



Cynulliad Cenedlaethol Cymru **The National Assembly for Wales**

Y Pwyllgor Cyfrifon Cyhoeddus **The Public Accounts Committee**

Dydd Mawrth, 5 Mawrth 2013
Tuesday, 5 March 2013

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Cofnodir y trafodion yn yr iaith y llefarwyd hwy ynddi yn y pwyllgor. Yn ogystal, cynhwysir
trawsgrifiad o'r cyfieithu ar y pryd.

The proceedings are recorded in the language in which they were spoken in the committee. In addition, a transcription of the simultaneous interpretation is included.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Mohammad Asghar	Ceidwadwyr Cymreig Welsh Conservatives
Jocelyn Davies	Plaid Cymru The Party of Wales
Mike Hedges	Llafur Labour
Darren Millar	Ceidwadwyr Cymreig (Cadeirydd y Pwyllgor) Welsh Conservatives (Committee Chair)
Julie Morgan	Llafur Labour
Gwyn R. Price	Llafur Labour
Jenny Rathbone	Llafur Labour
Aled Roberts	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats

Eraill yn bresennol
Others in attendance

Paul Dimblebee	Swyddfa Archwilio Cymru Wales Audit Office
Malcolm Latham	Swyddfa Archwilio Cymru Wales Audit Office
Jeremy Morgan	Swyddfa Archwilio Cymru Wales Audit Office
Dave Thomas	Swyddfa Archwilio Cymru Wales Audit Office
Huw Vaughan Thomas	Archwilydd Cyffredinol Cymru, Swyddfa Archwilio Cymru Auditor General for Wales, Wales Audit Office

Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol
National Assembly for Wales officials in attendance

Dan Collier	Dirprwy Glerc Deputy Clerk
Joanest Jackson	Uwch Gyngorydd Cyfreithiol Senior Legal Adviser
Tom Jackson	Clerc Clerk

Dechreuodd y cyfarfod am 9.00 a.m.
The meeting began at 9.00 a.m.

Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introduction, Apologies and Substitutions

[1] **Darren Millar:** Good morning and welcome to today's meeting of the Public

Accounts Committee. I remind everybody to switch off their mobile phones, BlackBerrys and pagers, as these can interfere with the broadcasting and other equipment. As usual, I remind everybody that the National Assembly for Wales is a bilingual institution and that Members and witnesses should feel free to contribute in either Welsh or English. Translation is available on channel 1 on the headsets and sound amplification, for those who require it, is on channel 0. In the event of an emergency, we should follow the instructions of the ushers, who will lead us to a safe place. We have not received any apologies and we have a full house, so we will go straight into item 2.

9.01 a.m.

**Sesiwn Frifio gan Archwilydd Cyffredinol Cymru ar adroddiad Swyddfa
Archwilio Cymru, ‘Caffael a Rheoli Gwasanaethau Ymgynghori’
Briefing from the Auditor General for Wales on the Wales Audit Office
report, ‘The Procurement and Management of Consultancy Services’**

[2] **Darren Millar:** The report was published on 21 February and concluded that there has been a significant reduction in the public sector’s expenditure on consultants, but that very few public bodies are able to demonstrate that their expenditure represented value for money. It found that few public bodies routinely collect and analyse data to assist in obtaining and using consultancy services more efficiently and that sometimes the data on expenditure is unreliable. I welcome the Auditor General for Wales to the table, along with Paul Dimblebee and Jeremy Morgan from the Wales Audit Office. Auditor general, do you want to give us a brief overview of the report, providing us with any updates or additional information that you think might be useful to us in exploring this with you?

[3] **Mr H. Thomas:** Thank you, Chair. Given that you have a full agenda today and my understanding of what the committee would prefer, I intend to adopt a different approach to briefing you. I will give a few opening remarks and, if you want, I can go on to suggest some areas that you might want to look at in the report.

[4] **Darren Millar:** Yes, please.

[5] **Mr H. Thomas:** Then I will leave you to ask questions of the principal authors of the report.

[6] As you say, consultancy services is an area of high expenditure by the Welsh public sector. In 2010-11, public bodies in Wales spent a total of £133 million on consultancy services. We wanted to look at how well they procured such services and how well they managed contract services. So, this was a cross-sector piece of work looking at local government, health and the Welsh Government itself. There is a widespread public perception that consultancy services, and management consultants in particular, are an expensive luxury and that, in times of austerity, you achieve savings by simply cutting expenditure on consultants. However, what is important is that public bodies use consultants’ knowledge effectively. Using their skills and expertise can be a great help to public bodies in delivering new services and initiatives, particularly in offering specialist advice. However, there is a risk. If you do not manage consultants effectively, their services can be costly and the opportunities to make the best use of the services that they provide can be missed. Therefore, to achieve value for money in the procurement and management of consultancy services, there is a real need for public bodies to define and justify the need for consultants, to carry out efficient and legal procurement, to manage contracts effectively and to carry out a robust evaluation of performance.

[7] The report’s overall conclusion is that, although public bodies reduced their

expenditure on consultants by some £40 million—from £173 million in 2007-08 to £133 million in 2010-11—they were unable to demonstrate good value for money in the planning, procurement and management of consultancy services. This is because the extent to which public bodies exercise generally accepted standards of good practice in the various stages of procuring and managing consultants varies considerably. My report estimates that efficiency savings of more than £23 million are possible if all public sector bodies in Wales were to follow the good practice set out in the report. It is also worth noting that the principles of what should lie behind the efficient and effective management of consultancy services apply equally to the management of the procurement of all goods and services.

[8] In terms of how the committee might want to take forward the issues that have been raised in the report, there are some areas that you might want to explore further, particularly with the Welsh Government. These might include: why the Welsh Government appears to make proportionately far more extensive use of consultants than any other public bodies in Wales; how Value Wales intends to improve the consistency and the quality of procurement-related data across the public sector; what progress is being made with the establishment of the new national procurement service and the consultancy advice service; how best to encourage better use of business cases for planning and delivering consultancy projects across the public sector; the need to look at workforce planning and how that can be used more effectively to reduce future dependency on consultants; what is being done to discourage the undesirable procurement practices that we found, particularly those that contravene European Union legislation; the need to improve opportunities for Welsh small and medium-sized enterprises within competition rules and regulations; and, finally, whether the Welsh Government has any plans to roll out contract management training across the public sector, and, if not, what else it can do to improve contract management in public bodies. I believe that those are the areas that might profit from being explored.

[9] **Darren Millar:** Thank you, auditor general. You have indicated that there is a downward trend in terms of cost to the public sector of public procurement. However, you also note that Welsh Government's spend on consultancy services represented some 16% of its salary costs, which seems rather high compared with other parts of the public sector. Do you have any information as to how that compares with other parts of the UK, such as Scotland and Northern Ireland?

[10] **Mr Dimblebee:** On whether there is that direct comparison with other parts of the UK, such as England and Scotland, I do not believe that we did that comparison directly. Part of the reason, as we understand it—and I should say at the outset that we did not look at it in detail—as to why they would spend proportionately more than, say, other public bodies across the piece is, largely, the nature of the business. Figure 2, on page 17, shows the types of projects on which consultants are used. You can see that, for example, construction and property-related projects feature highly, as does business and management. The Welsh Government argues that that features proportionately more in terms of its business as one-off projects than across the public sector as a whole. Therefore, it would argue that that is true of particularly large projects; for example, we came to the committee previously with a report on major transport projects. Significant amounts of money are spent on those projects, and consultancy services feature highly, given the nature of those projects. Therefore, the Government would argue that, proportionately, it would spend more than other public bodies because of the nature of those one-off type projects. However, we did not do that direct comparison with the Scottish or the UK Governments.

[11] **Darren Millar:** Is that an easy comparison to do? Would you be able to provide us with those figures?

[12] **Mr Morgan:** It depends on the basis of the figures that were available from England and Scotland. The National Audit Office has done a piece of work, but that was just in central

Government. Audit Scotland also did a piece of work, which was across sectors, but the basis of the data was different—it went through a different process of cleansing and analysis. Therefore, you might be able to do a loose comparison, but I would not like to say that it was probably going to be extremely accurate.

[13] **Darren Millar:** The Welsh Government has argued that it has a lean team in terms of the number of its civil servants. Is this evidence that it does not have enough civil servants with the right skills to do the job?

[14] **Mr H. Thomas:** The slimming down that the Welsh Government has done has tested certain parts of its services. However, that took place just after this particular exercise. You will remember that the Permanent Secretary discussed her plans, in terms of taking out staff, with you at the time. We would not have expected to see that reflected in the figures at this stage.

[15] **Darren Millar:** The question that I am asking is—with the recent reductions aside—whether the level of expenditure, at 16% of salary costs, is indicative of a wider problem within the Welsh Government, namely that civil servants simply do not have the skills to undertake the tasks that are required of the civil service.

[16] **Mr Dimblebee:** I think it is worth noting that even though the level of expenditure on consultancy services is high in the Welsh Government, it has actually reduced. I think the figure was 22% of staff costs in 2007-08, so it has come down from that level to 16%. Again, this is against the backdrop of reducing civil service numbers, if you like, and the fact that actual percentage of proportional spend on consultancy services has also reduced. So, that analogy does not quite fit.

[17] **Jenny Rathbone:** It does not really answer the question though. I can understand that you need to take on extra people when there is an emergency or an unforeseen event, but we seem to be using consultants for all manner of things that you would normally expect to be done by paid staff. Is the use of consultants an excuse for not appointing the right people in the first place?

[18] **Mr Dimblebee:** It is not straightforward. I am sort of putting myself in the Welsh Government's position here and it can be quite difficult. We say in the report that the extent to which it uses consultants should inform its workforce planning. So, if it finds that it uses consultants to a significant degree for a certain piece of work, it should consider whether it would be better to provide that service in-house rather than bringing in a consultancy service. The extent to which public bodies across the piece use consultants to inform their workforce planning was pretty poor and they did not seem to learn the lessons or bring on board their experiences. The report is quite clear that their analysis of their past expenditure on consultants is very poor and it does not inform a strategic approach to the future use of consultants. So, you can say that, yes, if they are making significant use of consultants, they should be making decisions as to whether they should be using in-house resources or requiring that expertise going forward.

[19] **Julie Morgan:** Do you have an ideal percentage that you think should be used on consultants? Is there any research that says that any public body should have a certain percentage spend for consultants?

[20] **Mr H. Thomas:** I do not think that there is an ideal level for any sector of consultants. What we are trying to say is that we need more intelligent purchasing of the consultants and we need to make sure that, where they are being used repeatedly, there is workforce planning to back up and try to reduce the demand for consultants in the future; that where we do use them, we make sure that they are used effectively, and, in a sense, that

means good management; and that the public bodies, particularly those that employ a considerable number of consultants, need people who are really intelligent purchasers and understand how the consultants should be used to best effect. They are an expensive tool, but they are a necessary tool, particularly in areas such as construction and so on, as we have mentioned, and they must be used effectively. The question that we leave open is whether they are being used effectively, and we certainly see some practices that suggest that they are not.

[21] **Gwyn R. Price:** Your report notes that while the Welsh Government has reduced its expenditure on management consultancy, other areas of consultancy services expenditure have not been targeted or analysed by the Welsh Government in the same way. Did the Welsh Government provide you with any explanation as to why other areas of consultancy services had not been targeted or analysed by the Welsh Government to date?

[22] **Mr Morgan:** It felt that management consultancy was a particular area where it perhaps had more in-house expertise that it could look to develop. It developed something called the 'solutions pool'—I think that that was its name—whereby people with more generic skills who could be called upon were put in this pool. That meant that it could call on those people at times when, on previous occasions, it might have used management consultants. Whether it is going to target other areas, I am not quite sure. The other areas tend to be a little bit more specialised—areas like construction, certain information technology areas and projects on which it might not be cost-effective to bring somebody in full-time or to develop somebody's skills. However, certainly on management consultancy, it was thought that it would have certain in-house expertise that it could call upon.

[23] **Gwyn R. Price:** So, it has not told you, up to now, what it is going to do.

[24] **Mr Morgan:** It has not said anything about other areas of consultancy, no.

9.15 a.m.

[25] **Jocelyn Davies:** Does the civil service structure, in itself, prevent somebody from getting to be an expert in a certain area? Civil servants seem to move around a lot because of the pay structure and the way things work—you might be in transport at the moment, but, next year, you might be in housing or a different department because of the way promotions are structured in the civil service. Is it a barrier to people developing expertise in this area?

[26] **Mr H. Thomas:** This is the traditional issue that the civil service has: it is a mixture of generalists, but there are specialists. It may well be the case—particularly in areas like planning and roads, for example—that there are specialists who spend their careers in those areas. That is where workforce planning becomes important because, if you are going to be using consultants repeatedly in particular areas, you ought to be recruiting specialists to reduce the demand for consultants. The issue of specialists versus generalists is a long-standing issue in the civil service.

[27] **Mohammad Asghar:** The report states that the quality of records in support of consultancy services is poor in much of the public sector. Given that statement, how confident are you that the public sector does not have a greater expenditure on consultancy services than your report suggests? You also mentioned in your earlier report that a saving of £23 million can be achieved. You use the words 'expensive luxury'. Can that saving be achieved in one part of the sector or from all sectors? How confident are you that you can achieve that saving?

[28] **Mr Dimblebee:** I will have a go at explaining the model that provides the £23 million estimate of what could potentially be achieved—Jeremy can correct me or add to what I say as he thinks is appropriate. Basically, we adopted a model that was developed by the National

Audit Office in conjunction with the former Office of Government Commerce. That model assessed five stages of the procurement cycle. It depends on the judgments that you make about the standards of practice exercised by public bodies against good practice standards. If you think that they are good, they get a green rating, if they are pretty average, they get an amber rating, and, if they are very poor, they get a red rating. So, it is a very broad assessment. Basically, if everybody was good, you would achieve maximum value for money in procuring management consultancy. However, if you fall short on those things by any degree, there is the potential for savings. That is based on a lot of research by the Office of Government Commerce—we did not second guess that at all, but we thought that the tool could be adapted to give a broad level of savings that could be achieved if all public bodies in Wales adopted the best standards of practice. Where we found there was the greatest potential for savings was in the upfront bit, in deciding whether you need consultants in the first place and, if so, whether those services could best be provided by consultants or internal staff. It was in the thinking around that area that we found the greatest potential for achieving savings—if things were done better in public bodies in Wales at that upfront thinking and business planning stage, there would be a greater chance of achieving savings. Does that make sense? Appendix 2 of the report tries to set out in a bit more technical detail how that model was developed and applied in that case.

[29] **Mike Hedges:** There is a level of cynicism with regard to any of these means of calculating things. I remember when the private finance initiative was proven to be financially beneficial, and that has consistently failed to wash its face. I have two questions. You mentioned savings of £23.4 million. Is it up to £23.4 million? If so, it could be substantially less. Secondly, who has peer reviewed the formula for the potential benefit calculator for public bodies and where can I get access to that peer review?

[30] **Mr Dimblebee:** As regards the first question, it is a formula, basically, and the formula comes out with a precise figure, which is just more than £23 million. Therefore, it is between £23 million and £24 million, although there are a lot of assumptions underpinning that, not least the inputs and the quality of judgments that underpin that model. Jeremy, do you want to comment on the second part of the question?

[31] **Mr Morgan:** In terms of a peer review, I am not aware of any particular peer review that has been done on this model, but it has been used quite extensively by central Government bodies.

[32] **Mike Hedges:** So has the PFI model, which has proven to be absolutely wrong for the people of Carmarthenshire.

[33] **Darren Millar:** With regard to similar reviews that have been undertaken by the National Audit Office, then using and applying this toolkit, has it delivered the savings that would have been expected? That is a good way of testing it in practice, is it not? Have you seen much evidence of that?

[34] **Mr Morgan:** There are examples. The Office of Government Commerce, when it existed, had a few case studies of where savings had been found. There is one in the report that mentions Birmingham City Council, which had used not just this tool, but a range of toolkits from the consultancy value programme.

[35] **Darren Millar:** It was able to show, via a flowchart or whatever, that the decision would have been different had it used its old decision-making matrix, was it?

[36] **Mr Morgan:** Yes.

[37] **Mr Dimblebee:** I should also add that the National Audit Office reports on the

impact that it has achieved from across the whole range of its work. Consultancy services actually featured as the most significant or largest single impact that it claimed in the year in question, based on the implementation of recommendations in its report, which was very much based on a similar approach to that which we adopted here. So, it seems that there is that potential.

[38] **Darren Millar:** That is very interesting.

[39] **Mr H. Thomas:** If Mike wants to read more, I would refer him to appendix 1, which references significant amount of literature that, in a sense, we drew on, including Public Accounts Committee work in central Government, the NAO and the Office of Government Commerce. The analysis has been used, and I think it is a fairly well-tested model.

[40] **Darren Millar:** Thank you for that. Julie is next.

[41] **Julie Morgan:** I think that you say in your report that only 20% of public bodies have a strategy for how they are going to procure and manage consultancy services. Could you tell us the key features of organisations that have a strategy for dealing with consultancy?

[42] **Mr Morgan:** They were few and far between for a start. However, those who have a more strategic approach would be looking at more of a centralised procurement function, giving more thought to how consultancy fits in with wider procurement of other goods and services, how it fits in with what we said about workforce planning and using something called category management, where you would have people who are specialists in procuring consultancy, for example, but you might have category managers in other areas as well, and they would be able to talk to each other and join up where they can. A lot of this, basically, is what is in part 3 of the report and it is about bringing it together and giving more thought to it, not just going out and buying something.

[43] **Julie Morgan:** Why are so few people doing it, then?

[44] **Mr Morgan:** Probably, people are just used to procuring within silos. One thing that the report brings out is the dearth of experienced and professional procurement people within public bodies. A lot of the procurement has been done by people within departments rather than being centralised. Where it is centralised, it may be more of the common and repetitive spend, such as stationery and so on. With it being more centralised, there is the opportunity to think across categories, goods and services about joining things together.

[45] **Mr H. Thomas:** I could also refer to the case study used for Newport, which has a good framework that other authorities have been looking at and adopting. There are good practices. It is a question of all authorities and public bodies operating at the level of the best.

[46] **Julie Morgan:** Is there any attempt to share the good practice that exists? Are there any examples of trying to share it?

[47] **Mr Morgan:** The Welsh Government, as part of the national procurement service, is developing a consultancy advice service, which is featured in part 2 of the report. One area within that will be about establishing good practice and trying to spread it and not only in consultancy. It will broaden to other areas as well, eventually.

[48] **Darren Millar:** Jocelyn, you wanted to come in.

[49] **Jocelyn Davies:** I was just wondering, in terms of these strategies, whether you found examples of local authorities and others in the public sector and Welsh Government trying to procure consultancy services in Wales. I noticed that you said in your report that the Welsh

Government is using a UK Government framework agreement—from the Department for Business, Innovation and Skills, I think—and none of the companies on that are Welsh companies. So, is there any potential there? It is not just about a public body spending money, but the impact on the economy of £133 million if there were a strategy for some of that to be procured within our own country. The benefit of that and the multiplier effect is something that we should be concerned about, especially if the Welsh Government is using the UK Government framework contract.

[50] **Mr H. Thomas:** With regard to the national procurement service, I know that, in the work that it is currently doing, backed up by Value Wales, it is endeavouring to get more Welsh companies on to the tender list and the framework lists. That is important. The risk, as you say, in adopting framework agreements that are being used elsewhere is that you reduce the extent of local competition.

[51] **Jocelyn Davies:** Your report says that the Welsh Government is using a UK Government framework contract agreement, which means that you go straight to the contractors on that list—you do not even have to have competition within those—and none of them are Welsh companies.

[52] **Mr Morgan:** One of the issues with procurement, which always makes it a little more difficult, is the fact that everything has to be competitive. It cannot be open to companies in Wales only—

[53] **Jocelyn Davies:** Yes, I know that. What I am saying is that it is not open to companies in Wales at all. If the Welsh Government is using a framework agreement that has been put together by the UK Government, on which there are no Welsh companies, then no Welsh companies can benefit. So, the very opposite is happening. How can we hope to develop expertise within Wales when perhaps much of this is leaching outside of Wales? I noticed that one of the things that you said is that perhaps, going forward, we should look at Welsh SMEs. I would like to see us focusing on that in future work, in terms of developing expertise not just in terms of the procurement, but on the other side of things.

[54] **Darren Millar:** We can obviously challenge the Welsh Government if we decide to take forward an inquiry on how it sees things going forward to ensure that the economic benefits of its spend on consultancy have an impact in Wales.

[55] **Jocelyn Davies:** Yes. We are many years down the road of devolution now and yet we are still using a framework put together by a UK Government department. It just seems a bit odd.

[56] **Darren Millar:** It is a fair comment. Aled is next.

[57] **Aled Roberts:** Hoffwn symud ymlaen. Mae'n syndod ein bod yn sôn am gymaint o wariant ar ymgynghorwyr ac eto mae achosion o fewn yr adroddiad lle naill ai nad oedd swyddogion yn ymwybodol o'r canllawiau caffael a gyhoeddwyd neu, mewn un achos, roeddent yn ymwybodol ohonynt ond nid oeddent wedi eu defnyddio. Rwy'n sôn am yr enghraifft ym Mwrdd Iechyd Lleol Cwm Taf, lle roedd canllawiau, ond mae'n ymddangos bod y prif weithredwr wedi apwyntio un ymgynghorydd a bod yr apwyntiad hwnnw wedi'i gymeradwyo gan **Aled Roberts:** I would like to move on. It is surprising that we are talking about so much expenditure on consultants and yet there are cases within the report where officials were either not aware of the published procurement guidelines or, in one case, were aware of them but had not used them. I am talking about the example in Cwm Taf Local Health Board, where there were guidelines, but it appears that the chief executive appointed one consultant and the appointment was approved by a committee retrospectively.

bwyllgor ar ôl hynny.

[58] Hoffwn hefyd dynnu'ch sylw at Gyngor Gwynedd a wnaeth fabwysiadu canllawiau London Centre of Excellence yn 2009—tair blynedd a hanner yn ôl—ac eto dim ond ar bedwar achlysur y defnyddiwyd y canllawiau hynny. Sut mae'r sefyllfa mor wael wrth feddwl am yr holl sylw a roddwyd i gaffael dros y pedair neu bum mlynedd ddiwethaf? Beth yn union mae sefydliadau megis Value Wales yn ei wneud i ddwyn sylw swyddogion at ddefnyddio canllawiau tebyg?

I would also like to draw your attention to Gwynedd Council, which adopted the London Centre of Excellence guidelines in 2009—three and a half years ago—and yet only followed those guidelines on four occasions. How is the situation so bad, bearing in mind all the attention given to procurement over the last four or five years? What exactly are organisations such as Value Wales doing to draw the attention of officials to similar guidelines?

[59] **Mr Morgan:** I think that Value Wales is aware that these incidents—they tend to be more isolated incidents—occur. Certainly, one of the roles that it takes is trying to promote good practice in terms of abiding by procurement legislation. I think that the national procurement service should, hopefully, see a reduction in these types of incidents, but, obviously, they are a cause of concern.

9.30 a.m.

[60] **Aled Roberts:** Pa hyder sydd gennych o hynny? Mae Value Wales wedi bodoli ers blynnyddoedd i ymwneud â chaffael. Dim ond oherwydd ein bod yn ailenwi rhyw gyrff, a ydym yn hyderus y bydd y sefyllfa yn newid?

Aled Roberts: How confident are you of that? Value Wales has existed for some years and it is there to deal with procurement. Just because we are re-naming some bodies, are we confident that the situation will change?

[61] **Mr Morgan:** Obviously, just changing the name will not solve everything, but it has told us that it is trying to crack down on that. We do not have any figures on such incidents. Usually, with such issues, the only challenge will come from a company that has actually lost out on a contract. Often, these things are not brought to light unless a company challenges because it has lost out in the procurement. There could be more of this going on that Value Wales does not even know about. It takes someone to come along to find it rather than these things being out in the open.

[62] **Mr Dimblebee:** It is probably stating the obvious, but public bodies are largely autonomous bodies, as was Value Wales. One assumes that the national procurement service, going forward—we hope—will have an enhanced monitoring role in terms of what is going on out there, but I would have thought that the extent to which it is able to police and sanction largely autonomous bodies, in terms of their behaviour and what they do, is very limited.

[63] **Mr Morgan:** The national procurement service is trying to bring a lot of this common and repetitive spend together to a centralised body, which will mean that it is handled by procurement experts who can pretty much do these things in their sleep. So, by taking it away from those people who might procure something once during their whole working lifetime, the hope is that it will bring it to experts who will be able to do this more effectively and within EU procurement legislation and guidelines.

[64] **Mr H. Thomas:** There is a high level of single tender action. In terms of the public bodies that we visited—the figures are in paragraph 3.41 of the report—we found that only one in five of the contracts were appropriate to have been let by single tender. Although 45% of contracts had some formal approval, one fifth of those were actually retrospective. So,

there is a lot to be done in terms of improving the way in which contracts are awarded and, indeed, consultants selected.

[65] **Darren Millar:** We have a few questions that we still want to ask; I ask Members to be brief with their questions, and WAO officials to be brief in their responses.

[66] **Jenny Rathbone:** You say that Value Wales is developing the business case for a national procurement service with a view to launching it in April 2013, which is just one month away, but that the governance and funding arrangements of the service are yet to be determined. Since you drafted that report, have you any indication of progress being made?

[67] **Mr Morgan:** They have made some progress, as far as I know, and they hope to start rolling it out in April. As far as I know, that is still the case. I have not heard anything to the contrary.

[68] **Jenny Rathbone:** So, they now have an idea of how the governance and funding arrangements are going to be—

[69] **Mr Morgan:** I think that they have a better idea, but that is more of a question for Value Wales.

[70] **Jenny Rathbone:** That is fair enough.

[71] **Darren Millar:** Jocelyn has a question.

[72] **Jocelyn Davies:** I think that my question has been covered, thank you.

[73] **Darren Millar:** We therefore turn to Mike.

[74] **Mike Hedges:** I have two questions. Although—as Jocelyn said—none of those companies are in Wales, is it not the case that a number of them have Welsh branch offices? I think that DTZ is an example. I know that it is not on the list, but it is certainly a consultant used substantially by local authorities in Wales, and has a major office in Cardiff.

[75] Secondly, are there any specific issues that we have not covered today that you believe that this committee could usefully focus on, were we to do an inquiry?

[76] **Mr Morgan:** With regard to the first question, that is one of the problems that we have with the data—trying to identify where companies are from. For example, PricewaterhouseCoopers does a lot of work in Wales; it has offices throughout Wales, but its invoices are sent to headquarters, wherever they are. When you are looking through the data, it will come up as being an English company, so it does not give you a true reflection of where the money is going. That happens a lot. It is the same with many of the large engineering companies. That money will stay in Wales, but it will look from the data as if it is going outside of Wales.

[77] **Mr H. Thomas:** In terms of the second question, I would stay with the seven broad themes that we outlined earlier.

[78] **Darren Millar:** Thank you very much for that. It was useful, and we will discuss later how the committee wants to take that report forward. Thank you, Jeremy and Paul.

9.35 a.m.

**Sesiwn Friffio gan Archwilydd Cyffredinol Cymru ar Adroddiad Swyddfa
Archwilio Cymru ‘Contract Meddygon Ymgynghorol yng Nghymru:
Cynnydd o ran Sicrhau’r Manteision a Fwriadwyd’
Briefing from the Auditor General for Wales on the Wales Audit Office
Report ‘Consultant Contract in Wales: Progress with Securing the Intended
Benefits’**

[79] **Darren Millar:** I welcome to the table Dave Thomas and Malcolm Latham from the WAO. The first consultant contract was introduced in 1948 and, essentially, remained unchanged until new contract negotiations started in 2000. Following those negotiations, a Welsh contract became binding on all consultants in Wales on 1 December 2003. Your report, auditor general, found that consultant recruitment and retention has improved and that the amended contract, since it has been implemented, has resulted in an increase in the number of full-time consultants of 37%. However, you also found some problems with consultants working more than the 48 hours in the working time directive, and you did not feel that the service modernisation that had been anticipated in 2003 has been delivered. Do you want to give us, again, a brief overview with any useful additional information or pointers in terms of an inquiry and then we will go straight into some questions?

[80] **Mr H. Thomas:** As you said, our report looked at whether the intended benefits of the amended NHS contract in Wales were being delivered. The contract was introduced in December 2003 and had the aims of improving consultants’ working environment, consultant recruitment and retention and enabling health managers and consultants to work together to provide a better service for patients in Wales. Essentially, this report draws on local audit work that we undertook at all NHS bodies in Wales during 2011, with selective follow-up work last year. The work had a strong focus on the extent to which consultant job planning had become embedded in NHS organisations, given the importance of the contract in terms of underpinning effective implementation.

[81] Our overall conclusion from our work was that not all the intended benefits are being achieved, largely because the amended contract has not been underpinned by effective job planning, and that despite significant sums of money being spent implementing the contract. Some £35 million was spent on introducing the contract over time, the overall consultants pay bill, which includes pay awards, has risen from £250 million in 2004-05 to £331 million in 2010-11 and consultants’ average earnings have increased by about 29% over the same period.

[82] Positively—there are positives—consultant recruitment and retention has improved since the contract was introduced. Full-time equivalent consultant numbers have increased by 37% between 2004-11, and the number of direct clinical care sessions available to the NHS has increased by over 3,000 a week, so there have been really positive features. However, crucially, the intended benefit of managers and the consultants working together to modernise and improve services has not been fully realised. A relatively low percentage of consultants that we surveyed thought that the contract had supported service modernisation and improvements in clinical practice and patient care.

[83] Our conclusion is that, by not properly embedding job planning, NHS bodies are failing to use a vital tool that would help consultants and managers to work collaboratively to plan and deliver high-quality services. This is particularly important given the challenges that currently face the NHS in Wales. It is also vitally important that job planning is supported by good information. It is therefore disappointing, as we record in the report, to note the abandonment of an outcomes indicator project from 2009, despite £1.9 million having been spent on that work prior to abandoning it.

[84] I make a number of recommendations in my report for both the Welsh Government and NHS bodies, aimed at strengthening job planning and having a clearer focus on realising the intended benefits. Locally, we have seen that NHS bodies accept that there is a need to strengthen job planning. There has been some progress, but it is patchy, and more needs to be done, particularly to embed job planning within organisations. It will need strong clinical leadership and ownership, and better awareness of the aims of the contract and benefits of job planning. As with some other reports that we have produced, we issued this report together with a checklist to board members, so we are, in a sense, trying to encourage the NHS bodies to pick up and run with the report. If you do not have copies of that, we will arrange for them to be circulated to you.

[85] In terms of how the committee might want to take forward the issues raised in the report, there are a number of areas that you might want to explore, both with the Welsh Government and the NHS. These include what progress has been made by NHS bodies in improving job planning arrangements. The report is based on a series of local reports, so there has been time for them to take action. What is the Welsh Government doing to ensure that local job planning arrangements are supported by all-Wales guidance? What do NHS bodies and the Welsh Government see as the barriers that prevent the establishment of sound job-planning processes? What monitoring processes are being put in place locally and nationally to check that the job planning is being undertaken as expected? Basically, why did the Welsh Government let the £1.9 million consultant outcome indicator project run on for so long before pulling the plug? What lessons have been learned from that project? Finally, what is being done to identify fair, meaningful measures of consultant productivity as part of a wider framework for realising the intended benefits of the amended contracts and achieving value for money from the additional investment that has accompanied it?

[86] **Darren Millar:** Thank you for those remarks. You have touched on lots of issues that I know Members will want to explore. I will just ask one question. The 29% increase in average consultant pay is, obviously, quite a sizeable increase over the period. Is that what you would have expected to see, given the new contract?

[87] **Mr D. Thomas:** One of the main aims of the contract was to make Wales more attractive as a place of employment for consultants, and it was quite deliberate in how the pay was structured to do that. In some ways, you could say that it has achieved that benefit. What you have in Wales is an ability to move up the consultant pay scales more quickly than in England, even though the base pay and the top pay is lower. It is the rate of progress—the 29% increase really reflects the aim that they had in the first place when they put that contract framework together.

[88] **Darren Millar:** We are still struggling to recruit consultants.

[89] **Mr D. Thomas:** There is a separate issue there. In certain specialties, like accident and emergency and paediatrics, that is a UK-wide problem. Going back to 2003-04, when the contract came in, there was a particular concern that Wales needed to be seen to be attractive as a place of work for consultants.

[90] **Mike Hedges:** I have two questions on the methodology. First, with the difficulties of the consultant outcome indicators project, how can a standard set of acceptable outcomes to measure both specialities be achieved?

[91] **Mr D. Thomas:** You have to understand what data are needed in the first place. If you look at the report, the reason why it failed is because people did not necessarily realise or listen to concerns at the start of the project that the base data that they were using were never really designed for the purpose that they intended to use them for. They were taking, in effect, the ordinary patient administration system data from the hospital and trying to use those to

create the outcomes data that they needed. Those data were never designed for that purpose. You need some advance research up front to do that. That is why I have been saying that they should have realised earlier that that was going to fail. Having said that, it is important to recognise that there are some specialties where those data did work, and they have been able to generate some meaningful indicators of outcomes. You should not lose that either. It is a question of taking the bits that worked and learning from them, but ultimately it was a failure.

[92] **Mike Hedges:** A few weeks ago, talking about the Forestry Commission, you said:

[93] ‘it remains our view that, as only 35 per cent of those attending the most recent (2011) all-staff meeting completed the evaluation form, it is difficult for either us or FCW to assess whether these meetings are delivering their intended objectives’.

[94] Yet you only have a 30% return from consultants. I am trying to balance the two: 35% is bad in forestry, but 30% is meaningful for consultants.

9.45 a.m.

[95] **Mr Latham:** I do not know about the first report, but over 700 consultants responded to our survey, and that sets it up as a meaningful result, because it was a substantial amount of consultants who had actually bothered to say something, and it was the good and the bad that they commented on as well; it was not just a general moan and gripe about it. It seemed to reflect that point fairly. I suppose that if you are taking it from a statistical point of view, then it is a substantially viable number in the context of the number in the pool that it came from.

[96] **Darren Millar:** Are you happy, Mike?

[97] **Mike Hedges:** I am not happy, but I will carry on.

[98] **Darren Millar:** You have made your point. [*Laughter.*] Gwyn is next.

[99] **Gwyn R. Price:** Your report notes that consultants may be willing to work additional sessions to increase activity, to take on management positions or to develop their own clinical practice. Did your investigations suggest where the consultants are effectively under pressure to work additional sessions in order to progress their careers?

[100] **Mr D. Thomas:** I will ask Malcolm to respond to that question and I will see at the end if I have anything to add.

[101] **Gwyn R. Price:** Yes, share it out.

[102] **Mr Latham:** None of the consultants who responded to us said that they felt that they were under pressure. In fact, some specialties in particular, such as surgery, said that they needed the additional sessions to build up the expertise that they required for their revalidation. So, it is a bit of a mixed bag. It depends on the specialty and the consultant involved, and that is why part of our report has said that, when you are doing job planning, it is all about the individual, and not the mass, because it is directed at the individual to get the best out of him or her.

[103] **Mr D. Thomas:** In terms of being under pressure, we did not ask that question. [*Inaudible.*]—The answer is that the pressure in the service as a whole would probably illustrate that if you want to get your activity figures through, there is a bit of pressure, but it is, I suppose, a two-way discussion between the consultant and their employer.

[104] **Gwyn R. Price:** I have a follow-up question. The report notes that 23 consultants on

part-time contracts are effectively working full-time by doing 10 sessions or more. Is there a theme to why such consultants have not been moved into full-time contracts?

[105] **Mr D. Thomas:** From the fieldwork, can you offer something, Malcolm?

[106] **Mr Latham:** Yes. Some individuals want to remain on part-time contracts because of the flexibility that that allows them, particularly if they are bringing up a family or whatever, and they want to work the extra sessions voluntarily rather than contractually. So, there is that element of it. Sometimes, where there are very few consultants in a specialty, they do increase their sessions because of the demands on that specialty. So, there is a bit of 'job creep' in doing additional sessions to the benefit of the patients that they are looking after. We have had no feedback that they felt they were under pressure. They were using the flexibility that the consultant contract allowed them. As to whether health boards should then negotiate on that and say, 'Well, you are actually working full-time, so perhaps we should do something about that and look at a much more flexible job plan for you', the discussions were not happening, because the job planning process was not in place. So, there is an opportunity there that is being missed.

[107] **Darren Millar:** Thank you. Was there any evidence that low productivity was affecting the number of hours that people had to work?

[108] **Mr D. Thomas:** I am not aware of any, Chair.

[109] **Darren Millar:** Did you test any evidence, or did you take evidence?

[110] **Mr D. Thomas:** Productivity is a difficult area to calculate, and there are all sorts of views on how you could measure a consultant's productivity. We looked at this, and we did not feel that we had a reliable methodology to measure it for ourselves, therefore we did not go that far.

[111] There needs to be clear understanding of what productivity means, because it means different things to different people. We did not necessarily see that low productivity was a factor. If you look at the direct clinical care sessions, you could argue that, with the additional recruitment and the job planning that has been done, you have more direct clinical care being produced. You could therefore argue, on a simple level, that productivity has increased, but you would need to look at each individual consultant's job and ask what you could expect of that job and what productivity would mean for that particular consultant, and that is quite a complicated calculation.

[112] **Aled Roberts:** Mae'r adroddiad yn dangos bod tuag un o bob chwech o'r meddygon hyn yn gweithio mwy na 12.5 sesiwn a bod nifer ohonynt yn gweithio mwy na 48 awr, sef yr hyn sydd yn y rheolau Ewropeaidd. A oedd tystiolaeth bod perygl i iechyd y cyhoedd o achos y patrwm gweithio hwn?

Aled Roberts: The report shows that about one in every six of these doctors worked more than 12.5 sessions and that many of them work more than the 48 hours set out in the European directive. Was there any evidence of danger to public health because of this working pattern?

[113] **Mr D. Thomas:** I am not aware that there was any danger. I will ask Malcolm to give some perceptions from the local work to see if he wants to add some more on that.

[114] **Mr Latham:** Quite a few of the additional sessions were to do with the management aspect of the job. That is, a consultant would deliver his or her normal clinical activity and then be asked to undertake some specific management functions on top of that. As well as this group, I think that there are about seven or eight consultants who are working more than 15

sessions, and they are in specialties where there are just one or two consultants, and their work demands are therefore higher. None of the consultants expressed that there was any risk to that, but there is a question around the sustainability of that going forward. You cannot have somebody working for 40 years at 60 hours a week. That just cannot happen in the long term. It is a long-term problem that needs to be addressed. We point out that it will probably take an additional 30 to 40 consultant posts to replace the ones that are working those additional hours, if you wanted to get them to comply with the European working time directive.

[115] **Aled Roberts:** Mae'r patrwm yn wahanol iawn ar draws Cymru. Mae'r ffigurau yn rhanbarth y gogledd, Powys ac ymddiriedolaeth Felindre yn dangos bod nifer mwy o'u hymgynghorwyr yn gweithio mwy na'r 12.5 sesiwn. A yw hynny o achos polisi y byrddau iechyd, neu a yw'n ganlyniad i broblemau recriwtio? Rwyf hefyd am ofyn cwestiwn i Malcolm, yn dilyn ei ateb diwethaf. Rydych yn dweud yn yr adroddiad y byddai angen 47 o feddygon ymgynghorol ychwanegol yng Nghymru er mwyn cadw at y terfyn. A oes unrhyw wybodaeth ynglŷn â beth fyddai'r gost i'r gwasanaeth iechyd yng Nghymru pe bai'r Llywodraeth yn gofyn i'r 47 meddyg ymgynghorol hyn gael eu recriwtio?

Aled Roberts: The pattern is very different across Wales. The figures in the north Wales region, Powys and Velindre trust show that a greater number of their consultants work more than the 12.5 sessions. Is that as a result of policy within the health boards or of recruitment problems? I also want to ask Malcolm a question, following on from his last response. You say in the report that there would need to be 47 additional consultants in Wales in order to keep to that limit. Is there any information about what the cost would be to the health service in Wales if the Government required the recruitment of these 47 consultants?

[116] **Mr H. Thomas:** Mae hyn yn gymysgedd o nifer o bethau. Mewn rhai meysydd, mae prinder arbenigedd, a hynny ledled Prydain. Felly, mae pwysau ar y byrddau yng Nghymru yn hynny o beth. Yn ogystal, rwy'n credu bod lle i'r byrddau wella'u defnydd o ymgynghorwyr drwy ddilyn rhai o'r syniadau sydd gennym. Yr hyn sy'n bwysig yw bod trafodaeth yn cymryd lle rhwng y meddygon ymgynghorol a'r byrddau.

Mr H. Thomas: This is a mixture of a number of things. In some specialties, there is a lack of expertise across Britain. So, there is pressure on the boards in Wales in that regard. In addition, I think that there is room for boards to improve the use of consultants by following some of the ideas that we have. It is important that the discussion happens between the consultants and the boards.

[117] **Mr D. Thomas:** It is worth recognising that there are differences within health boards. The north Wales health board is a good example, as it has taken three distinct approaches to job planning from its predecessor organisation. That health board inherited different patterns of consultant working, which it has been rather slow to address. So, within a single health board, there are some differences for consultants who are working in similar specialties. That has to be evened out over time.

[118] **Aled Roberts:** Have those differences now been addressed?

[119] **Mr D. Thomas:** Slowly, but there is still more to do. The committee may want to think about that when it thinks about how it wants to handle the inquiry. In terms of the cost to the NHS of those additional posts, it is not just as simple as employing more consultants; you have to look at how they are working and see whether there are different ways of working, maybe using different staff groups to look at where the activity can be provided from. We do not have the figures. We could do a calculation on that based on average pay, but it would just be simple multiplication.

[120] **Jenny Rathbone:** It is a complex area, because trying to analyse whether there has been increased productivity as a result of the new consultant contract is difficult. One issue is that junior doctors have reduced their hours to comply with the working time directive. That may be one explanation as to why consultants have increased their hours. The difficulty is in deciding on the best way of spending the money that we have. The Welsh Government tried to get some way of measuring this, in the annual reporting requirements that it introduced between 2006 and 2009, but it does not seem to have been effective, because everybody filled the forms in differently. So, do you have a better idea?

[121] **Mr D. Thomas:** The annual reporting went hand in hand with the fact that the Welsh Government, at that point in time, kept a central pot of money to fund the additional sessions over and above the 10 sessions per week. It was a self-reporting mechanism. The chief executives of the trusts were then asked to sign it off and those reports were agreed with the local negotiating committee, which involves the BMA. They should have been a good vehicle for describing what was going on, but our view is that they were probably not robust enough as reports, nor were they challenged enough by the centre. The mechanism is fine, as long as you use a robust self-assessment and do some validation on it.

[122] **Julie Morgan:** In terms of job planning, you have already said that this does perhaps take some of the consultants' time, as some of the extra sessions are covered by that. Do you believe that the resource implications mean that there is less job planning than there should be?

[123] **Mr D. Thomas:** You need to invest in something such as job planning if it is seen as being an important underpinning factor in making some of the new contract work. I do not believe that that investment is onerous. Therefore, there will be time implications, but it is about embedding that process as part of the norm within the organisation. As to whether you can put a cost to that, I believe that the cost of not doing it is almost greater. Therefore, it is a mandated process. The amended contract in Wales made it clear that job planning is not optional—it is mandated. You therefore need to accept that there is a resource implication to doing it, but doing it well is a benefit that you will get from it.

[124] **Julie Morgan:** You are saying that a lot of it is not being done.

[125] **Mr D. Thomas:** No, it is not. Even though it is mandated, we were surprised to see how patchy it was.

[126] **Julie Morgan:** Is there any resource element to that?

[127] **Mr D. Thomas:** My personal view—and Malcolm can perhaps share his view from local fieldwork—is that I do not believe that it is a question of resources. I believe that it is about the culture and the ownership of the issue, and the recognition that job planning is important. If we add to that the paucity of information to support good job planning, you would maybe lose the will to do it, rather than think about the resources that are involved. Therefore, I believe that it is more about a culture and a way of working, rather than the sums of money that are involved.

[128] **Julie Morgan:** How could that culture be changed?

[129] **Mr D. Thomas:** It needs strong clinical leadership. The top of organisations need to say, 'We are doing this, and we are doing it well'. You will see within different organisations that there are pockets of good job planning, so why cannot that be spread more widely across the organisation? It needs that leadership at the top, as well as the drive from the centre, to make it happen.

[130] **Julie Morgan:** Thank you.

[131] **Darren Millar:** Jocelyn Davies has the next questions.

[132] **Jocelyn Davies:** I wish to ask about supporting professional activities. It is obvious from your report that a portion of consultants' salary is accounted for by these sessions that are spent on supporting professional activities. However, there seems to be a dearth of evidence, or it may be that it is difficult to identify, although I suppose that it is possible to monitor. Indeed, you say that there may not even be the proper balance anymore, because the debate is always around how many sessions should be devoted to it, rather than anything else. Therefore, what do you suggest we should do to improve the evidence, the identification, and the data collection on this, so that proper supporting professional activity can make a contribution and have a value within consultants' work?

[133] **Mr D. Thomas:** I will start, and then Malcolm might want to share some perspectives. The first principal point to make is that supporting professional activities are unique to that individual consultant. Part of the problem with the contract when it was first implemented was that there was an obsession with numbers. I believe that the contract said, typically, that there should be a 7:3 split between clinical care and supporting professional activities. That seemed to create an obsession with the numbers of SPAs, whereas what you needed to have is a debate between the employer and the consultant as to what was needed for that consultant's professional development and service delivery at that time. It could be as low as one, and it could be as high as four—but it is unique to the individual consultant.

[134] Once you have made that investment, you have to be clear about what you are going to get for it. It is then a simple discussion, as part of good job planning, between what the purpose of the SPA is, what the outcome will be and what we would expect to see. That is almost a line-by-line discussion that you have as part of job planning, so there is a clear expectation on the part of the consultants and the employer as to what will be achieved for it. It is unique, and it should be unique between that employer and the consultants. That could possibly involve a team-based approach, which is a different way of doing it. I believe that it is about moving away from the obsession with the numbers of SPAs and more about why you are doing it and what value is added to it.

[135] I do not know whether Malcolm wishes to add anything to that.

[136] **Mr Latham:** Yes. The numbers game was critical, but we were keen to say that it was to do with what they actually did. It is an investment by the service in the consultant. The consultant requires it for revalidation in order to carry on with the jobs—there is a certain amount of activity that they have to do to be on top of a job and on top of developments. The others are the business needs of the health board itself. The health board needs to say, 'We want to develop these services'. We saw a good example of where a health board had given a consultant an SPA to say, 'Over this year, you will learn a new technique, and we will mainstream that technique the following year as a DCC'. Therefore, the consultant was flexing between that. Those were the good examples. The bad examples were, 'Here are three SPAs', and there was nothing to show for them. They were just given three, as a standard amount, with no outcomes and no expectations identified for the consultant. The consultant is allowed to take some of these off-site because if you are doing research or presentations, it is often easier to do it in your study at home or in a library away from your normal place of work. The consultant contract does allow that flexibility, but to be an investment—and it is an investment—more needs to be done, as we said, to make sure that that investment is delivered.

10.00 a.m.

[137] **Mohammad Asghar:** Are there any specific issues that we have not covered today that you believe this committee could usefully focus on, were it to do an inquiry into issues raised in your report? If this committee were to do that, who do you believe we should seek to speak to? For example, would there be benefit in taking evidence from the Welsh Government or representatives of the health service in Wales?

[138] **Mr H. Thomas:** I think there is definitely a need to talk to the Welsh Government, and particularly the chief executive of the NHS and the medical officers. If we go back to the origins of this contract, it was designed to make Wales a more effective and attractive place for consultants to come, but also to use the consultants' expertise in proper clinical improvements and so on. So, I think that it is appropriate to ask what the Welsh Government is doing to continue driving these aims forward. It did monitor early on, but it seems to have dropped that extent of close monitoring. Then, there is the issue of talking to some LHBs to see, particularly where there are geographical variants, what they are doing internally to work at a better level.

[139] **Mohammad Asghar:** The national health service has developed so much that one consultant can monitor many operations at the same time in-house. I know that because the computer is there and all the facilities are there. However, on the other hand, there is human fatigue. If bus drivers, lorry drivers or pilots are only allowed to drive or fly for so many hours a day—you only have 24 hours in the day and night—how many hours are these consultants working in the public and private sectors? That is the biggest issue that I would like to raise, or that is at least my concern. The public pays their salaries and we need to know how much time they spend in the public service.

[140] **Darren Millar:** That is a fair point. Was it considered as part of your work?

[141] **Mr D. Thomas:** Are you asking if we considered the split between NHS work and private work?

[142] **Darren Millar:** Yes.

[143] **Mr D. Thomas:** The contract in Wales is a bit different from the one in England. It does not, in effect, put a limit on consultants' private work. The interesting thing is that it simply stipulates that whatever private work a consultant may do, it should not impact upon the delivery of his or her NHS work. That begs a number of questions. It goes back to good management of consultants and job planning within the organisation, and to have some assurance that that is actually happening and that there is no impact on the NHS work. We did not see any evidence that there was, I have to say, but it was not necessarily a detailed area of investigation for us.

[144] **Darren Millar:** That was very interesting. Julie is next.

[145] **Julie Morgan:** I was planning to raise the issue of private practice—

[146] **Darren Millar:** Is it the same issue, Jocelyn? I will bring you in.

[147] **Julie Morgan:** I had another issue as well, but if this is private practice—

[148] **Jocelyn Davies:** I was just thinking that I would not want somebody repairing my washing machine who was very tired, so I do not think that I would want anyone taking my appendix out if they were very tired. Having some reassurance around that would be a big comfort, so thanks for raising that, Oscar.

[149] **Darren Millar:** It is an interesting area that we might want to look at.

[150] **Julie Morgan:** My question was about the private practice issue, but also about whether you had any evidence about the gender issue, and whether this contract is more favourable to women, for example, in terms of increasing the number of women consultants.

[151] **Mr D. Thomas:** I am not sure whether we have that information. I will ask Malcolm to confirm that.

[152] **Mr Latham:** The contract set out to introduce flexible working arrangements specifically for that.

[153] **Julie Morgan:** Yes, that is what I was wondering about.

[154] **Mr Latham:** We have had nothing back suggesting that women consultants felt that they were under pressure, but it is an area that is also probably worth looking at.

[155] **Julie Morgan:** So, it was not an area that you looked at.

[156] **Mr Latham:** No.

[157] **Julie Morgan:** That was one of the key reasons for this contract, was it not, or part of the reason?

[158] **Mr Latham:** Yes. We had the feedback from the consultant survey and it was not an issue that popped up. They were given the chance to respond to issues, and female consultants in particular did not raise it as an issue.

[159] **Darren Millar:** Would baseline data on gender balance be easy to obtain, given that this now goes back to 2003?

[160] **Mr D. Thomas:** If you dug around, you could probably find it, but it would not be easily available, in my view. We did not look at the gender split; we simply looked at the flexible working and kept it at that. I suppose that if you wanted to go a bit deeper, you could perhaps look at that. However, you would have to ask some targeted questions of different groups of consultants to see how they felt.

[161] **Mr H. Thomas:** We will have a look at our data to see if we can give you more information on that.

[162] **Darren Millar:** It is obviously an issue of interest to the committee and the National Assembly for Wales as a whole. If there are no further questions, we will bring this item to a close. Thank you very much for the briefing; we very much appreciate your help.

10.05 a.m.

Papurau i'w Nodi Papers to Note

[163] **Darren Millar:** We have one paper to note, which is the minutes from our meeting on Tuesday, 26 February. I will take it that that is noted and move on to item 5 of our agenda.

Cynnig o dan Reol Sefydlog Rhif 17.42 i Benderfynu Gwahardd y Cyhoedd o'r Cyfarfod

**Motion under Standing Order No. 17.42 to Resolve to Exclude the Public
from the Meeting**

[164] **Darren Millar:** I move that

the committee resolves to exclude the public from the remainder of the meeting in accordance with Standing Order No. 17.42(vi).

[165] I see that the committee is in agreement.

Derbyniwyd y cynnig.

Motion agreed.

*Daeth rhan gyhoeddus y cyfarfod i ben am 10.05 a.m.
The public part of the meeting ended at 10.05 a.m.*