Cynulliad Cenedlaethol Cymru
The National Assembly for Wales

Y Pwyllgor Cyfrifon Cyhoeddus
The Public Accounts Committee

Dydd Mawrth, 21 Chwefror 2012
Tuesday, 21 February 2012

Cynnwys
Contents

Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynddi yn y pwyllgor. Yn ogystal, cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg.

These proceedings are reported in the language in which they were spoken in the committee. In addition, an English translation of Welsh speeches is included.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Mohammad Asghar	Ceidwadwyr Cymreig Welsh Conservatives
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
Lindsay Whittle	Plaid Cymru (yn dirprwyo ar ran Leanne Wood) The Party of Wales (substitute for Leanne Wood)

Eraill yn bresennol
Others in attendance

Helen Birtwhistle	Cyfarwyddwr, Conffederasiwn GIG Cymru Director, Welsh NHS Confederation.
Andrew Goodall	Prif Weithredwr, Bwrdd Iechyd Lleol Aneurin Bevan Chief Executive, Aneurin Bevan Local Health Board
Mark Jeffs	Swyddfa Archwilio Cymru Wales Audit Office
Andy Phillips	Arbenigwr Perfformiad, Swyddfa Archwilio Cymru Performance Specalist, Wales Audit Office
Huw Vaughan Thomas,	Archwilydd Cyffredinol Cymru Auditor General for Wales

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

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

Dechreuodd y cyfarfod am 9.12 a.m.
The meeting began at 9.12 a.m.

Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introduction, Apologies and Substitutions

[1] **Darren Millar:** Good morning, everyone. Welcome to the meeting of the Public Accounts Committee. I ask Members and witnesses to turn off their mobile telephones, pagers or BlackBerrys, as they can interfere with the broadcasting and amplification equipment. The National Assembly for Wales is, of course, a bilingual institution, and we welcome

contributions in English or Welsh. Headsets are available for amplification and translation. We have received one apology this morning, from Leanne Wood, but I am delighted to welcome Lindsay Whittle to the committee as a substitute.

‘Darlun o Wasanaethau Cyhoeddus’—Tystiolaeth gan Gonffederasiwn GIG Cymru
‘A Picture of Public Services’—Evidence from the Welsh NHS Confederation

[2] **Darren Millar:** We will take further evidence on ‘A Picture of Public Services’, a report produced by the Wales Audit Office. Members will remember that we took evidence from the the Welsh Local Government Association in a previous meeting, and from the Welsh Government late last year. We have copies of the NHS Confederation’s written evidence, and I am delighted to welcome Helen Birtwhistle, director of the Welsh NHS Confederation here this morning, as well as Dr Andrew Goodall, chief executive of Aneurin Bevan Local Health Board. I do not know if either of you wants to make any introductory remarks before we go into questions. If so, I ask you to be brief, as we have lots of work to get through this morning. Likewise, Members will be brief in their questions. Helen, do you want to start?

[3] **Ms Birtwhistle:** As you say, I am director of the Welsh NHS Confederation. We represent the seven health boards and the three NHS trusts in Wales. We found the Wales Audit Office report to be extremely helpful. We think that it outlines clearly the environment in which the NHS and other public services have to operate. We particularly welcome the recognition that we will need to balance ambition with realism. As the report recognises, the NHS in Wales is working in a very challenging financial environment—I know that that is no news to any of us—and there are some very difficult choices ahead. Growing demand for health services, long-term demographic trends and costly medical advances are all things that we know about and have talked about many times before, but these all impact on healthcare resources.

[4] The way in which health services are delivered to patients needs to change radically. I know that that is not a new message from us either, but I make no apology for repeating that today. As well as reducing cost, which is very important in this financial climate, this is about improving NHS services to ensure that patients benefit from a modern healthcare service that is safe—I think that that is very important—and sustainable.

9.15 a.m.

[5] Doing that, as the Wales Audit Office report says, will require careful and bold leadership. I do not want to be presumptuous, but everyone at this table is a leader, and we recognise your vital role as leaders in representing your constituents. We also ask, please, for your recognition of the work of the NHS in transforming healthcare services for the future and of the incredibly difficult decisions that we are going to have to make, for which we will be asking for support.

[6] **Darren Millar:** Did you want to add anything, Andrew?

[7] **Dr Goodall:** Just some brief words from me. I am here as the chief executive of a health board, but I am also here to represent an NHS Wales perspective on the discussion this morning. I want to start off by saying that all health organisations in Wales take their financial responsibilities very seriously. As the Wales Audit Office report outlines, the financial environment is very difficult for the NHS, but we should not dissuade ourselves from seeing this as an opportunity to focus on the quality, safety and sustainability of services. I think that that is the case for any public service in the UK and, of course, in the Welsh context.

[8] There is still a great deal of public feeling that hospitals are the focus for care and treatment, but we need to remind ourselves that nine out of 10 contacts happen with GPs and in the primary and community context. There is a need, perhaps, to challenge the traditional perception of hospital as the best place to be treated, and certainly, one of the areas that we have been looking to develop in recent years has been the focus on community alternatives, to demonstrate to the population that they can work.

[9] NHS Wales has made great strides. To remind everybody, we are in only our second full financial year as organisations, but what we have delivered collectively as health boards is about £1 billion of savings over the two and a half years of our existence. Obviously, we need to keep that momentum going for the future.

[10] To finish off, I would just say thank you for the opportunity, Chair, to say that our focus remains on patient safety and the quality of the service that we offer to our populations.

[11] **Darren Millar:** With that, we will move to questions.

[12] **Julie Morgan:** Could you tell us if there are any significant differences in how the Welsh health service is responding to the tough financial climate? Clearly, there is a tough settlement here in Wales. Do you know of any different ways of tackling it?

[13] **Dr Goodall:** On the outlook for public services in Wales, we talk to colleagues in Scotland, Northern Ireland and England, and it is a difficult financial environment for all. The level of savings that we are having to make is unprecedented, compared with what we have had to do over recent years. The NHS has traditionally delivered about 1% to 2% of savings. When we talk to colleagues elsewhere, we find that we are often trying to find different ways of working, along with the best practice that we can perhaps apply and learn from. Actually, however, the level of savings that everyone seems to be making is in excess of 5%. That is something that we have managed to achieve over the last two or three years, but I think that there is something different in Wales that we have been able to pursue. I spend quite a lot of my time as a chief executive in dealing with our local government partners to try to move on our proposals for integrating services and bringing teams together, developing close relationships with social services in particular.

[14] If you were asking me what is distinctive about the approach that we are taking, I would say that it is looking at the broader public services together and trying to align them with regard to the needs of the local population. I think that we have made a lot of progress on that in my area, Gwent, where Aneurin Bevan Local Health Board works. Equally, I am aware of a lot of good practice across Wales where that is happening in the same way. I think that that is a distinctive factor in how we are trying to change.

[15] **Mohammad Asghar:** My questions are on bridging the funding gap in the short term. Could you clarify some of the figures in your paper regarding the current financial position? In particular, what is the deficit for the current year, what is the predicted end-of-year position and what level of savings is still required to reach that position?

[16] **Dr Goodall:** I will just comment in outline, and perhaps give you the most up-to-date position that we have within NHS Wales. NHS Wales has currently overspent by £36 million. We are confident that NHS Wales will break even across all of the organisations. If you are asking me what the residual risk is that we have to manage towards the year end, at this stage, with a few weeks to go, it would probably represent around £12.5 million across all of the organisations. In statistical terms, that is probably 0.02% of the financial risk that we are managing—I would remind colleagues that we are managing a budget of £5.9 billion on behalf of NHS Wales. I am very confident that NHS Wales will break even on those numbers, and it is a small risk that we have to manage towards the year end.

[17] **Darren Millar:** The Finance Committee recently heard in an evidence session that, with the best will in the world, the NHS will still overspend by between £30 million and £40 million by the end of the financial year—even with the best financial management. That is evidence from your own finance directors and reports that have been given individually to your boards. Why are you so confident that you will come in within budget? I will bring some other Members in on this as well. Mike, do you want to ask your question at the same time?

[18] **Mike Hedges:** In the Aneurin Bevan Local Health Board meeting in January 2012, you predicted that the finance performance for month 9 would be a deficit of between £6 million and £12 million. What has happened between the middle of January and the middle of February to take out that £6 million to £12 million deficit?

[19] **Dr Goodall:** My comments are on NHS Wales in general terms. My comments were not intended to be on my organisation. We still have some financial pressures that we are looking to manage towards the end of the year.

[20] **Mike Hedges:** The forecast figures for the other health boards were similar: Abertawe Bro Morgannwg University Local Health Board, deficit of £3 million; Betsi Cadwaladr University Local Health Board, deficit of up to £10 million; Cardiff and Vale University Local Health Board, deficit of £5 million to £7 million; Cwm Taf Local Health Board, deficit of £6 million; Hywel Dda Local Health Board, deficit of £4 million; and Powys Teaching Local Health Board, deficit of £3 million. These forecasts are all from board meetings that took place in January, apart from Powys LHB, which met in December, and all are based on month 9. It adds up to between £27 million and £45 million. We have about five weeks left until the end of the financial year, and we are five weeks down the line from those figures. I am finding it difficult to understand this report. These were forecast deficits for all organisations, and they have now disappeared. I find that difficult to understand, but I am sure that you can explain it to me.

[21] **Dr Goodall:** We have a responsibility to report in public the level of pressures that we are experiencing as boards. We must forecast towards the end of the year. As we approach the last three months of the year, we are able to take some confidence from the level of savings that we are achieving as we go through the year. Perhaps, during the course of the discussion, I can outline some of those for you. I have given you the updated month 10 position for NHS Wales. There was an improvement of around £11 million in the financial outcomes for that month. I said that I would give you the most up-to-date position. All of the organisations have put in their latest forecasts, and that is why I said that I am confident that NHS Wales, collectively, can break even. However, there are still some very difficult financial challenges for us to overcome, with a number of weeks to go until the end of the year. There are still measures and savings that have been made. I know that, from my organisation, there are further savings that I have been able to make over these last few months. At the moment, I would expect NHS Wales to break even, and I am speaking on behalf of colleagues in Wales.

[22] **Darren Millar:** I will bring in some other Members who are interested in this issue.

[23] **Lindsay Whittle:** This is clearly a financial black hole that must stop, because we are getting into a serious position. I understand that the Finance Committee yesterday was told of this figure of £27 million to £45 million, which is very worrying, particularly as the Minister has already said that there is no extra money available. In fact, I recall the Minister informing the Assembly that she thought that the deficit would be around £16 million. I was rather concerned about that amount, but it is now way above that. Is it true that a deal has been struck, for example, with Hywel Dda Local Health Board? I have heard of an £80 million deal that gives the board £30 million next year, £30 million the year after and then £10 million

every other year. If so, what are the conditions of the deal?

[24] **Dr Goodall:** I cannot comment on the Hywel Dda LHB arrangements. The Minister's comment on the £16 million was based on the residual deficit that we felt that we had to manage towards the end of the year. I have already described this, but, we have already reduced that to £12.5 million as we have taken account of the month 10 position. There was an improvement between the position at the end of December and the end of January, which meant that we dropped the £40 million, bringing it down to around £36 million. I am trying to give you an update on the very latest figures that I have.

[25] Certainly, in terms of the recurrent moneys that were announced by the Minister earlier this year, funds have been made available to health boards to recognise pressures and to help us with some flexibility around taking a three-year view on financial positions for the respective health boards. That has been welcomed by the service, because it has allowed us to take a longer-term view of the financial pressures that have been outlined in the Wales Audit Office report. I am not in a position to comment on Hywel Dda LHB, but I can reassure you that the figures I am giving you are based on the very latest month 10 position that has just emerged. There has been an improvement between the two months.

[26] **Lindsay Whittle:** Could the other witness comment on the Hywel Dda LHB issue, please?

[27] **Darren Millar:** Could you perhaps be a little more general; it is important that we look at things in the round. We would appreciate your comments on the particular issue about Hywel Dda LHB.

[28] **Ms Birtwhistle:** From the perspective of the whole of the NHS in Wales, the Minister made clear her expectations quite early on in the financial year. More money was made available in this financial year, which we knew about and was upfront in about October, and, as Dr Goodall said, that has allowed the NHS to plan much better. There was also the announcement of the recurring £288 million over three years, which includes an element for Hywel Dda LHB, in the same way that it includes an element for other health boards. So, as far as I am concerned, that has been completely upfront and open. It has allowed the NHS to know sooner in the financial year what moneys were available, and the Minister made it quite clear to the NHS that there would be no more money. That is the basis on which all of the health boards and trusts have been working, and, as Dr Goodall said, part of the managing of those deficits and risks has been because we know that there is a limit—31 March—by which time there is a statutory obligation for the NHS to break even. As things currently stand, it very much looks as though that is going to be the position.

[29] To elaborate on the point you made about flexibility, there is an issue with an organisation as large as the NHS—and with a budget as large as the NHS budget—about having financial planning on a year-on-year basis. I am no economist, but hitting 31 March is a bit like landing a jumbo jet on a postage stamp. One of the things welcomed by the NHS is the move to more flexibility regarding financial planning across years, because if we were going to make the transformational changes that we need to make—these are not efficiency savings to be made here and there, but fundamental changes to the way in which we deliver services—then having arbitrary 12-month periods will make it that much more difficult.

[30] **Aled Roberts:** Are you therefore saying that the £70 million that Lindsay referred to as far as Hywel Dda LHB is concerned is contained within that £288 million that you referred to previously?

[31] **Dr Goodall:** I have already indicated that I cannot comment on the Hywel Dda LHB figure. The £288 million announced by the Minister is the figure that has been made available

to NHS Wales.

[32] **Aled Roberts:** We were told by Ms Birtwhistle that there has been openness with regard to how the £288 million has been applied.

[33] **Dr Goodall:** I cannot comment on that, Chair.

[34] **Ms Birtwistle:** I do not have the breakdown in front of me, but my recollection is that when that recurrent money was announced, money was included in that for all of the different health boards, including Hywel Dda LHB.

[35] **Aled Roberts:** Can we be provided with that breakdown?

[36] **Darren Millar:** We can have that information as supplementary information to today's meeting.

[37] **Dr Goodall:** We could provide some clarification to the committee.

[38] **Aled Roberts:** To follow that up, on 21 December, north Wales Assembly Members were advised by the Betsi Cadwaladr University Local Health Board that four of its facilities would be closed, potentially until 31 March. Three reasons were quoted, one of which included the need to have financial balance at the year end. Is that practice widespread, and do you believe that it is acceptable that an organisation manages to balance its books by closing services to people? If the organisation is there to provide a service, it does not make sense for it to be closed down for three months in order for it to balance its books.

[39] **Dr Goodall:** What is clear to us is that we have a statutory responsibility to break even. It is a financial requirement on us as organisations and therefore we have to work within the money that we have. Irrespective of the size of the overall NHS budget, it remains a finite resource. My response is that we must ensure that we can appropriately manage our services. We must use our staff, who often know where there are problems and deficiencies within the system, and allow them to come forward with solutions. We must work through processes of engagement with the public, our staff and with community health councils in particular. Speaking for Aneurin Bevan Local Health Board, we have certainly had to make some decisions locally, and we have been able to describe what some of the impacts and the benefits would be, and how we can trust some of the alternative services that we put in place in order to be in a position to take down other services, either on an interim basis or on a permanent basis.

9.30 a.m.

[40] I will give you one example of that—it is a local example, because that is what I am familiar with. With other colleagues across the Gwent area, including local authorities, we have invested in a frailty programme, which aims to provide community alternatives. We were very clear and upfront that, as we went through that, by making it successful and by investing in that service, we would be looking to take beds out of the system to pay for these services on an ongoing basis. Locally, because of the impact of some of those services, we have been able to take some beds out of our system, because we have been able to show the public, the population and the community health council that those improvements were being made. So, I would say that the relationship with community health councils is very important. We are certainly scrutinised to a great level of detail, but it is very important to be able to communicate such changes in a very public manner and to show people that we have a responsibility in relation to safety and sustainability.

[41] **Aled Roberts:** You will be aware that the community health council in north Wales

queried the board's decision last week when it was given one day's notice of the closure.

[42] **Dr Goodall:** I think that engagement is very important in trying to take services forward. I can reflect only on my own experiences and the way in which we have tried to take people forward. As we press forward with some of these decisions, the NHS in Wales will have to learn to do some of these things in a far more focused manner. We try to share all of these experiences across Wales to ensure that we learn about what makes effective engagement and communication.

[43] **Darren Millar:** With respect, you have been asked a direct question about whether the closure of services for financial reasons is widespread within the NHS in Wales. That might not be the case, but it is clearly happening in some parts of Wales. In north and west Wales, we have seen the closure of services over a short-term period; we have heard evidence in other committees from organisations such as the Royal College of Nursing about posts not being filled or there being delays in filling posts. It rather seems that, before the Christmas period, with the year-end approaching and realising that the Minister was giving a clear message that no further cash would be available, some parts of the NHS hit the panic button and closed down services on a temporary basis in order to save cash. Are you telling us that that is not the reality on the ground? You are giving us examples of reorganisation within your own health board, which sounds perfectly sensible and will deliver efficiencies and benefits for patients, but these other issues will not necessarily provide benefits for patients. It is about finances, is it not? So, are you honestly coming here today to tell us that finance did not play a part in the decisions that were made before Christmas and, perhaps, earlier in the year?

[44] **Dr Goodall:** We have a responsibility, Chair, to deal with finance and to put it alongside the quality requirements of our areas. We make many operational calls on a daily basis in respect of finance—it could be someone calling in sick at short notice, for example, and having to decide how we will cover that particular post. I certainly would not want to give you the impression that the NHS has no recognition of the financial pressures that we are under. I have been very proud of the way that staff in my organisation have been financially aware regarding the need to look after the services. We understand that we have to challenge every penny that is spent within the organisation, and sometimes a judgment call is made. However, we have to bear in mind that we have a responsibility to the population. So, with some of the examples that are given, alternative services are available.

[45] We are trying to emphasise that people can utilise those. However, I would not wish to give you the impression that, on a daily basis, the NHS in Wales has to understand the financial pressure that we are under—and we are under a statutory duty to break even. So, it would not be true to say that I have to consider that on a daily basis, but the 11,000 staff in my organisation are aware of the financial position and they are making judgment calls on a daily basis.

[46] **Mike Hedges:** Chair, you have asked one of the questions that I was going to ask, so I will ask the other.

[47] You talked about breaking even, but it is not breaking even on your original budget, because you have already had £93 million from reserves from the Welsh Government in order to improve health in Wales. I would like to put a very straight question to you: are you saying that you will not be asking for any further money from a further supplementary budget in order to ensure that the health service in Wales breaks even? It is easy for it to break even if it comes back to the Government for a supplementary budget and asks for another £20 million or £30 million. So, are you saying that you will not be seeking any supplementary funding whatsoever and you will break even on the money that you have now?

[48] **Dr Goodall:** I think that the Minister has been very clear about her expectations for the NHS in Wales. From my perspective, the NHS in Wales will be breaking even collectively at the end of this year. We have no intention of pursuing supplementary budget requests, for example. You asked a direct question, to which the answer is that, at the moment, with the outlook we have, I am expecting that we are going to manage within the NHS Wales budget.

[49] **Mike Hedges:** You said 'collectively'. Do you also mean that you are going to break even individually?

[50] **Dr Goodall:** I think that there will be some organisations that still have some financial pressures and difficulty. I know that when the Minister has given evidence previously, she has commented that the financial responsibility has to be taken seriously and that she will be making a judgment on performance in overall terms. However, NHS Wales operates as a collective team. You asked earlier about how Wales feels different from England. We all sit in rooms together, we all manage with each other and we are all able to work in support of each other as organisations in Wales to create that collegiate environment.

[51] **Mike Hedges:** I will finish now with this question—

[52] **Darren Millar:** Be brief now, Mike.

[53] **Mike Hedges:** If you are saying that you are going to break even collectively and that some are likely to overspend, are you now telling me that some will underspend by the end of the year?

[54] **Dr Goodall:** I think that the NHS Wales budget is a collective budget that we all work towards. There are some organisations that will be doing better than some of their forecasts this year, and there will be some organisations that may fall short—although still better than some of their original deficits. The NHS Wales budget is something that we look at collectively, and that is the position I expect at the end of the year.

[55] **Darren Millar:** So, underspends will offset overspends and the overall picture will be neutral. Is that what you are suggesting?

[56] **Dr Goodall:** Yes, I think that NHS Wales will, collectively, be able to break even. We have a responsibility to work with each other to achieve that end.

[57] **Darren Millar:** We thank you for making that clear.

[58] **Aled Roberts:** It will be interesting if those areas that have closed facilities will be the very areas that underspend, because that will not be acceptable to residents in those areas. You mentioned the frailty project, which, as I understand it, received additional financial support from the Welsh Government when it was set up. That is something that was not available to other areas.

[59] **Dr Goodall:** Yes, the frailty project budget received some pump-priming money. However, it also aligned existing budgets that were available. To date, this year, we have spent about an extra £2 million in terms of the investment we have been given. However, in fact, the section 33 agreement we put in place is £20 million across the different organisations, and we have already had benefits from those budgets coming together. What it does show is that, as we make changes to services, there is a need to find ways to show that the services work. Having an approach to pump priming services, delivering the alternative before we take down the more traditional services, is probably a strong way forward for us within NHS Wales. Irrespective of the frailty project, we have done that with a number of

examples in Wales ourselves with our invest-to-save bids. However, in fact, I hold my own in invest-to-save budget within my organisation to try to allow clinicians to step forward with new ideas for services. Although I would say that it cannot be done on all occasions, this is a very visible and high-profile project working across five local authority areas and the health board. We were very grateful for that additional support, but there are lots of other examples where we are having to create that environment ourselves.

[60] **Aled Roberts:** However, you would accept that there were other areas that sought to replicate that position where the pump-priming money was not made available by the Government.

[61] **Dr Goodall:** There were. There are lots of invest-to-save bids and funds across Wales. We have been looking to try lots of different schemes on all fronts.

[62] **Darren Millar:** Aled, can we move on to the issue of the figure of £1 billion-worth of savings that have already been realised?

[63] **Aled Roberts:** Sure. With regard to these wholesale reforms that you have both mentioned, and which we accept are difficult, there is mention in the report of some of those decisions being made in the medium to long term. However, there are obviously major issues regarding immediate savings and cost reductions, which is why I alluded to the closures. Where will those immediate savings and the short to medium-term cost reductions come from?

[64] **Dr Goodall:** Perhaps I can begin by commenting on the year we are in and some of the areas we have been pursuing. Traditionally, the NHS would have been looking to deliver savings of about 1% to 2%. That would have been done through cost improvement programmes. There are always ways of looking at efficiencies and dealing with things differently. However, we have had to step up to a very different level at this stage. It does not mean that there are not still areas that have a traditional label on them on which we cannot do better. Just this year, in procurement, looking at our non-pay areas within our budget, NHS Wales has been able to deliver an extra £66 million-worth of savings through contract negotiations and so on. There are already different examples of services emerging. I know that, on a local basis in the Aneurin Bevan health board, we are able to bring back a mental health service to our patch rather than it being outside our area, as is the case in some other Welsh counties as well.

[65] Even with a very small number of mental health patients and these expensive packages of care that were delivered, we were able to deliver a more local service and still deliver £2.5 million of savings, and get excellent feedback from the users and their families at the same time. These things can take time to work through. In mental health, we have developed a strategy over the past two years with our stakeholders and around those using our services, and it takes time to work through some of those areas.

[66] The challenge for us to work through will still be around the workforce and the opportunity to change the workforce and to do things differently. I will give you some examples. Where there are vacancies on a local basis, looking at an area such as maternity services, for example, we have been able, very successfully over the past two years, to introduce maternity healthcare support workers. In fact, we have been the first in Wales to be able to progress with that so that we use the money differently, allowing us to fill some of these hard-pressed areas where recruitment is difficult, but where we still need to deliver the services.

[67] There are other opportunities to develop the services as we go forward. There is a need to be clear about how performance can still change. There are opportunities to do things

better when we focus on quality, and when we can focus on areas such as the length of stay that people experience. Already, through two initiatives to improve stroke services and reduce infection rates, we have had a direct impact on the beds that we need locally, because our length of stay has improved. That is simply through focusing on quality. So, you have to try to balance the traditional areas that we have always pursued and be better at them. We also have to try to find different ways of delivering the services as we move forward that still focus on the needs of the individual. In my organisation, I spend a lot of time with my directors and executive team trying to describe these services to the public, liaising closely with the community health councils.

[68] **Darren Millar:** Helen, would you like to give us an overview? You have spoken about the local situation in your own health board area. What about the situation across Wales? One billion pounds of savings are reported in your paper. Where have those savings come from? What will happen in the short term—and by that I mean the next six weeks—to bring those finances back around?

[69] **Ms Birtwhistle:** As Dr Goodall has already indicated, a lot of those savings have come from looking at opportunities as they arise, for instance around the workforce. Every time a member of staff leaves, or a post becomes vacant, that is an opportunity for change. We need to be careful and mindful across the NHS in Wales that short-term savings are not the answer, and in looking at the opportunity to make short-term savings, we have to consider the impact in the medium term and long term, because that has an impact on patient care and services, and we need to make sure that when changes and short-term savings are made, we have an eye on the future and on the way that services can be changed much more radically.

[70] So, all of the opportunities that Dr Goodall has outlined have been taken into account, particularly back-room savings, looking at procurement, contracts, how services and contracts can be shared and asking staff for their support and help in how they might deliver services differently, because a lot of savings are about cultural and behavioural change. It is important to recognise that there are 70,000 directly employed staff in the NHS in Wales. We need them not only to do the jobs that they are doing, and to do them well, but also to embrace change and to look every day—I am not suggesting that people do not do this—at the impact that they are having on patient care, wherever they are in the employment chain in the NHS. It may be a cliché, but that is what this is all about. We have to look at the patient experience and individual patient care. We are not in the game of making savings without keeping safety, quality and the experience of the patient at the forefront. That is difficult sometimes.

[71] My overall message is that we have to make change, and there are savings that we have to make. We have been making 5% plus efficiency savings year on year. The ability to do that will dwindle, and that is highlighted in the Wales Audit Office report. As we are making those savings in the short term we need to look at what the impact will be in the medium term and longer term on the NHS.

9.45 a.m.

[72] **Darren Millar:** Aled, you wanted to come in on this. I have been very generous with supplementary questions today and we need to move on, so please be very brief.

[73] **Aled Roberts:** Yes, just on the figure of £1 billion, has that been broken down by health board area? Is there a figure available for vacancy management within that £1 billion? I am a bit concerned, because, although I understand the process of bringing services back into your area, if that is from other Welsh health boards your previous payment will appear as an income in that health board area. So is there a danger that all you do is protect your own budgets?

[74] **Mr Goodall:** There is a danger of that. That is not the approach that we try to take in working on these. Some of these relate to services that may be available in the area and are, for example, being provided in the independent sector rather than by the NHS. Having said that, we have other examples in Wales of situations where, for the right reasons, services have moved from health board areas because we have genuinely been able to offer them on a local basis for the first time. To give you a local example, we have been able to develop renal services in the Gwent area by working very closely with Cardiff and Vale University Local Health Board, supporting the fact that we need to have access for those local communities in a very different way. With regard to the savings that the NHS has made over the past two and a half years or so—and, again, this may be something you want us to come back to—we can certainly give you a feel for the headlines on those and the breakdown of the different funds and where they have been saved over this last period. We have had to track those at a great level of detail over the past two and half years, and I am very willing to ensure that that is provided as supplementary evidence.

[75] **Darren Millar:** Okay, that would be helpful. Thank you. We are going to move on now, with questions from Jenny next.

[76] **Jenny Rathbone:** In your earlier comments, you emphasised the importance of improving quality and sustainability within the current financial context. I am interested in the fact that, in your paper, you mentioned that the six south Wales boards are working collaboratively to improve quality within the financial context that we face. How is that enabling people to share the learning from, for example, the frailty project that you have in Gwent?

[77] **Mr Goodall:** Although, as individual organisations, we are very large and we have a large number of staff working for us, it is really important that any change that leads to a good or positive outcome is shared more generally, and we have tried to ensure that that happens. There are several different examples across south Wales. To give you an example to do with our stroke services, over the past two years, we have really focused on stroke with regard to the areas of quality and patient experience. We can demonstrate a whole series of improvements that have happened, but it has required a different approach to some of the more specialist aspects of stroke care. For example, we have introduced a specialist on-call rota.

[78] That does not take away from any of the local stroke services in place, which means that, on a 24-hour basis, if someone is admitted to a hospital in the south-east Wales area, we can get the results and the reporting of any investigations dealt with very quickly by a clinical on-call team irrespective of where that patient arrives. So, you may end up with an Aneurin Bevan health board consultant commenting on a patient and having to see them when they are over in Cardiff, for example, and vice versa. It is really important that we all liaise.

[79] We are also aware that we are very dependent and that, as much as we are working within our own boundaries, patients will flow across the boundaries anyway. I am more than aware that I have patients on my patch who will go from the north of the Gwent area and use Prince Charles Hospital, and we have to work very closely on those arrangements. I spend about £30 million a year on behalf of the organisation with Cardiff and Vale University Local Health Board because patients wish to access services there, recognising that there is a proportion of the Caerphilly population that will want to access services there as well. It is a day-to-day contact point with regard to learning. Cardiff has introduced some very good community alternative services. We have learned from those as we have been going through our frailty programme and we have been sharing our experiences as we have gone along. The chief executives meet very regularly. Just yesterday afternoon, we met as a group of south-east Wales chief executives to ensure that we share some of this learning and these experiences.

[80] **Ms Birtwhistle:** That is very important, and the NHS has not been brilliant in the past at sharing some of the good things it does. We are getting much more attuned to that and sharing that good practice. However, the other point that I would like to make is that, as we look to transformational change, not wanting to use the term as jargon, to alter radically the way we deliver services and to deliver more services in the community, with less reliance on hospitals, it will be very important for there to be cross-boundary—and cross-LHB boundary, for example—working to make the most of the resources available, particularly in an area like south Wales.

[81] For instance, we are sitting in the middle of Cardiff and there are a number of hospitals within easy reach. In the new world, and in the way that are looking at things for the future, it would be crazy—given the economic circumstances and considering quality and safety and all those things—to have every service provided in every hospital. We need to look more across different hospitals. If that happens to go across different health board boundaries, then it is important that we do not work in silos. The south-east and south Wales response to 'Together for Health' is a good example of that. They are working together with Powys Teaching Local Health Board, Hywel Dda Local Health Board and Betsi Cadwaladr University Local Health Board. While there are important local dimensions to healthcare, and local responses and local decision making, it is also important that we spread and use our expertise and centres of excellence in a better and more effective way.

[82] **Jenny Rathbone:** Picking up on the stroke example, do you have a specialist stroke unit within the six health authorities, meaning that ambulances will take patients to a particular hospital because of its specialist unit?

[83] **Dr Goodall:** Some hospitals will not receive stroke patients at all. It is important that people are directed to the right area, especially for strokes, because of the urgency of the situation. Stroke services can also be available to the local population. Our focus is to ensure that people can be assessed and treated quickly. However, rehabilitation, for example, as a part of stroke services, can happen in the local hospital environment so that people are close to their families.

[84] **Darren Millar:** Gwyn, I think that many of the issues that you wanted to raise have been covered, but I am sure that you will want to pick up on a few things.

[85] **Gwyn R. Price:** Yes, I will briefly outline a couple of things. Can you update us on the progress of the plans for the service reform, and could you give us a flavour of some of the key changes to NHS services that we can expect to see as a result?

[86] **Ms Birtwhistle:** The key change will be less reliance on hospitals. The Wales Audit Office report says that, at the moment, the NHS is over reliant on hospital care and we have to break that. We have to move away from the mindset that equates the number of hospital beds with the efficiency, effectiveness and success of the health service. We are already seeing examples of excellent practice in communities where services are provided in people's own homes and closer to home in their communities, so that people do not have to travel to hospital. Dr Goodall has mentioned stroke services, and that may mean that people have to go elsewhere and travel a bit further for a particular specialist service that is the best in its field. That is what we should expect. We should not be asking the people of Wales to put up with anything that is not the best that they could possibly expect. However, when they have had their hospital treatment, their operation, or whatever it is that is done that can only be done in hospital, they should then be sent home or to another facility. That is where the cross working with social services and local government becomes particularly important. The barriers need to be broken down, whether they are professional or organisational, to ensure that more services are delivered in the community. That is the aim of transformational change, because

it has been shown to be better for the patient.

[87] **Dr Goodall:** Just to comment more generally, some service plans have already been discussed in Wales. They have emerged as part of early engagement, ahead of any formal consultation process. The situation in south Wales is slightly different. Although we have a lot of contact, the areas of the plan that we are going to have to work on together will emerge over the next months. Hospitals will have to work in a far more complementary manner. We must recognise that, although we have our own organisational boundaries, patients will cross between areas, because that is their natural flow and we do not want to get in the way of that.

[88] **Darren Millar:** We will move on to Mike Hedges for the next question.

[89] **Mike Hedges:** How are NHS bodies addressing some of the problems that have hampered NHS reform in the past? [*Inaudible.*]—leadership challenges engaged to public clinicians and other key local stakeholders in the process. I live in Swansea, and it would benefit from one very large general hospital. However, there is not the capital to provide that. I am sure that we would have doctors, clinicians and members of the public objecting to that, because it would be further away from them than it is now.

[90] **Darren Millar:** This is a major challenge for the NHS, is it not? How do you implement change when there is likely to be a lot of resistance from either members of the public or clinicians, as we have seen in Bronglais? Is it more difficult to manage it on a rural basis than an urban basis, for example? You cited the fact that we are within reach of a number of hospitals in Cardiff, which is a very different situation than if we were in Aberystwyth, Bangor or Bodelwyddan. How do you take that forward?

[91] **Ms Birtwhistle:** It is a huge challenge, and that is a bit of a euphemism. It is a huge challenge, and there is no question about that. Again, the Wales Audit Office report acknowledges that it is difficult to achieve consensus around change. You gave the example of what would happen if there were to be one major hospital in Swansea: even if it were the best outcome, some people would not agree with that. We are embarking and actively working throughout the NHS in Wales on a programme of engagement, involvement and discussion. There is work to be done, and we cannot be so naive as to think that we could have the best engagement programme in the world and sail through without people objecting to change, because people will object to change. We recognise that.

[92] The point that the Chair is making about the particular issues for rural parts of Wales—the geography and demography—is clearly an extra dimension that we have to take into account. It is not an exact science. We cannot look at the population of rural Wales and say, ‘This population demands that we have so many hospitals’ in the same way that we might be able to do in an urban area. So, we know that there are those challenges.

[93] We are committed to engaging with the public, to talking and sharing ideas at the earliest possible stage. This is where I call upon you for support, where that is appropriate—I have said before that I do not expect you as Assembly Members to give carte blanche support to everything that the NHS suggests; you will want to be assured that it is in the best interests of the patients, that the outcomes will be better and that it meets all the criteria that we have been talking about that are so important. However, what has become clear, in the last few weeks even, is that it is difficult for the NHS to moot changes and a different way of doing things and to have these early discussions about which services might be available and which might not and the reasons for making decisions, because there is, almost instantly in cases where services will change, opposition and an outcry.

[94] I am a patient; I understand that. I have family members who live throughout Wales, in Valleys areas and different parts of Wales. I understand the difficulties of getting an elderly

relative to hospital if they need to get to hospital or to get a service, but we cannot stand still. A real difficulty that we have is that we are committed to making a change for the benefit of the patient, but we are in a position at the moment in which, if we even try to talk about changes, there will be opposition from some entrenched groups—for very good reason, I am sure. I think that we also have a responsibility to reassure them and give them confidence about the changes that we are looking to make. That is one of the barriers in the question that you asked. However, what has changed this time around is that we have some good examples of services that are being effectively provided in the community that we can, must and should use to give patients, the public and staff confidence.

[95] It is a huge challenge; we do not underestimate that. We do not expect it to be plain sailing and we have a big responsibility to explain the reasons why we are doing things and to ask for views and opinions: 'Faced with this, what would you do?' That is an important part of the dialogue that we are trying to have with the public, with staff and with clinicians, but our priority must be safe services within our means.

[96] **Darren Millar:** Do you want to come back in, Mike?

[97] **Mike Hedges:** No.

[98] **Julie Morgan:** Swiftly, it is difficult to reach a political consensus on these sorts of issues, because politicians tend to want to defend their own areas, but it seems to me that, to move forward, you need to try to reach a political consensus. Do you see any possibility of doing that? Are you trying to reach out to us to get a political consensus?

10.00 a.m.

[99] **Ms Birtwhistle:** We are trying to reach out to you. It is probably too much detail to go into in this setting, but we will shortly be coming to you, as Assembly Members, in the Senedd, to outline some evidence background, with benchmarking regarding the types of services that have been provided in Wales, how they compare with elsewhere, and the background to the decisions that the NHS will have to make. We very much want to do that. We want to do that on this level in the Senedd and through local health boards and local contacts. I know that many of you, if not all of you, have contacts with your local health boards and trusts, and they want to talk to you. We need your support. We understand that we have a responsibility to explain to you why we are suggesting that we do things in a certain way. The fact is that we cannot stand still. If there is opposition every time a change is mooted, and we are then not allowed to make any change, the health service cannot continue. I do not want to be a scaremonger, but we cannot continue in the way that we are going. In some respects, we have an old-fashioned healthcare system with an out-dated estate, and we are too reliant on buildings and not on services. We need to focus on the patient and the service and forget, sometimes, where those services are provided.

[100] **Darren Millar:** I have one further point, and then I will bring in Aled and Oscar, so I will be brief. To what extent does the election cycle feature in the minds of NHS managers when they want to shape services for the future? Please give us an honest answer.

[101] **Ms Birtwhistle:** I am not sure whether it features so much in our minds as in your minds.

[102] **Darren Millar:** Come on; be honest about this. There are proposals, no doubt, that are sat on shelves, ready to go, but we have local elections coming up. Do those local elections interfere with when those proposals might see the light of day?

[103] **Lindsay Whittle:** There are elections nearly every year.

[104] **Darren Millar:** Yes, but let us talk about the immediate elections. Do they feature in the calendar as to when proposals for change might be brought forward?

[105] **Ms Birtwhistle:** The proposals for change are at various different stages with the different health boards. The south Wales group is looking at later in the year for bringing its proposals to the Minister. There are certain proposals in other parts of Wales that are more advanced and are at the stage when they are out for pre-consultation engagement. That will be a vital part of any plan. Some of the plans are at the stage when they are able to go out to pre-consultation engagement, and some of the other plans will be issued later on.

[106] **Aled Roberts:** You mentioned the need for cross-boundary working. One issue in the north and in Powys is cross-border working. With the setting up of foundation trusts in England, are there any contractual difficulties that may arise for Betsi Cadwaladr University Local Health Board and the Powys Teaching Local Health Board in particular?

[107] **Dr Goodall:** Obviously, there are differences in the arrangements that need to be put in place, not least the contracting environment that is in place in England. Having said that—I know that this is an issue for Powys and Betsi Cadwaladr health boards in particular, but it is also an issue for me in Gwent, for example, because we also have boundary issues—we still have some level of expertise and experience to deal with it. Equally, we try to create some different relationships with the other providers that will allow us to give a commitment about the number of Welsh patients, for example, who will be able to access services appropriately. I make sure that we do that on the right financial reasons. Given the contracts that are in place in England in particular, if we are able to develop local services for the right reasons, we have some flexibility, and it is actually quite easy to be able to move the money around and back into our respective patches. Speaking on behalf of colleagues in Betsi Cadwaladr health board, there is clearly a significant reliance there, not least on regional services, where they need to link across to the Mersey region, over to Manchester and even to Birmingham. They are still expected to be full services that are available to the populations up there. It is a very different arrangement and the chief executive there has constantly emphasised that, even when we have been looking at the commissioning of specialised services.

[108] **Mohammad Asghar:** I want to say this for the doctors here and Helen. Last week, one lady walked into my constituency office and complained about some very strange stuff. She told me that she had been given two boxes of medicine by her doctor to help her to recover from her sickness. She recovered after the first course, so she took the second one to the chemist, unused and still sealed and everything. She said, 'I haven't used it; could you take it back?'—she was being a good citizen. In front of her, the chemist threw that box in the bin. He said, 'No; once it is out of the shop, we can't take it back'. She said, 'Is this how you deal with it? I just brought it back because I have recovered'. Please look at that area, because you are talking about the highest law in the land, health, and if a good citizen wants to help the national health service, the national health service should help them and not throw good medicine in the bin. Make sure that that area is properly explored, please.

[109] **Darren Millar:** Would you like to give us a brief answer on medicine wastage?

[110] **Dr Goodall:** The whole area of medicine spend is a critical issue. We have managed to save around £55 million this year and still provide access to the medicines that people need. I would actually agree with you that there is something in the way that we and the public work together on medicines usage and on the wastage that happens. There is liaison on the types of medicines that people have in their homes and what they use when they come into hospital. You will find that the majority of hospitals in Wales have various schemes to make use of existing medicines rather than have to prescribe more. There will be some issues to do with contamination with regard to people returning medicines that have not been used,

and we would need to look at that, but I agree with you that there is a real area of opportunity to work together on that with the public.

[111] **Jenny Rathbone:** I am sure that prescribing is an area where you can save lots of money. Anyway, we do not have time for that.

[112] You spoke earlier about the importance of taking staff with you in managing these changes, and also about staff understanding how they can deliver services more effectively in their particular fields. Could you tell us about the specific workforce challenges in shifting NHS services from hospitals into the community?

[113] **Dr Goodall:** Just commenting generally on staff, I think that they can really help us with the current environment, and it is really important to be listening right through. One of the targets in my organisation is to make every individual member of staff financially aware of the environment that we are in. They need only to pick up a newspaper to have a general understanding of the situation. We also ensure that we have clinicians leading on that within our structures. Many of the managers in my structures are clinicians by background, so we try to use their expertise.

[114] Your point about how we achieve the shift of traditional acute services to the community is really important. We know that we are going to be reliant on having sufficient numbers of community nurses, and the patients we are looking to treat in the home environment increasingly require the skills that people will have developed in a hospital setting. As we have been pushing some of our local services into the community, it has been interesting to see nursing staff who have traditionally worked solely in a hospital environment feeling that they can move across to these more dependent teams and that they have the right skill set, with a bit of support. The shift also requires a different mindset, and I think that we will have to provide training opportunities for nursing staff in a very different way. As for healthcare support workers moving in those environments, they will clearly need to be aware of the different needs of patients. I did speak to one the other day who said that it was the most fantastic experience and that her move from a ward area to a community was probably the best career move of her life. We need to take some of those individual examples to show how rewarding it is to work in a community environment, which is also where the exciting developments are going to be as we move forward.

[115] Some people still need to be persuaded about the community setting, and I include consultant staff in that. We need to ensure that consultants can work equally well in a very different arrangement. With elderly care consultants who have traditionally only worked around hospitals, if you check around Wales, you will find that they are increasingly basing themselves in the community and working back to the hospital, so that we create the right kind of patient pathways for people.

[116] I think that there is growing excitement about this. The staff have had confidence in some of the changes that have happened over the past three years or so, as we have created the new health boards, and they have seen the way in which we have tried to take the services forward. So, a lot of this is about the confidence that they have in us in describing the way forward for our respective organisations.

[117] **Julie Morgan:** One of the key issues, and a big difficulty in coping with healthcare, is the divide between health and social care and the different responsibilities of health boards and local government. Could you tell us about the developments that are happening to bring those two areas together and some of the key issues that you are facing?

[118] **Dr Goodall:** Without it being required of us, we have just been getting on with creating teams that work jointly. Some of them are working across wider boundaries. In

Gwent, I have examples of services working across five local authority areas and five social services areas. Some of them will be within individual unitary authority areas. For example, Bridgend has put a greater focus on bringing together its structures around the director of social services alongside the health responsibilities. The ultimate test for us is whether, when you walk into these teams, you can see the join. I find myself, two or three years on in the post, going into some of our team meetings and not being able to tell who is a social worker, who is a nurse and who is an occupational therapist, because they seem to have become interchangeable in terms of the team outlook and environment.

[119] When the public tests the services, it does not really understand the differences between a health board and a social services department; people just want to receive care when they require it. We need to look at services through the lens of the public in that respect. I have seen a great deal of commitment locally. I probably meet as regularly with the directors of social services as I do with my own team members with regard to some of the local schemes that we are putting in place. I know that that is repeated across the whole of Wales with my colleagues.

[120] Is there an opportunity to do more on the social services integration agenda? Yes, we can definitely build on the foundations that we have, and there is more to go at over the next three years in particular.

[121] **Julie Morgan:** What about the cuts that are happening in social services? What impact are they having on the work you are doing?

[122] **Dr Goodall:** In some respects, this is where the general environment that the public services find themselves in means that we all have a single common aim to put the right set of services together. One reason why we have been developing section 33 agreements is that we know that we can do more with the collective money available, so that we are not affected by these different areas. Whereas, over the last couple of years, people might have expected there to be pressures elsewhere on social services budgets, there has been a reduction of two thirds in delayed transfers of care in my area. So, we have been able to really get at some of the underlying problems that have been there for many years. Again, it is about confidence and building up those relationships with colleagues elsewhere. Large health organisations have had to put a great deal of effort into creating those local relationships.

[123] **Darren Millar:** For the benefit of all committee members and any viewers, can you tell us a bit more about section 33 agreements? What are they? How do they operate? Who sets them up?

[124] **Dr Goodall:** Section 33 agreements provide the ability for public service organisations to bring together services and budgets in a very formal manner. Although we may describe ways in which we want to work together on a very general basis and ways in which we want to get on with each other, section 33 agreements allow work to progress when everything is going very well but also provide an ability to work through issues when there are difficulties. They provide a legal framework for us to do business together. We have to recognise that, in statute, we have our budgets set aside separately. So, the ability to call on overall underspends and to decide how the money would be used is provided through governance arrangements.

[125] To give you an example, locally, on the frailty project, we needed five local authorities and the health board to agree to this arrangement, but it is overseen by a shared governance board with representatives and cabinet leads from individual local authorities. Ultimately, they control how we allocate the funding and the decisions that we make. It creates a very formal environment among the organisations. In the best environment, they just consolidate the good relationships in place. However, you have to recognise that, sometimes,

things do not quite go as intended and you need a legal framework in place to deal with it positively.

[126] **Gwyn R. Price:** Is your organisation fully signed up to using procurement products such as Xchangewales and asset management tools such as e-PIMS? If so, what sort of benefits are you getting from those?

[127] **Dr Goodall:** We have worked together very well over the years in NHS Wales on procurement. We have always had a national procurement approach, irrespective of what our local services did. The Xchangewales principles and the technology used there are very easy for NHS Wales to sign up to collectively. Of course, there are benefits. It allows us to look at the general contracts on offer to public services. Earlier, I described how we have saved an additional £66 million on procurement even this year. It is about utilising some of the national contract arrangements in place in dealing with it. There is a lot that we can do together on health because there are products that, clearly, only we will buy—joint replacements are something that only the NHS is going to worry about. However, I still see a great deal of remaining opportunity with the contracts that we share, certainly with local government partners. Xchangewales gives us the environment in which to have those discussions on a far wider basis.

[128] **Darren Millar:** I think that almost brings us to the end of the evidence session. Are there any further questions?

[129] **Mike Hedges:** I have a very brief question. Is there a danger that cuts in health will have an impact on social services and cuts in social services will have an impact on health?

[130] **Dr Goodall:** There is a danger of the two. That is why, as health boards, we have really emphasised the importance of the social service relationship. There were many worries when we were created that we would become more distant. However, I probably see directors of social services on a far more frequent basis than before. So, you are absolutely right that there is a danger of that happening, but we have a leadership responsibility to ensure that that does not get in the way and that we can put in services around the individual.

[131] **Darren Millar:** Okay. That brings us to the end of this particular evidence session. I thank you, Helen and Andrew, for your attendance at the meeting today. We look forward to receiving the further information that you have promised to provide. Thank you.

10.15 a.m.

Gwybodaeth gan Archwilydd Cyffredinol Cymru am Adroddiad Swyddfa Archwilio Cymru ar 'Cyfranogiad y Cyhoedd o ran Ailgylchu Gwastraff'
Briefing from the Auditor General for Wales on the Wales Audit Office Report 'Public Participation in Waste Recycling'

[132] **Darren Millar:** I welcome the Auditor General for Wales to the meeting. Auditor general, there are some very interesting findings in your report; would you like to give us a little bit of an overview?

[133] **Mr Thomas:** Thank you, Chair. I hope that I will be joined shortly by Andy Phillips, the performance specialist who did a lot of work on this study.

[134] **Darren Millar:** So do I.

[135] **Mr Thomas:** I will give some opening remarks. Achieving the Welsh Government's

‘One Wales: One Planet’ vision for sustainable living is a fairly ambitious journey. We recognise that, with regard to what we do with our waste, only a small change is needed. However, it is a good and visible way to start the journey.

[136] The Welsh Government has a statutory duty to promote sustainable development. The targets for the UK are set by the European Union to reduce the disposal of waste to landfill, because landfill can cause environmental harm and you can potentially lose valuable resources. So, a change in public behaviour towards waste can, if undertaken carefully, prepare the way and generate momentum for greater changes later on.

[137] Preventing the production of waste is the most sustainable activity, but where the production of waste is unavoidable, recycling is the best option. I remind you that the successful delivery of the national waste strategy, ‘Towards Zero Waste’, requires both a high level of recycling and for Wales to produce much less waste. Progress on recycling relies upon close collaboration with local authorities and continues to produce encouraging results, with the voluntary participation of the public taking the recycling rate in Wales to 43.6% in 2010-11. However, the Welsh Government is only just beginning to work with the wider range of stakeholders needed to reduce the amount of waste produced. Significant progress has to be made in this area to prevent the production of waste, as, on its own, a high rate of recycling falls well short of meeting the aims of one-planet living.

[138] As I am sure we all know, recycling takes its place alongside the other demands of modern life. Public participation in recycling is voluntary, so local authorities really have to provide the opportunities to recycle by making it as easy and acceptable as possible for the public to participate. It is, of course, important to instil an understanding of the reasons for recycling and to create a platform for other sustainable behaviours to develop, such as informed consumer choices, energy efficiency and so on.

[139] This report draws on a review that we carried out of a wide range of documents, statistics and benchmarking data, a survey of each of the 22 local authorities in Wales, interviews with waste managers and recycling officers at each authority, and interviews with staff from the Welsh Government’s waste strategy branch. Those involved with the project also visited some recycling facilities, including several that claimed to have high-quality recycling performance. We tested our findings and emerging recommendations with an expert panel.

[140] We asked whether the Welsh Government and local authorities are doing enough to maximise public participation in recycling. The headline message is that the rate of public participation is increasing, which is good, but that substantial barriers remain in the implementation of the national strategy and—this is something that we picked up from other reports on Welsh Government strategies—the measurement of public participation needs to be improved.

[141] My conclusion is that, if left unaddressed, these barriers will hinder further long-term improvements. In particular, we believe that there is a need to maintain the momentum of recycling. As I have said, so far, the recycling performance of Wales is good, but it is a significant challenge for each local authority to achieve the Welsh Government’s target of recycling 70% of municipal waste by 2024.

[142] Overall, we believe that Wales can achieve the 70% recycling rate, but to do that the emphasis must extend from the current focus of providing better recycling services and facilities to increasing public participation, making it easier for the public to genuinely participate and recycle. So, the report recommends that the Welsh Government and local authorities should seek a more consensual route to improving the rate of recycling. We also believe that the Welsh Government should show greater flexibility in the means of achieving

a higher recycling rate, while still delivering sustainable waste management.

[143] I am glad that Andy Phillips has now joined me, and I will leave it to him to draw out a few more details from the report.

[144] **Darren Millar:** Welcome, Andy.

[145] **Mr Phillips:** Thank you, Chair. I was here; I was in the waiting room, honestly.

[146] I would like to go into some more detail on the report. We have divided the report into three main parts, so I will take them in those chunks, if that is appropriate. The main conclusions of part 1 of the report are that recycling features prominently in the national vision for sustainability, and that the Welsh Government and local authorities are working to overcome the barriers to increasing participation. In particular, we found that the Welsh Government has very ambitious and long-term plans for sustainability. These plans include a goal for zero waste by 2050. The aim to live with the resources of one planet needs a high recycling rate, as Huw said, and a significant reduction in the waste produced. The challenge of reducing the amount of waste produced in Wales is likely to be far more difficult than achieving a high recycling rate.

[147] However, the focus of Welsh Government action so far has been on recycling, with the performance of local authorities being driven by annual targets. In contrast, actions to deliver waste prevention measures remain quite vague, even though recycling alone can only deliver, at best, about a third of the sustainability target for municipal waste. That puts it in perspective for us.

[148] So, my first recommendation to the committee is that, although the report is about recycling, perhaps the first thing that the committee may choose to look at is how the Welsh Government, through recycling and other initiatives, can help to lead the public to produce less waste.

[149] The second point is that, even though the Welsh Government has tried hard to communicate effectively, some local authorities do not understand how recycling fits into the larger picture of sustainable waste management. Local authorities are not used to the long-term planning horizon for sustainability; 50 or 100 years is now quite common for sustainability planning. Most local authorities have a shorter-term fixation with meeting recycling targets set by the Welsh Government.

[150] We found that a number of local authorities were confused that the Welsh Government is now suggesting that they change their successful kerbside recycling services. They say that the evidence is not compelling for change to methods that the Welsh Government believes are more sustainable or cost less. We found it almost impossible to make an objective assessment, as new evidence is still emerging. There are high-performing examples of each of the main methods of collecting recyclables, and that suggests to us that success may lie in optimising the collection system provided rather than in the choice of system itself.

[151] The Welsh Government clearly prefers a kerbside sorted collection for recyclables, but many local authorities are providing residents with a very successful commingled collection system. The Welsh Government has supported commingling collections since local authorities began to offer kerbside recycling—certainly over the past six or seven years. We consider that the Welsh Government's call for consistent recycling methods across Wales would have been less disruptive if the Welsh Government could have shown stronger leadership a few years ago, before the local authorities had established their recycling methods. We support the recent introduction of the Welsh Government's collaborative change

programme with local authorities, but there is a need to be realistic about the changes that the programme can and should make. Disruptive changes could easily deter the public from participating. It is, after all, voluntary participation.

[152] The Welsh Government is particularly concerned that commingled collections, although easier for the public to use, provide poorer quality recyclable waste, and in doing so, devalue waste resources. We found that modern waste separation facilities are beginning to respond to the quality issue, and increasingly the better facilities can produce recyclable resources of sufficiently high quality. We agree that the Welsh Government is right to want high-quality recyclable resources, but kerbside sorting may not be the only route for achieving it. The committee may wish to explore whether the Welsh Government should support the different methods of kerbside recycling, so long as they produce recyclable resources of sufficiently high quality. That would be quite a long debate.

[153] The main conclusions in part 2 of the report are that local authorities are providing a wide range of recycling services, but more work is needed to persuade people to use them. We looked in particular at the financial side of the provision of services, and there has been a huge amount of investment over the last decade or so. Our analysis suggests that, until about 2007 or 2008, the recycling rate in Wales responded to funding, but after 2007-08 the recycling rate maintained a similar rate of increase despite a significant increase in funding from the Welsh Government. So, there have been diminishing returns on investment since 2007-08, which suggests that maintaining the momentum of recycling is more costly. However, factors other than expenditure may be becoming important. We suggest that the committee explores whether the Welsh Government should lead a new approach to maintain the momentum necessary for the rate of recycling to reach 70%. In particular, we consider that this approach might include a more informed understanding of what the public wants from the recycling services and how the private sector might respond as well.

[154] It is a concern to us that the Welsh Government has not made sufficient checks that the public has received sufficient value for money and has not reviewed expenditure against strategic objectives of the national waste strategy. Welsh local government has allowed local authorities to spend grant funding within wide eligibility criteria, but this has meant that many local authorities now have well-established waste and recycling services that the Welsh Government does not now favour. Until 2010, there was little obvious steer or leadership from the Welsh Government, so long as recycling rates improved. We suggest that the committee may wish to explore whether the Welsh Government can provide assurance of value for money since 2000-01, and that appropriate checks and procedures are now in place to ensure that future investment offers value for money.

[155] Most of the opportunities for the public to recycle are already in place, so, in future, the main challenges will be to persuade the public to make more use of recycling facilities and services. However, sustaining the current momentum for recycling will be difficult, because recycling is becoming harder as the waste stream contains less recyclables—they have been taken out by previous recycling initiatives. The report suggests that local authorities may not know how to go about understanding the behavioural preferences of citizens and persuading them to change old habits. It is now turning into a new game—it is not about service provision or facilities provision; it is about changing behaviour. The committee may wish to explore how the Welsh Government and local authorities intend to develop the skills necessary to achieve behavioural changes on this scale.

10.30 a.m.

[156] In the final part of the report, we conclude that weaknesses in information gathering, use and sharing are inhibiting efforts to increase participation. Our report shows that local authorities are not good at gathering information about public participation in recycling. Most

measure participation, but the methods used vary, there is often insufficient detail, and measurement is too infrequent. This means that the quality and reliability of information required to target resources such as awareness or enforcement campaigns is often very poor. We consider that this can lead local authorities to miss the barriers to recycling, and to misfire when targeting areas where recycling is low.

[157] There are a few examples where local authorities have a much better measure of public participation. In some instances we found a more structured and informed approach that combined information from other sources, such as with the local composition of household waste. Missing these opportunities to increase recycling is not an option, because the ambitious targets in the national waste strategy need local authorities to achieve a very high waste-capture rate, and for all types of properties and social groups to contribute to that aim.

[158] There is a lot of good practice around increasing public participation but this tends to be fragmented and unco-ordinated, making access by local authorities and other sources very difficult. Not enough use is made of the good practice and guidance provided by the Waste and Resources Action Programme, which produces some excellent guidance, and the Welsh Government's very own Waste Awareness Wales team. We found that the result was that local authorities are continuing to use outdated methods when there are much more effective methods for increasing public participation in recycling.

[159] The final point that we suggest that committee might want to explore is how the Welsh Government and local authorities are planning to share the good practice needed to monitor public participation, and to persuade people to recycle at the level that the national strategy and targets require.

[160] **Darren Millar:** Thank you for that comprehensive overview of the contents of the report. We did have a number of very specific questions, but it is probably best to allow people to come in on any issue that they want. Rather than follow the brief specifically, given the time, I will ask just one question in terms of the zero waste target that has been set by the Government. Is that set in stone, or is it an aspiration that the Government has, or is it something that it has a clear plan to achieve? What is the evidence?

[161] **Mr Phillips:** The national waste strategy is called 'Towards Zero Waste', so they are pinning their colours firmly to the mast on that. It is a strategy to be achieved by 2050. Zero waste does not mean that no waste is produced, though; it means that you do not produce waste unless there is a plan to deal with it and use it subsequently as a resource. So, yes, that is the target.

[162] **Darren Millar:** Conveniently, the targets are outside people's term of office as it currently stands. Given that, did you find any evidence that there are targets within the next number of years, like milestones on the way to zero waste? We have the 70% target; I accept that, but are there other targets en route to that?

[163] **Mr Phillips:** There are recycling targets, as you correctly say, that take us through until 2024-25. After that, it might be difficult to increase recycling over and above 70%. In promoting recycling, you also promote some waste prevention, for example by reducing the size of the bins that local authorities give residents, which actually makes them produce less waste. However, as regards the period from now until 2050, the national waste strategy has what is described as an aspirational target. We have criticised that because we believe that it is not a real target. It plots the reduction in waste based on a trend that has developed over the last couple of years when waste has reduced—there is no doubt about that. Whether that is because of a combination of factors, in particular the economic climate and the fact that people are buying fewer goods, I do not know. However, there is a suggestion that the Welsh

Government is predicting, on the basis of the past couple of years, that waste might keep on reducing until 2050. I think that that is a bit overambitious. We talked to the Department for Environment, Food and Rural Affairs, and the prediction in England is somewhat different.

[164] **Darren Millar:** What is the target they are working towards in England?

[165] **Mr Phillips:** In England, they do not think that waste will continue to reduce in the future. I do not think that England has the same 2050 target as we have in Wales. Their prediction is that, after a couple of years of reducing the amount of waste, it will start to climb again, not at the same rate as it was before, but they are predicting that it will climb.

[166] **Jenny Rathbone:** The carrier bag levy shows that simple ideas can have a massive impact. I will pick up on the Arup report, which highlights the importance of avoiding the production of kitchen waste. In Cardiff, the emphasis is on putting it in a particular container, which is then transported somewhere else; until recently, it was going to Derbyshire. There is little emphasis on getting people to compost their own kitchen waste and improving the ground. Obviously, it does not apply to people who live in flats, with no access to open space, but probably half the population has a garden of some sort. The overall objective of reducing the amount of food we throw away seems to be the issue, as it is emphasised that that has a huge impact on the ecological footprint. Why has there not been more emphasis on encouraging people to recycle their own kitchen waste and to improve their soil?

[167] **Mr Phillips:** We are experiencing a step change at the moment, given that all local authorities, 22 of the 22, collect food waste. The last authority to do this was Flintshire, which I think has a food collection system in place now. That food waste can go to an anaerobic digester, which is a good way to accelerate the composting of food and other biodegradable waste, and it is a bit more sustainable because you can capture the emissions that come from it and do something with them; you can use them as an energy source. The other option is a bit more basic, where the waste is just composted. There are composting facilities in Wales; there is a mixture of in-vessel composters and open, big versions of garden compost heaps, basically, which will do the trick for green waste. There is a problem with animal by-products in food waste, because of the meats and things that are passed through from the food chain. So, the direction of travel, quite correctly, is towards anaerobic digestion. At the moment, Wales does not have digesters within the principality. So, a lot of the waste goes outside of Wales, and I think that Cardiff's waste goes to Ludlow.

[168] **Jenny Rathbone:** Yes, it goes somewhere a long way away.

[169] **Mr Phillips:** That is a temporary state of affairs because procurement is well under way for the building of digesters in Wales, or accessible to Wales. So, each local authority, usually in partnership with a group of authorities, is investing in capacity in one of these facilities. It is more sustainable if it is closer.

[170] On home composting, producing the waste and giving it to the local authority counts towards the targets. Home composting is very sustainable, there is no doubt about that, but it does not count towards waste targets. So, local authorities are caught between either promoting it and doing themselves out of a bit of waste that would have counted towards their target, or going around picking it up.

[171] **Darren Millar:** That is a clear disincentive.

[172] **Mr Phillips:** Yes, that is a strange one.

[173] **Aled Roberts:** I was going to say that representations have been made to the Welsh Government for years regarding home composting—there is a perverse incentive for local

authorities to collect as much food waste as possible, which seems to be a bit barmy.

[174] Thinking of my own situation, almost all of my residual waste is now packaging. It is not a case of behavioural change, because the mindset is now there in a lot if instances. I moved here and was surprised to find how different the system was to the one in Wrexham. I think that you made the point that almost all the targets are towards recycling. You used the word 'vague' to describe the Government's policies on waste prevention. What discussions have you had regarding the Government's ability to tackle the packaging issue, following on from dealing with carrier bags? Is there a problem that, although the Government might have competence, many of the issues are down to retailers and producers producing at a UK level and thinking that Wales is a pretty small market to deal with?

[175] **Mr Phillips:** We have not concentrated on waste prevention. We see it as two thirds of the Government getting towards one-planet living in terms of waste management, so it is definitely the bigger chunk. We have concentrated on recycling in this report. I am aware that the Welsh Government wanted to go about it in a logical way, and I support that. If you get citizens used to recycling, you can start to influence them on waste prevention. However, it is not only about influencing citizens; you need to influence the people producing the packaging. The aspirational waste prevention target that plots waste reduction until 2050 is a target that is shared between citizens, local authorities, the Welsh Government and industry. That is one of the reasons why it will not work as a target, because it is a very inclusive target. It fails on a performance management count rather than a sensibility count.

[176] **Mr Thomas:** Where the Welsh Government has been able to target—as with the plastic bag issue—an impact can be made. It is when you are trying to affect the larger markets that you have difficulty.

[177] **Aled Roberts:** Behavioural change could be buying a kilo of loose apples rather than buying them in a polystyrene pack. Does the Welsh Government have competence to say that it will cost 10p for the polystyrene pack, for example? That might change behaviour a lot more suddenly—as we have seen with carrier bags—than would years and years of education and many recycling officers.

[178] **Mr Phillips:** Possibly, yes. Sorry, I should have gone back to the point about carrier bags. I talked to a lady from Cardiff University who helped us with our recycling report. She reviewed the carrier bag policy to see how it was working and she found that it affected people's view of carrier bags. They definitely did not want to pay 5p for a carrier bag and it has reduced the number of carrier bags. However there was not a great deal of transfer across into other environmental behaviours. That is an area of current research. The trick lies in using it as a bit of a publicity initiative to get more environmental behaviours in other more meaningful areas. It is not just about carrier bags, of course; it is about other environmental things, such as turning off the lights or making informed consumer choices, as you mentioned. It is work to be done. The Welsh Government is just starting to put together action plans for waste prevention. We have not quite seen those as yet, but they will come through very soon.

[179] **Gwyn R. Price:** Do you consider that some local authorities have intentionally interpreted strategies and targets too narrowly? Do they really fully understand the objectives?

[180] **Mr Phillips:** I think that they have interpreted things too narrowly, and, no, they probably did not understand the one-planet living outcome. I do not think that many people do. It is quite difficult to translate these sustainability arguments, as I know, having wrestled with them myself. It would make it more purposeful if people working on waste management could see what they were contributing towards—if they understood the overall big picture—

but I do not think that they do. That is not for the want of the Welsh Government trying very hard to get the message across. That is part of the root of the frustration. It is a difficult message to get across and the communication was sometimes less than 100% effective and a little bit of frustration started to build up on both sides.

[181] **Jenny Rathbone:** Does the Welsh Government have competence to issue a levy on bottles so that people are encouraged to take them back so that they are reused? That is what happened when I was a kid. That is how I made my money.

[182] **Mr Phillips:** We would have to check with the solicitors.

[183] **Jenny Rathbone:** I can see that there would be a problem with soft drinks. The market in Wales is small compared with other countries nearby, and they will probably resist producing recyclable containers for their soft drinks.

10.45 p.m.

[184] **Darren Millar:** It is fair to say that there was quite a bit of discussion about what was within the competence of the National Assembly when the carrier bag levy was being discussed. I have just asked Joanest, our legal adviser, to give us a little information on that.

[185] **Ms Jackson:** My apologies for not being here at the start of the meeting; I was required elsewhere. To go back to the carrier bags, as the Chair has just said, there was a lot of discussion around where the competence arose. As most Members here were not Assembly Members at the time, I should explain that the competence for the Waste (Wales) Measure 2010 arose from the Climate Change Act 2008 and a legislative competence Order that amended Schedule 5 to the Government of Wales Act 2006. If we were to look at other areas of levies, charges or whatever you wanted to call them, we would need to look carefully at the Schedule 7 subject that dealt with waste and the environment to ascertain what could be done. There would obviously be some cross-border issues on this. I do not think that it is quite as straightforward as saying, 'Oh well, we did it for carrier bags, so we should be able to do it for fruit punnets or the like'. However, if the committee wishes, I will look at this and let you have a note on it.

[186] **Darren Millar:** Yes, that would be helpful. It was an interesting discussion. The Welsh Government at the time brought forward a legislative competence Order on a wide range of what it called pollutants. The whole discussion was about what is or what is not a pollutant. It became clear that even the competence that was being sought would not deliver the competence to deal with the carrier bag issue, so a special provision was put into the Climate Change Act to give that power to Wales. I suspect that we probably would have the competence now, would we not? However, it will be interesting to get the information in a note from Joanest. Thank you for that.

[187] **Lindsay Whittle:** I am a bit concerned about how many cloth bags I now require, to be honest, but that is another issue. Some of our younger generation are throwing away the antiques of the future. I often see on television items that are now worth a lot of money that I had previously put in the bin when I was younger, but there you go.

[188] I do not think that it is worthwhile for the Welsh Government to have a battle with local authorities on the commingling issue. We are where we are, and all the figures are generally going in the right direction anyway, with one or two little hiccups. However, I am concerned because three local authorities—I am proud to be associated with one of them—are over 50% now, 16 are over 40%, but I consider that three, which I will not name, are slightly underperforming. Do you think that we should target scarce financial resources at those three that are underperforming to get the overall figure up?

[189] **Mr Phillips:** The Welsh Government has seen that some authorities are struggling a little, for a variety of reasons, and it has recently introduced the collaborative change programme, which is a support programme aimed at local authorities that request that support. In particular, it is aimed at those local authorities whose recycling rate is falling below the overall Wales rate and that are lagging behind. Several authorities—two of the ones that you are thinking about, namely Blaenau Gwent and Merthyr—have received support from that programme already, and we are in only the first couple of months of the programme. Yesterday, we were with the Minister at the ministerial programme board for waste, and the reports at the meeting yesterday said that the support was being well received and having an effect. Hopefully, the authorities receiving support are benefiting from it and things should pick up.

[190] **Lindsay Whittle:** That is good news. I am sure that some PR person somewhere will take note.

[191] **Mike Hedges:** We have been talking about commingling and kerbside sorted collection. Is there any possibility of some local authorities looking at targeting commingling in the areas where people have difficulty in keeping five or six bags for sorting? What happens is they save one, for something like paper, and put the rest in a black bag, because they only have enough room for two bags. We talk about recycling, but take Tetra Paks for example, some local authorities recycle them and some do not. That is not mentioned in your report. I also find it strange that your report does not explain, unless I have missed it, why some authorities—I mentioned Wrexham—quadrupled the amount they recycled between 2003 and 2004, but others only doubled it.

[192] **Aled Roberts:** Change of administration, Mike.

[193] **Mike Hedges:** Change of administration, Aled. [*Laughter.*] Some authorities, like Swansea, have only doubled it. It seems as if some authorities that were doing well initially have dropped a long way back. You do not seem to mention that or come up with any thoughts on why that has happened.

[194] **Mr Phillips:** There are a couple of issues there. Space for bags is a big problem for recycling in general. Where to put aside waste for a bi-weekly recycling collection in a small house with small living areas is a problem. You cannot leave it outside because it will blow around or animals will get at it and you cannot put it in your kitchen because you would be falling over it. That is part of the reason as to why the Welsh Government's research should be asking the consumer more about what would make recycling easier for them. That should include all types of properties: flats are a real problem because there is no way you can keep your recycling in your flat for two weeks; you have to have a communal area. Within a local authority, you need different approaches and targets for different communities and areas for a number of different reasons. That is why you have to be well informed by data and information so that you can find out if there is a problem in an area so that you can adjust for that particular area.

[195] Tetra Paks, cling film and kitchen foil are the latest stage of articles to be included in recycling by some authorities. It depends what technology the authority has in its recycling processing. It may be that they cannot recycle them, because Tetra Paks are waxed paper and are very difficult to recycle. However, there are now methods for doing so. We must get those recycled in future. We cannot leave them uncollected and unrecycled, because the targets, when we get up towards 70%, need everything. We cannot miss out on Tetra Paks or cling film; we have to get the lot. The capture rates are very high; it is an ambitious strategy.

[196] **Darren Millar:** We need to wind up this part of the meeting now, but two people

have indicated that they would like to ask questions, both Julie and Aled. We will take Aled first and then Julie, if you could be brief with the questions and answers.

[197] **Aled Roberts:** Did you take any view on end point? I remember that when we were trying to get above 50% in Wrexham, we looked at yoghurt pots, margarine tubs and so on, and the items that you have just mentioned. The reality was that they could have been counted toward our recycling figure, because we were collecting them, even though they would end up in landfill. That seems rather perverse.

[198] **Mr Phillips:** We mentioned that it could really damage public participation if the public volunteer to give you their waste for recycling and it ends up in landfill. It should not happen unless there is a real problem, such as a facility having a fire so that you cannot take your recyclable material there—although there should be contingency plans, so that should be very rare. It would be so damaging if that became an issue with the public, if they felt that it was not worth participating to help us reach these targets.

[199] **Aled Roberts:** Is there any work being done by the Welsh Government to check whether that is happening?

[200] **Mr Phillips:** I believe so. We did not look at that specifically, but it is one of the stories that has been around for a couple of years, especially when local authorities use the same type of refuse freight vehicle to collect recyclables and bulk waste for landfill. People think that it goes to the same place and that it all ends up in landfill, but it does not; they only share the vehicles. In a way, it is a smart move to share the vehicles, but for the public image, you need to get the message across that it is not going to landfill.

[201] **Julie Morgan:** You said in your presentation that there has not been a proper review of the grant that has gone to local authorities. Is there any plan to do that? It seems as if that is a key thing to do before we can go forward.

[202] **Mr Phillips:** As auditors, we certify that the expenditure of the grant is made in the eligible areas. However, the eligible areas for waste management for the grant are quite wide. I think that there needs to be a narrower and more specific look at whether the strategic objectives of the strategy are being well served by the funding.

[203] **Darren Millar:** That final question brings this part of the meeting to an end. I thank you both for the information that you have shared with us.

10.55 a.m.

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

[204] **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.

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

Derbyniwyd y cynnig.
Motion agreed.

Daeth rhan gyhoeddus y cyfarfod i ben am 10.55 a.m.
The public part of the meeting ended at 10.55 a.m.