capital funds, to support public bodies to reach the net zero target by 2030 set by Welsh Government in the [NHS Wales Decarbonisation Strategic Delivery Plan](#).

The climate crisis has serious direct and indirect consequences on the health and wellbeing of the population. A 2018 [Public Health Wales](#) report on reducing health risks associated with road traffic air pollution in Wales, stated “the societal cost of air pollution from health service costs and lost work days is estimated to be £1 billion each year”. Exposure to air pollution is estimated to cause the equivalent of 40,000 premature deaths in the UK each year, with an estimated burden on early deaths in Wales in an equivalent range of between 1,000 and 1,400. The climate emergency is a public health emergency, but the healthcare sector itself currently contributes to the problem.

NHS organisations have a significant impact on the environment and are some of the largest contributors to climate change and air pollution. Delivering high-quality health and care places numerous demands on natural resources and the environment, such as: the use of energy, water and consumables, including single-use plastics; NHS buildings being a major carbon emitter; waste production and waste management; and travel, which requires fossil fuels and contributes to air pollution.

The NHS Wales 2018/19 carbon footprint was calculated as ~1 million tCO₂e. This has an associated estimated cost of £1.965m of direct NHS Wales spend. In 2018/19, 99 per cent of NHS Wales’ total building use emissions were energy related, consisting of 86 per cent energy and 13 per cent upstream energy. In Wales, the NHS produces up to 600,000 tonnes of waste each year, and around 85 per cent of this waste is categorised as non-hazardous. Although much of this waste is recyclable, a significant amount is still incinerated or sent to landfills.

Transport emissions are often recognised as being associated with an organisation’s own vehicle fleet. However, NHS Wales transport related emissions are much wider reaching than this, and business travel associated with staff-expensed travel in personal vehicles must also be considered. The Welsh Ambulance Services NHS Trust (WAST) also contributes to carbon emissions. The WAST is looking to address this through its [Environmental Strategy](#) and the trial of electric vehicles for patient transport.

While NHS Wales' carbon footprint remains high, it has started to take a more proactive approach to addressing its carbon footprint over the last few years. By using its buying powers, NHS Wales organisations are looking at establishing new, local supply chains, which will have the additional impact of shortening the supply chain and reducing carbon. In addition, making better use of digital technology across our services and communities, including video consultations, will reduce the environmental impact of healthcare delivery.

It is important that climate change capital funds are provided to support NHS organisations to make changes, as the NHS Wales estate is a major carbon emitter. Given its large carbon footprint, any action taken by the NHS to support responsible consumption and reduce waste has a significant impact on the environment. This is important not only to reduce carbon impact but to support more sustainable utilisation of finite resources overall across Wales and the UK. The NHS has the power and responsibility to influence action on a broader scale, to reduce its contribution to climate change and protect resources for the health of future generations.

Reducing carbon emissions across the ambulance service

Welsh Ambulance Services NHS Trust (WAST)

WAST has been working to reduce its carbon emissions by 16 per cent by 2025 and an additional 34 per cent by 2030. WAST has produced a detailed action plan to achieve these targets.

The most significant contribution to WAST's carbon emissions, and therefore biggest challenge, comes from WAST's fleet. The transportation of emergency and non-emergency patients is an essential healthcare requirement and WAST has an ambition to transform its current diesel engine fleet to ultra-low emission vehicles based currently on an electric vehicle (EV) model. WAST is keen to develop a national EV charging network, facilitate the decarbonisation of their estate, and implement renewable energy systems whilst maximising opportunities for biodiversity.

Focus on single-use plastics is high on the agenda: as a service, WAST uses a high proportion of single-use items. This may not be able to change but they are working with suppliers and NHS Wales Shared Services Partnership to reduce packaging and provide sustainable products. Recent changes to clinical waste sharps bins now supplied as units made from recycled plastic show a clear intention to procure using a Life Cycle Assessment rather than finance base alone.

A defined and productive environmental management system helps to underpin a business-as-usual relationship with sustainability. This ensures WAST can capture accurate data about carbon usage and monitor the effect of the actions taken. Energy KPIs are linked to all managed sites; those buildings not achieving KPI rates are investigated and, if required, business cases are completed for capital investment to amend building envelope or on-site management of energy systems.

As part of this work, the Flintshire Area Ambulance Centre is the first ambulance station in Wales with a target to reach net zero carbon status. This has been done by maximising surrounding land for biodiversity and staff wellbeing purposes, installing solar power, battery storage, reclaiming vehicle wash water and installing an air source heat pump. As a result, WAST has reduced electricity use by half and removed the high Global Warming Potential heating system.

NHS and the economy

When considering economic recovery, the Welsh Government must recognise the significant contribution the NHS make to wider economic and social recovery when allocating funding and place the NHS at the heart of all national COVID-19 recovery and economic plans. NHS organisations are well positioned to use their spending power and resources to address the adverse social, economic, and environmental factors that widen inequalities and contribute to poor health outcomes, to help create an ‘economy of wellbeing’.

The UK faces a further period of economic uncertainty as COVID-19’s long economic tail continues to be felt throughout our communities. Thankfully, the NHS doesn’t just treat patients but plays a significant economic role too, which is highlighted in our briefing, [Health, wealth and wellbeing: The NHS’ role in economic and social recovery](#).

More than ever, the past two years have shown the NHS to be a significant economic force and the NHS in Wales should be considered an ‘anchor institution’ as it is well-positioned to use its spending power and resources to address adverse social, economic and environmental factors that widen inequalities and contribute to poor health. The term ‘anchor institution’ usually refers to large, typically non-profit organisations whose long-term sustainability is tied to the wellbeing of the populations it serves. For example, NHS Wales organisations are often the largest employers in local areas.

In addition to direct employment, NHS Wales is estimated to support almost 145,400 jobs and £5.4 billion of gross value added (GVA), which was highlighted in the Cardiff University research, [NHS Wales and the Regional Economy](#). This accounts for 11 per cent of total Welsh employment and 9 per cent of Welsh GVA, excluding important impacts via NHS Wales’ capital spending programme. The research highlighted that every £1 billion of direct NHS revenue spending supports an estimated 19,000 total jobs in the Welsh economy. As the link between employment and wellbeing is so well-established, increasing local NHS recruitment may be an opportunity to increase the impact it has on the wellbeing of local communities.

The NHS in Wales is a key purchaser of goods and services, and a capital estate holder and developer. Both functions mean that the NHS, directly or indirectly, has an impact on the conditions and wellbeing of workers that are not employed directly in the health and social care sector. The NHS needs to be viewed as a force for economic regeneration so it can best support population health and play a key role in keeping the Welsh population happy, active and healthy.

The size, scale and reach of the NHS means it has a significant influence on the health and wellbeing of local populations. It will play a vital role in raising wellbeing and addressing the challenge of reducing regional inequalities throughout Wales. Health, wellbeing and the economy are bound tightly together; a healthy (physically, psychologically and socially) population results in a more economically active population. Interventions designed to improve health, inclusive growth and wellbeing in Wales should be a shared priority as they are in the interests of all local, regional and national partners, businesses and communities.

As the NHS seeks to reset its services and priorities, it will focus on how it can influence wider community issues in its role as an anchor institution. This includes how its resource allocation and utilisation can support local economic development, influence social and economic determinants of health, reduce its carbon footprint and help build sustainable communities. The NHS has a role to support and guide social value, by supporting its supply chain to bring expenditure into local communities, direct recruitment to proactively give opportunities to people in deprived communities and work with partners across the public and private sector to support this.

Supporting the Foundational Economy Programme

NHS Wales Shared Services Partnership

NHS Wales Shared Services Partnership (NWSSP) has been tasked to scope and support delivery of the NHS Wales Executive Board Foundational Economy Programme, specifically in the following areas:

- Goods and services required locally, including food, tourism, retail and care.
- The objective to retain and grow economic/business activity in Wales.
- The objective to retain and grow employment/employability in Wales.
- Links to decarbonisation and local sourcing.
- Links to premises regeneration, town centres and high streets.

Some examples of action which NWSSP are undertaking to support better foundational economy outcomes in these areas include;

- Inclusion of 'social value' criteria within procurements: This involves the proportionate scoring of foundational economy benefits to be derived from contractors' bid submissions to recognise their importance.
- Further inclusion of supply chain resilience/business continuity/sustainability criteria within procurements: Focus on mitigation of supply disruption, shortening of supply chains and the environmental/social/economic impacts of supply.
- Further lotting of procurements: To support small and medium-sized enterprises (SMEs) in bidding for opportunities.
- Closer working relationship with Welsh Government Economy directorate: Sharing of supply base location, manufacturing/distribution capabilities to facilitate better understanding of market's short, medium and long term.

NWSSP are continuing to engage with stakeholders and the market to enable foundational economy outcomes from its procurement processes. In some areas this has already begun, for example, with the process of redesigning the food category strategy with the aim of increasing the level of NHS spend within the foundational economy by using more local suppliers.

Accessing Levelling Up Fund

Tackling the wider determinants of health and reducing inequalities across society must be a priority for both UK and Welsh Government, and the NHS has a significant role to play. With different parts of the UK facing unique issues when it comes to delivering healthcare, it is vital that the Welsh Government work with the UK Government to ensure the strategic priorities for NHS organisations in Wales are considered as part of the UK Government's Levelling Up Fund.

Pre-pandemic analysis across multiple measures of healthcare quality and access found that people living in more deprived areas had worse experiences and outcomes. Public Health Wales recently found that the average annual cost of health service provision was generally higher for those living in our more deprived communities and emergency inpatient admissions drive the highest cost associated with hospital service use inequality (£247.4 million). The report found that preventative action targeted at improving the health equity between advantaged and disadvantaged communities and their timely access to health services could help reduce a £322 million healthcare gap.

It is welcomed that the positive impacts that addressing issues within population health and wellbeing are recognised in both the Levelling Up prospectus and the Welsh Government's Regional Investment Framework. Addressing health disparities is a mission within the UK Government Levelling Up agenda and so these funds could represent an opportunity to create a strong cross-sector approach in the delivery of population health interventions. While we welcome the projects that have been announced for the Levelling Up Fund, there is scope to do more with the funding to support people in their communities, pre-empt them needing care and improve the nation's health.

When considering the Levelling Up Fund, it is key that local authorities work closely with their NHS partners and the Public Service Boards in their area to ensure participation in local authorities' investment plan bids for UK Government funding. Local authorities have been given a lead role in relation to the UK Shared Prosperity Fund and the Levelling Up Fund, however, it must be recognised that the NHS in Wales plays a key role in the post-pandemic economic and community recovery and the creation of a more equitable society, outside of the direct health response.

To this end, we would strongly recommend that local authorities in their lead role should engage fully with Public Service Boards around the needs of their local population and communities.

Carmarthen Hwb and Pembroke Hwb

Carmarthen County Council, Pembrokeshire County Council and Hywel Dda University Health Board

An exciting project offering a range of health, wellbeing, learning and cultural services under one roof is being planned for Carmarthen and Pembrokeshire following funding secured from the UK Government's Levelling Up Fund.

Carmarthenshire County Council, working alongside Pembrokeshire County Council and other local public service providers, secured £19.9million from the Levelling Up Fund to create town centre hubs to benefit local people and businesses and create a more diverse and sustainable mix of uses for the town centre.

It is thought to be the first venture of its kind in Carmarthenshire, bringing a range of key public services under one roof and providing convenient access and a space for people to relax and enjoy. Still in the early stages of development, the venture could feature state of the art leisure, culture and exhibition space alongside health and educational facilities, tourist information, customer services and more.

The Carmarthen Hwb project would be delivered alongside a similar Hwb project at South Quay in Pembroke town centre, which formed part of the bid to the Levelling Up Fund.

Both projects aim to bring health and wellbeing into the centres of two neighbouring towns, creating an inclusive public service offer that meets changing local needs and which helps drive activity, footfall and environmental benefit.

The councils are working with Hywel Dda University Health Board and wider partners to agree and plan the delivery of the multi-use public facility.

Conclusion

NHS Wales organisations do not underestimate the significant challenges of public service budget-setting in the face of unprecedented challenges as a result of the pandemic and the cost-of-living crisis. NHS leaders are committed to doing the very best they can to continue to provide an NHS that supports the people who need it most, helping the population generally live healthier lives. Concurrently, we must recognise the extent of the challenge we face and work together to achieve a service that is sustainable and fit for the future.

All parts of the NHS in Wales have been transforming the way services are planned and delivered. The fact is that, against an extremely challenging financial environment, the NHS will have to continue to make difficult decisions about the future shape of healthcare and the areas it wishes to prioritise. New models of health and care services need to be focused around quality and safety, prevention, improvement and innovation.

Finally, we need to emphasise the importance of working with partners across the public sector so that we may collectively rise to the shared challenges we face. To achieve this, the input and support of the public, politicians and staff is vital.

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