



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

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

**Dydd Iau, 19 Tachwedd 2009
Thursday, 19 November 2009**

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Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynndi 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 Cynulliad yn bresennol
Assembly Members in attendance

Lorraine Barrett	Llafur Labour
Michael German	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats
Irene James	Llafur Labour
Bethan Jenkins	Plaid Cymru The Party of Wales
Jonathan Morgan	Ceidwadwyr Cymreig (Cadeirydd y Pwyllgor) Welsh Conservatives (Chair of the Committee)
Nick Ramsay	Ceidwadwyr Cymreig Welsh Conservatives
Janet Ryder	Plaid Cymru The Party of Wales

Eraill yn bresennol
Others in attendance

Gillian Body	Partner Ymgysylltu, Swyddfa Archwilio Cymru Engagement Partner, Wales Audit Office
Jeremy Colman	Archwilydd Cyffredinol Cymru Auditor General for Wales
Simon Dean	Cyfarwyddwr Strategaeth a Chynllunio, Llywodraeth Cynulliad Cymru Director of Strategy and Planning, Welsh Assembly Government
Rosemary Kennedy	Prif Swyddog Nyrsio, Llywodraeth Cynulliad Cymru Chief Nursing Officer, Welsh Assembly Government
Andy Phillips	Arbenigwr Perfformiad, Swyddfa Archwilio Cymru Performance Specialist, Wales Audit Office
Paul Williams	Pennaeth Iechyd a Gwasanaethau Cymdeithasol, Llywodraeth Cynulliad Cymru Head of Health and Social Services, Welsh Assembly Government

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

Alun Davidson	Clerc Clerk
Andrew Minnis	Dirprwy Glerc Deputy Clerk

Dechreuodd y cyfarfod am 1.33 p.m.
The meeting began at 1.33 p.m.

Ymddiheuriadau a Dirprwyon
Apologies and Substitutions

[1] **Jonathan Morgan:** Good afternoon. I welcome Members to the Public Accounts Committee. I apologise for the late start this afternoon. Before we go on to the main items of

the agenda, I remind participants that we are a bilingual institution, so contributions in Welsh or English are permitted. Headsets are available for translation and for amplification. Channel 0 is for amplification only, and channel 1 is for verbatim translation. I remind Members to switch off mobile phones, pagers and BlackBerrys. If a fire alarm sounds, please follow the advice of the ushers.

[2] I formally welcome our new clerk, Alun Davidson, who is joining us officially for the first time. Our clerking team reorganisation has now been completed, and I am delighted that Alun and Andrew have joined us.

[3] In terms of apologies and substitutions, we have received apologies from Janice Gregory and Huw Lewis. Janice has a clash with her legislation committee; I have not been advised of any substitute.

1.34 p.m.

Adroddiad Drafft ar Brosiect y Ddraig Goch Draft Report on the Red Dragon Project

[4] **Jonathan Morgan:** The draft report was circulated to Members for responses. No responses were received. We have received additional amendments from the Wales Audit Office, which have been incorporated. In the few moments that we have, we will go through the report as briefly as we can, but I want Members to be satisfied with the changes that have been made. If there are any observations, I am happy to take them on, although I want to try to get formal approval of the report this afternoon. The introduction is on page 4 and 5, and the evidence starts on page 6. The issue of the financial appraisal of the project is on the bottom of page 7, then there is page 8. Are there any comments? The issue of the break clause is on page 9. Paragraphs 23 to 27 are on page 10, and then there are paragraphs 28 to 30, including the discussions and the conclusions, and paragraphs 31 to 35 conclude the report. Are there any observations or suggested amendments at this point? I see that there are none. Is the committee happy to approve the report for publication? I see that it is. That was possibly one of the easiest forms of drafting that we have done. I am grateful to the committee for its consideration. We will publish the report at the end of the week, and a press notice will be issued along with the report.

1.36 p.m.

Gwasanaethau Therapi Ocsigen yn y Cartref: Cyngor gan Archwilydd Cyffredinol Cymru Home Oxygen Therapy Services: Advice from the Auditor General for Wales

[5] **Jonathan Morgan:** I ask the auditor general to make some comments before we raise a number of issues.

[6] **Mr Colman:** The outstanding issue on this subject has nothing to do with home oxygen services specifically, but with the wider issue of the application of lessons learned from activities in a particular department throughout other Assembly Government departments. The committee was not very satisfied with the initial response from the Assembly Government on that point, although I think that it was happy with the response on the substance of the matter, relating to oxygen services. That matter is settled; what we are talking about now is learning lessons. My letter of advice to the committee was founded on the basis that this general issue of the ability of the Assembly Government to transfer learning from one department to the rest of the departments is a wide and important issue. I know that the Permanent Secretary is very much seized of it and, indeed, the very significant

reorganisation of the top structure of the Assembly Government that she initiated last year was intended to put that right, and on paper it appears to do so. Auditors are sceptical people, of course, so my response is, 'let us wait and see'. If, in due course, in observing how the new machinery works, I have anything to report—either negative or positive—I will do so. At the moment, I do not think that there is any further action needed by committee.

[7] **Jonathan Morgan:** Are there any particular points that Members wish to raise? From our perspective, if there is an ongoing watching brief on how lessons are being learned and shared across Government, we would be happy to receive any further advice. I am just wondering whether the committee should consider writing to the Permanent Secretary to ask for details on the outcome of the operations group meeting this month. It is meeting to discuss the lessons that have been learned from the report on home oxygen therapy services. I do not know when that meeting is to take place, but I understand that it will be this month. It might be worth our considering writing again to the Permanent Secretary to find out what has happened since that report.

[8] **Janet Ryder:** That is the crucial point: not only how we learn lessons, but how we implement those lessons, and how we transfer that learning from one department and ensure that it is implemented in the others. We need to watch that and try to track it. Perhaps we could have feedback on that, Chair, once you get some feedback on it from the Permanent Secretary.

[9] **Jonathan Morgan:** We will write to the Permanent Secretary and I will circulate that letter to Members and let you know what the response is.

1.40 p.m.

**Cydymffurfio â'r Gyfarwydddeb Oriau Gwaith Ewropeaidd ar gyfer Meddygon
Iau: Cyngor gan Archwilydd Cyffredinol Cymru
Junior Doctors' Compliance with the European Working Time Directive: Advice
from the Auditor General for Wales**

[10] **Jonathan Morgan:** I invite the auditor general to comment on this.

[11] **Mr Colman:** This is a slightly mixed story. The committee will recall that, by August, all NHS bodies were required to comply with the working time directive, except to the extent that they had received derogations from doing so. What we have found in the latest information is that many of them have complied, but not all of them. Since then, almost all the bodies in question have demised and their work has passed to new health boards. As part of our assistance to the new health boards, we are presenting them with what are known as legacy reports, which transmit to the new bodies issues that were unresolved at the close of the demising bodies. This is one of those issues. I have no doubt that the new health boards will tackle anything that needs to be tackled arising from those reports. My suggestion, therefore, is that this particular subject is best followed up in the context of the legacy reports and I will report back to the committee on that, should anything arise that calls for it towards the end of next year.

[12] **Jonathan Morgan:** We have received a letter from the chief executive of the NHS saying that he will be writing to the chief executives of the new local health boards to remind them of their responsibilities. I am not sure whether or not he has done that. So, we will chase that up with him. What I found interesting about this is that, in essence, the Assembly Government is monitoring and collecting the data on where and whether the local health boards have been compliant, but is there any requirement on them to explain why they have not been compliant in addition to whether they have been compliant?

[13] **Mr Colman:** There are quite heavy penalties for a failure to comply. I assume that that will be the process for them to plead their excuses. There is a long list of outstanding issues that have passed from the demising bodies to the new ones. This is one of them, and it is one that has attracted a great deal of publicity. I suspect that it will be dealt with thoroughly by the new bodies, but we will have to wait and see.

[14] **Janet Ryder:** I am pleased to hear the auditor general say that he is satisfied that this will be dealt with thoroughly, because it is a matter of concern when you have doctors working long hours and so much rides on their ability to respond adequately to emergencies that are set in front of them. This is a difficult situation. This letter presents us with some of the former trusts that were not performing well at all. If those trusts are being merged into a larger body, and that new body has to deal with a myriad of problems, I am concerned that this may not become a priority, although I hope that it becomes a priority. The auditor general said that there would be penalties for not complying. How would those new penalties apply to the new bodies, or would they all start from a clean slate, and would they have to get to the next review point and be judged against that before we can see whether they are complying with this?

[15] **Mr Colman:** I do not know the answer to that question, but perhaps my colleague does.

[16] **Ms Body:** My understanding is that they need to comply with the regulations as they now stand, so the position that they have inherited is based on their performance against the regulations.

[17] **Janet Ryder:** However, if two or three old trusts have been put together and they each have different performance levels, on which one will they be judged?

[18] **Ms Body:** It would be the composition of the whole. So, if one element is not compliant, then the whole is not compliant. That is the reality. All that I would add to the auditor general's previous comment is that we are planning some follow-up work of earlier audit work on all of the health boards in the coming year. So, this is one of the issues that we will be following up to see what is happening on the ground.

[19] **Michael German:** It is a similar situation, is it not, to the cockles in the Burry inlet, where the Welsh Assembly Government could be fined for non-compliance? Does this fall directly on the Welsh Assembly Government as the non-compliant body, rather than on individual parts of the health service, which are, as a whole, the responsibility of the Welsh Assembly Government? I have a feeling that it falls on the Welsh Assembly Government. I appreciate that you may not have the answer today, Jeremy, but it would be useful to know the fine level per day, which it is for some non-compliance issues, and the likely level of fines that we could accrue. It is not as if we have not had due notice of this matter, and the fact that many trusts are compliant indicates that there has been action. The other question that arises out of this is on the derogations. Are they for particular disciplines or are they for particular shortage areas, such as doctor shortages? Do we know what they are for?

[20] **Mr Colman:** I will attempt to answer some of those questions. I think that the force of your point is that the health boards may not care because the pain will be taken by the Assembly Government. Actually, they should care, because whether or not the fine is levied—which I suspect would be levied on the UK Government, rather than the Assembly Government—the individual employers are at risk from legal action from employees and by the Health and Safety Executive. So, there are very good reasons why a health board—in its own self-interest, let alone the interest of its patients, as Janet pointed out—should be complying with this requirement, which, as you say, has been around for many years and of

which plenty of notice has been given.

[21] Have I answered one or two of your questions there?

[22] **Michael German:** You have answered two of them. The third question related to whether we know what the derogations are for. I understand that the derogations run out in 2011, or perhaps in 2012, and unless they are put right over that ensuing 18-month period, we will be in the same position in 2011-12. Do we know what they are for?

[23] **Ms Body:** We can certainly find out, but I understand that they are for particular specialties, but the case must be made that a derogation is appropriate. You will see that, in some areas, they are still not compliant and they do not have derogations to cover the totality of the shortfall in meeting the target.

[24] **Michael German:** I often wonder, when people have derogations, how they have managed to argue their case when other people have not needed derogations. That is worth noting.

[25] **Mr Colman:** There is an uneven distribution of silver tongues in the world.

[26] **Michael German:** Yes, I agree. [*Laughter.*]

[27] **Jonathan Morgan:** In addition to receiving future updates from the auditor general, would you like me to write to the chief executive of the NHS, because he did say that he would be contacting the chief executives of the new health boards to remind them of the need for compliance? We could then put some of these questions to him.

[28] **Michael German:** I think that Jeremy is right; it may be the UK Government that is fined and I am sure that the first thing that it will do is slash it off the Welsh Assembly Government money.

[29] **Jonathan Morgan:** We will write to the chief executive and await a response.

1.48 p.m.

**Risgiau o Erydu Arfordirol a Llifogydd Llanw yng Nghymru: Cyflwyniad
Briffio gan Archwilydd Cyffredinol Cymru
Coastal Erosion and Tidal Flooding Risks in Wales: Briefing from the Auditor
General for Wales**

[30] **Jonathan Morgan:** The report was published on 29 October and, as to our usual handling, I ask the Auditor General for Wales to introduce the paper, along with his colleague, who was involved in the preparation of the report and the investigation. We will then decide how to respond.

[31] **Mr Colman:** Thank you, Chair. My colleague's name is Andy Phillips—although he has a different name according to his nameplate.

[32] The origin of this report was concerned with more generalised flooding a few years ago. We had to decide how to cut up the subject in a way that made it feasible to produce a report in a reasonable time. The choice was coastal flooding versus inland flooding, and we tossed a coin. Coastal flooding was chosen, and that is what we have looked at in this report. We were concerned about flooding in general because recent experience—informally, not through audit work—has shown that people seem to be taken by surprise by flooding and that

the physical precautions did not in every case seem adequate or even reasonable. Just what was going on?

1.50 p.m.

[33] The Assembly Government had adopted a policy, and people who had studied the subject rightly regarded it as a sound policy. The issue then was whether the Assembly Government was taking adequate steps to implement that policy, because it depended on actions not just by the Assembly Government, but by other public bodies—particularly local authorities and the Environment Agency—as well as understanding and actions on the part of citizens. How clear were all of these people about what they should be doing? You will see from the report that there are considerable gaps in these areas. The policy is not well understood by citizens, and anyone who looked at the press coverage when we published the report a couple of weeks ago would have seen that it seemed to take people by surprise. We also found that the public bodies themselves—the local authorities and the Environment Agency—were not consistently or completely clear on what they should be doing with the Assembly Government’s policy. In outline, that is what we found, and Andy will now give you a bit more detail on that.

[34] **Mr Phillips:** Much of what we value in Wales is located along the coastline, so it is of great importance to us. Half of us live on the coastline or coastal plain; we spend our leisure time there, we work there, and we have natural and heritage assets to look after along the coastline. It is a pretty special area for us. Also, many of our communications are on the coastline, because there are hills further inland, and it is difficult to travel through them.

[35] There are already risks associated with living near the coast. Some areas along the coast have fought a constant battle with the destructive power of the sea, and without man-made enhancements to natural defences coastal erosion would have caused great damage and probably made some areas impossible to live in. Coastal defences have reduced the likelihood that the sea will encroach across land, and have provided the confidence to allow progressively more development to occur in these areas. However, the last few years have brought a new risk—climate change—and it is a risk that is growing, if we accept the mounting evidence that it will result in increased storminess in the future. More frequent and severe storms will impact upon our coastal communities, further testing existing coastal defences. The other effect of climate change is the rising sea level, and that also means that the effects of wave and wind power will batter the coast in the decades to come. Perhaps in 100 years’ time the sea level around Wales will have risen by about a metre; that seems to be the consensus. It means that bigger energy waves will impact on the coastline, potentially causing more damage.

[36] The way that we traditionally defend the coastline was not so much about taking account of risk as trying to hold back the sea. Where there was a vital asset that needed protection we used to build a sea wall or a promenade, or hold back the sea in another physical way. That may be an unsustainable way to do things in the future, and that point is appreciated by the Assembly Government and has led to its initiating the New Approaches programme, which began in July 2007.

[37] I will take you through the three main sections of the report that we produced. The first part deals with the situation as it is and explains that there is already a risk to the coastline, pointing to the need for change in the way that risks are managed. We looked for good practice on this and found that there was not much, because everyone is at a similar stage of development.

[38] Briefly, the second part of the report looks at providing assurance that the ideas behind New Approaches are sound. It states that the Assembly is on the right track and that

this could develop into a sound approach. However, it is early days. We are at the good ideas stage, rather than at the stage of good, developed policy.

[39] We find that there are aspects of the New Approaches programme that need to be improved to achieve the success that we are all looking for. The third part talks about the comments on the leadership provided by the Assembly Government, particularly with regard to engaging citizens and the need to take a rather more long-term look than we are taking at the moment. There is also a need to pick up the pace of change.

[40] Our research was undertaken over the past two years. We have produced our report, but we must also acknowledge that other things have happened with flooding in England and Wales over the past couple of years. In particular, there was inland flooding owing to overwhelmed drainage systems in the summer of 2007—just when we would expect the weather to be good. The summer is the worst season now, although the last week has proven that winter can still pull a few punches.

[41] We had the Pitt review on flooding. In fairness to the Assembly Government, it cannot do everything at the same time, and so it had to divert its attentions away from the New Approaches programme to look at the recommendations coming out of the Pitt review. A very fortunate one-off opportunity also arose, namely convergence funding. This allowed bids to be made for environmental and sustainability projects. Quite considerable bids were made under convergence funding, and that took some time away from the progress with the New Approaches programme.

[42] I will now look at the report in a little more detail. We know that severe storms have occurred throughout history, and we know that they are likely to occur in future. In fact, we are pretty sure that they are going to occur in future, and we are pretty sure that they will be more frequent and more damaging. The weather patterns that we have had in the past are unlikely to be what we get in future. The Stern report looked at the economics of climate change. It was a nationally recognised report, which said that strong early actions are more cost-effective and less dangerous than waiting. There is a traditional way of defending the coastline, but we now see that that cannot take us into the next century. Yes, you can build ever higher sea walls and promenades, with lots more concrete and lots more structural engineering. It is probably physically possible to do it, but would you want it in Wales along the coastline? It would affect all those tourism and heritage assets, which are the reasons why people come to Wales. I do not think that it is environmentally acceptable. The impact would be too great, and the cost would be enormous. So, that is a bit of a non-starter for most areas in Wales for the future.

[43] Although we did not dwell on this in any detail in the report, we found that the condition of the sea-defence assets—the walls, promenades and flood defence measures that protect coastlines—was variable. Some local authorities and the Environment Agency own those assets. Some authorities have very poor records on the condition of the assets under their control. The Environment Agency Wales has slightly better records and was a lot more confident about the ability of its assets to prevent tidal flooding, although only up to a point. Eventually, those assets would be overwhelmed by rising sea levels. There are also third-party assets, and sometimes those are the link in the chain that might break first. We do not know the condition of those assets.

[44] Only a small amount of good practice exists. Everyone is at a similar stage in their thinking, and nobody can really give you the blueprint for success. It is all a matter of helping each other and trying to think of the way forward. It is affecting England badly, and England is coming up with similar solutions to those emerging from the Welsh Assembly Government, which is encouraging. What is emerging is that the approach cannot be the one that has traditionally been used. We need to look at and track the risks more as they develop.

[45] Risk management allows for an approach that uses a variety of interventions. We can include traditional sea defences. In Cardiff for example, there are high-value areas that need to be defended, and those will no doubt continue to be defended by hard structures, such as barrages, sea walls and so on. However, there is also scope for more flexible and adaptive means of protecting and managing the consequences. Those may include, as the Assembly Government is suggesting, creating a better awareness of the risks among those communities that live in areas that are currently at risk and that will be at risk in the future because of climate change, enhancing their resilience so that they are better prepared—and you can do things to properties and structures so that they survive flooding more easily and recover more quickly—and backing that up with a better emergency response on the coastline.

2.00 p.m.

[46] In very few instances and locations, even after taking this action, the consequences of erosion or tidal flooding will still be unacceptably high. In Wales that is the case for very few locations. That means that, if you cannot manage the risks, you are left with little option but to consider a managed relocation. That will take place decades hence, and there are no communities at the moment that are hugely threatened. One community was used as an example in the report, namely Borth, which is to the north of Aberystwyth. It has a particular problem. Today there was a storm surge warning for the area north of Aberystwyth. That is fate, I am afraid; we did not book it that way. I turned on the news this morning and there it was. It is an area that we have highlighted in the report as being at high risk.

[47] Climate change and rising sea levels will mean that, for decades to come, those areas are at progressively greater risk. Eventually, some difficult decisions might have to be taken in some areas in Wales, but we are decades away from that.

[48] In England, we already see that parts of Norfolk are having to make those decisions. Some of the media interest in the report, when it was published a couple of weeks ago, over-egged the pudding perhaps as regards the immediate problems. There was a memorable picture of caravans bobbing in the sea off Tywyn in one of the north Wales papers. We have to understand the risks and, if we do that, there is quite a reasonable chance that we can use land for development, as long as the risks are managed carefully. That is important for the regeneration of coastal communities. There are areas such as north Wales in which spatial planning states that more houses and more development are needed.

[49] We then looked at how the New Approaches programme has been rolled out by the Assembly Government, and in particular its project management side and how that was shaping up. We confirmed that the approach and the thinking are good; it has the potential to manage the transition to a risk-based approach—and to be more sustainable, given that we have a duty in Wales to promote sustainable development. We also know that the risk-management approach to flood risk has already been started in England, so it is not a new game. We are doing it for rivers already, and the Environment Agency has been doing it since the major floods of 2002. So, there has been some practice of risk management. It is new on the coast, but not inland. However, it has not progressed to a stage at which a local authority's coastal defence function gets involved, and that stands out as a need for the future.

[50] Most of the main stakeholders to whom we have spoken, certainly Environment Agency Wales, were very helpful when we undertook the research as part of the project. The main stakeholders, such as local authorities—through the Welsh Local Government Association, and through speaking with us independently—the Countryside Council for Wales and the National Trust, have been supportive of the need to move to a risk-based approach. I have not heard a major stakeholder say that it is not the right way to go. However, although it is on the right track, the Assembly Government's progress has so far been slow.

[51] We picked up some real issues with project management. Jeremy referred to the fact that the Assembly Government had not made the high-level objectives of the New Approaches programme clear. So, the main stakeholders are all a bit confused, and they are not quite sure which way to go or what their future roles will be. In addition, at this stage, there has been no real communication with the communities that are at risk. It is important to talk to people and to involve them, as we promised in 'Making the Connections', and to ensure that they are involved in decision making. That has not happened yet. Members of the public expect authorities to continue to provide sea defences, and they are unaware of the shift in policy. They do not know about this, and will be quite concerned by some of the media coverage from England. They will translate it in their own minds into what might happen in Wales. We are a little worried that it may cause unnecessary concern.

[52] There are also capacity limitations within the main stakeholder groups. We have talked about the Assembly Government choosing to allocate some of the limited capacity that it has within the flooding risk management team to the summer floods of 2007 and subsequently to the EU funding programme. There are also poor data to work with. The Assembly Government acquires data from local authorities on coastal monitoring and on the condition of the assets held by local authorities. They are fragmented and are not pulled together very well. The systems and the robustness of the data do not provide us with a good baseline to work from at the moment. It also means that we cannot work out whether the New Approaches programme is deliverable and affordable, which we have to consider before we press ahead with that as an idea for the future.

[53] There are also complicated funding arrangements. We found that there was limited capacity to progress things with the Assembly Government. So, although there has been more money this year, it has been difficult, historically, to make progress with funding applications. The guidance is there and I would say that it is clear, but it is certainly very involved and local authorities particularly find it difficult to follow, so they cannot get access to the funding that is available.

[54] The New Approaches programme provides the Assembly Government with a good opportunity to align all its coastal policies under an integrated package. We suggest that something like integrated coastal zone management might be a way forward. It is just a means of looking at things more strategically on the coast and integrating them. We did not find a great deal of evidence that that was happening.

[55] In the final part of the report, we looked at strategic leadership and at how the Assembly Government is beginning to involve citizens and how it would move on more quickly to meet increasing coastal management challenges. Progress has been slow so far. The translation of the aims of New Approaches into actions has been slow. If the programme had run to schedule, we would be coming to the end of the three-year programme in July 2010. However, we are well short of that at the moment.

[56] If the Assembly Government chose to do so, it could use the skills that are available within organisations such as Environment Agency Wales, which is a regional office of the Environment Agency. There is also a lot of experience in the English regions that could be beneficial to the Assembly Government. However, the Assembly Government has chosen a slightly different role for Environment Agency Wales, although I understand that that is under review at the moment following the consultation on the draft Flood and Water Management Bill. In England, there is an enhanced role for the Environment Agency, which allows it to take a more strategic overview. That is currently missing in Wales.

[57] Environment Agency Wales operates an executive committee, called Flood Risk Management Wales, which was put in place to deal with inland flooding following the

changes in 2002 to flood-risk management for inland flooding. That may be a useful committee or a useful way of taking forward the allocation of funding, the prioritisation of works, and to achieve a more strategic view of what we should do in Wales.

[58] The success of New Approaches relies on sharing responsibilities more widely between major stakeholders and coastal residents. There seems to be a shift in emphasis, which could be quite a surprise to those who believe that authorities have a duty to carry on protecting them if they live along the coastline. Surprise may well turn to concern when residents and those involved in commerce along the coastline try to get insurance in the future. They may find that they need to leave if it is not safe to live there because of rising sea levels in several decades' time. At the moment, there is no financial compensation package, so people might have to leave their house and move inland to safer ground without financial assistance.

[59] There is only limited time in which to get going on this and to make more progress. We need to put sustainable approaches in place. Our sea defences may fail as they will be under increasing stress. Failure could bring severe flooding, damage to property and infrastructure, and it could potentially bring a loss of life. We saw the power of erosion in 1990 at Towyn on the north coast. Flooding could increase twentyfold and the cost of damage as a result of flooding could increase to £1.4 billion per year in Wales over the next century.

2.10 p.m.

[60] We know, and the Assembly Government knows, that the existing approach, which is reliant on sea defences, cannot continue. However, the Assembly Government believes that there is a period of somewhere between 30 years and 80 years when it will need to set in place any changes before the risks become unacceptable. In talking to other stakeholders, we have found that that is not a commonly held view. Many of the other major stakeholders think that there has to be action a bit quicker than that and that we do not have 30 to 80 years to set in place the changes and to make progress. That is because it takes a long time to meet objectives such as engaging the public in the changes that need to be put in place. Making the public aware and getting public ownership of problems must occur before sustainable solutions can be put in place. We have also the big risk that there will be a freak weather event, which may just happen. It happened in 1990. That was not a particularly big freak weather event; a much bigger one could happen quite easily in the future. We just do not know; it is all about probability. It is nothing to do with climate change. However, if that happens, we might find that people will become concerned, jump to conclusions and start to get worried.

[61] The Assembly Government has the opportunity to put in place lasting solutions, because the sea level will rise quite slowly until about 2042, according to current predictions. After that, the sea level rise will be a lot quicker. So, now is the time to put something in place, and not to have to chase the more difficult problems midway through the century. Also, pressure to spread limited funding will not deliver real changes. It is always a temptation to dole out the limited amount of money across a lot of small projects, but that will just not do. It is a short-term fix. We need to be bold and brave, and not try to meet the challenges of climate change with short-term fixes. We need some bolder interventions.

[62] **Jonathan Morgan:** I start by thanking Andy Phillips for that powerful presentation. Having read the report, I am not surprised that the media took quite a considerable interest in it. There are some very powerful messages in the report and, clearly, it touches on what is a very emotive subject, when you are talking about sea defences and protecting our coastline. I call on Lorraine Barrett, first, and then Janet Ryder.

[63] **Lorraine Barrett:** Thank you. It was a very powerful report and presentation.

Thanks, Andy. The Sustainability Committee is currently undertaking a review of flooding in Wales and we are looking at all the issues across the board. I was looking at the good practice examples that you have on page 22. Earlier this year, the Sustainability Committee went to Gloucester. I am not sure whether you looked at Gloucester, but it was an amazing example, because after the floods of 2007, everything kicked in there. They all worked together, all of the agencies, and it is a fantastic model of all stakeholders coming together and working together. I just wanted to flag that up.

[64] The other thing is that I was looking at the timeline on page 46. I find it amazing that, following the flooding of 1990, here we are. We all remember the floods in Towyn and still have those images etched in our minds. In 2008, we had only reached phase 1 of three phases shortlisted for funding, but I do not know what has happened since 2008. One of the reasons for the delay was that there was opposition from residents on amenity grounds. You talked about leadership and I think that that is something that we need to flag up. There needs to be leadership. Obviously, you have to take the people with you, but at the end of the day, it is about the greater good. I cannot believe that timeline and the way that coastal erosion, flooding, environmental damage and climate change are happening apace. Something needs to be done on that. My question to you, Chair—I suppose that we will deal with it at the end of the session—is about how we can take this forward. What can we do, given that the Sustainability Committee is also doing a review on flooding? I just wanted to make those few points and put in the information about the Sustainability Committee.

[65] **Jonathan Morgan:** I will come back to Andy in a moment, but I will call Janet Ryder first.

[66] **Janet Ryder:** I remember the floods in Towyn all too well, as do many people in that area. They are not just images that appear repeatedly on broadcasts. This report clearly shows that we know where the real threats will come from, such as the real threat posed by the loss of coastline and land along the coast, but we succumb to a knee-jerk reaction when floods happen. When I was a county councillor in Denbighshire—we were in Ruthin at the time, which is quite high up, really—I remember an officer unfortunately saying, ‘Oh, we’ll be all right in Ruthin; if Ruthin floods, the people in Rhyl are really in trouble’. Unfortunately, we had floods a few years later, and Ruthin flooded badly. It was nothing to do with coastal flooding; it was an incident in which very bad storms caused inland flooding. In flood defence, we have seen a reaction to that inland flooding, and Towyn is a good example of how we have still not addressed the issues affecting the coast.

[67] What concerns me is that, looking at county council strategic development plans and the plans that are being worked up to take their place, in Denbighshire, and Ruthin in particular, people are building on what everybody knows is a floodplain, yet it has been allowed to go ahead because it was identified as a site prior to the flooding. When you talk about the effect being felt in two or three decades, you plan two or three decades away in county council terms when looking at making land available for development. You have talked about the pressure in north Wales for more houses, but concern is growing there. Bodelwyddan is a good example of somewhere where demand for housing is great, but it is on a floodplain. My concern is this: how much did you look at how land has been identified for planning in the forthcoming county council plans? How did they take account of the Environment Agency’s advice and the lessons from history? How did that affect the decisions, and did they consider that to be something for which those lessons need to be learnt? It is about strategic guidance. Has that lesson really been driven home, or are we still in that gap?

[68] **Jonathan Morgan:** Could I have a brief response to Lorraine’s point, as well as to Janet’s? I apologise for the fact that Lorraine had to pop out, but she had a note calling her away. She will be back shortly, however.

[69] **Mr Phillips:** I will pick up on the interesting piece of good practice in Gloucester first, because estuarine environments are particularly vulnerable. If you get stormy conditions, you often get heavy rain, and if that coincides with a high tide, you have the sea trying to come in while the river is trying to discharge, and that makes an estuary a vulnerable area. Estuaries catch a mix of fluvial flooding and coastal flooding. So, they are quite prone to flooding. Carmarthen is another example that catches that mix.

[70] There is a Tywyn and a Towyn, and both are at risk from flooding. Towyn is on the north coast and Tywyn—as a Cardiff lad, I am trying to get my pronunciation right—is on Gwynedd’s west coast. Towyn is where the 1990 floods caused a breach, and it is lucky that they did not cause a direct loss of life.

[71] **Jenny Randerson:** It happened very quickly.

[72] **Mr Phillips:** It happened in the afternoon, and that is probably why no-one died as a direct result. Pensioners were put into salmon boats, which were pulled down the high street to get them away from their houses. North Wales remains a high-risk area for sea flooding, just like the Gwent levels. Has that answered that side of the question? I can show you a picture, if I may, of Tywyn, which demonstrates the other side of the media’s involvement. You can see how it looks from the picture.

[73] **Jonathan Morgan:** It does not get more powerful than that, does it? [*Laughter.*]

2.20 p.m.

[74] **Mr Phillips:** On the point about north Wales, when a planning application is put in, Environment Agency Wales is a statutory consultee, but what the agency says does not have to be heeded. I recently read that 97 per cent of what the Environment Agency is saying about flooding and flood risks, including about climate change, is now being listened to. That is a big increase on a number of years ago, when councils may have read it, put it to one side and carried on with the need to secure economic development. North Wales faces particular pressure in that regard. There is guidance—there is technical advice note 15, which is Assembly Government guidance on building on land where there is a flood risk. You can do it, but you have to build in the right way and in the right places.

[75] **Michael German:** I would like to get a sense of the scale of the problem. Presumably, you reduce that eventually to cash, as it is stated in paragraph 2.52 in your paper, which is roughly a statement of where we are. I do not quite understand—the asset replacement value is £750 million, based on a 50-year lifespan. The estimate is that £15 million a year from the Assembly Government would cover the replacement over that 50-year period. I assume that that £15 million over 50 years is its estimate of what it thinks it would cost to replace current assets. Is that a reasonable assumption?

[76] I also caught your figure of £1.4 billion, but you did not give a timespan for what that covers. Can you outline, in totality, what you think public expenditure is likely to be from what you know for existing assets and also for what climate change may throw up for us?

[77] **Mr Phillips:** The figures in paragraph 2.52 were from the Assembly Government. The £15 million per year is to maintain existing assets, rather than to replace them if they disappeared and you had to rebuild them as they are now.

[78] **Michael German:** Given that they are designed to last for 50 years, the assumption is that we will have to replace a portion of them every year, or at some stage during the course of 50 years. Am I wrong in saying that?

[79] **Mr Phillips:** It is about running repairs, a lot of the time.

[80] **Michael German:** What I am trying to get is that we are not talking about asset replacement here—we mean asset repair. In other words, the figure of £750 million for asset replacement value does not mean anything, because you are never going to replace the whole asset.

[81] **Mr Phillips:** I suppose that it would be highly unlikely that you would replace the whole lot in one go.

[82] **Michael German:** No, I mean over a period of 50 years.

[83] **Mr Colman:** The asset replacement value is a figure of huge interest to accountants, but probably of very little practical significance. Supposing you had some kind of windfall that would enable you to replace the entire estate, it would not be like-for-like replacement—you would replace it differently.

[84] **Michael German:** Okay. Where did you get the figure of £1.4 billion?

[85] **Mr Phillips:** I believe that I derived that figure from Environment Agency figures, and I think that it was replicated in a study that was recently issued by Environment Agency Wales. It is an estimate, because if flooding increases twentyfold, the resulting damage could cost £1.4 billion per year for Wales.

[86] **Michael German:** Is that the cost of dealing with the flood protection measures, or the cost of loss of asset?

[87] **Mr Phillips:** It is the cost of damage to assets.

[88] **Jonathan Morgan:** Is that £1.4 billion per year?

[89] **Mr Phillips:** Yes.

[90] **Nick Ramsay:** On the issue of the Assembly Government's New Approaches and of what the Environment Agency does and does not deem to be value for money—I am looking particularly at page 23—I have a particular interest in case study 2 on the Gwent levels and their management. The last paragraph of the report mentions that raising the defences by 1m would cost £70 million. I have been down to look at the defences that are there at the moment, and, setting aside the level of the increase that will happen with climate change, if you compare the level of our defences at the moment with defences in other countries, such as Holland—the 1950s defences were upgraded in the 1970s in the Gwent levels—they are ridiculously inadequate, even for today. I understand that £70 million is a lot of money, but on the idea of whether you consider it to be value for money, if you think about previous surges—and you mentioned that a surge can have an A point—in the Severn estuary, they have always happened with storms at low tide. I think that I am right to say that, if there was a high tide tomorrow, combined with a surge, a lot of that land, including the M4 and the railway link, could potentially be under water in one swoop. It is not just about climate change and the future, is it? It is a question of whether our current defences are adequate. It might be right, it might not be value for money, but I am not sure whether many of the people living in that area realise what risk they are under at the moment if, God forbid—and I hope that it does not happen—all those factors combined together. I do not think that those defences are adequate at the moment. I find saying that £70 million is not a price worth paying difficult to understand.

[91] **Mr Colman:** May I point out that we express no opinion on that issue? That is the Environment Agency's opinion. I cannot comment on the basis on which it was formed, but it is not endorsed or criticised by us.

[92] **Nick Ramsay:** However, it is your role, through the report, to give an opinion on whether its ideas of value for money are correct or not.

[93] **Mr Colman:** We have not specifically examined that. The issue of value for money is inherent in the New Approaches policy, but among a wider range of options for protection. So, the report gives examples of where heavy sea walls are what are needed, while other options of that nature might not be, such as sand dunes. However, there should be no illusions that the policy calls for judgments of that kind. I do not say that it is easy. When I was interviewed on the radio when the report was published, someone said, 'Moving people out of where they live is going to be politically difficult'. I said, 'Yes, but the alternative is also going to be politically difficult'. This is an extremely difficult problem. There is clearly not enough money; there could never be enough money to build sea defences to an enormous height around the entire Welsh coastline. Given that you cannot do that, how do you decide what you do? It is a tricky problem.

[94] **Bethan Jenkins:** I have a few questions for clarification and a question on figure 13. I notice that it is ideas coming from stakeholders with regard to alternatives that could be put in place for those seeking compensation, such as that the Government could buy properties that people could rent back. Have these ideas been shared with the Wales coastal forum or are they sitting here in this report for us to take up as a committee for future reference?

[95] **Mr Colman:** They have not been formally passed over. The forum will see them in this report, but these ideas were derived from talking to stakeholders.

[96] **Bethan Jenkins:** Okay. The other question that I had may just be because of my ignorance, but is citizen engagement a statutory part of the New Approaches programme? You note that it is not happening enough, but is it a statutory duty upon local authorities to take that forward? If they are not doing that, what protocols are currently in place to ensure that that engagement happens? Are there any regulations in place to ensure that that happens in the future?

[97] **Mr Phillips:** If I may reply to that, Chair, there are two things there. The Assembly Government says—and there is some credence to this—that it does not want to go out to the communities to talk to them about their problems without having some means of showing them a way out of those problems—a solution or two. So, it is developing what it calls a toolbox of choices and solutions. That is in development as part of some of the answers in the New Approaches programme. The Assembly Government does not want people to be concerned unnecessarily. A process is currently under way, funded by the Assembly Government and delivered through the coastal groups in Wales—coastal groups are coastal authorities coming together and looking at an area of coastline with a continuous boundary, normally.

2.30 p.m.

[98] It is called shoreline management planning, within which existing shoreline management plans are being refreshed to consider things like climate change. A public consultation is a part of shoreline management planning, and that is seen as the critical first step to involving those on the coast who perhaps do not realise that they have a remit, a responsibility and an opportunity to become involved in this debate.

[99] **Bethan Jenkins:** So, is that what they are using currently as their engagement with

citizens who may be affected by it?

[100] **Mr Phillips:** That is a start, and is very much the technical engagement on issues about what should be done with a particular bit of coastline, and so on. It has been very engineering-oriented in the past, so it must be more accessible in future, and different skills are needed to communicate that to communities. There is also a general duty for community leadership with local authorities.

[101] **Bethan Jenkins:** My final question is on how concerned the committee should be about all the organisations that you listed on page 29 having a key role to play as stakeholders in this strategy. How concerned should we be about the possible lack of coherence? One of the recommendations talks about bringing them together more strategically. How concerned should we be with the fact that there are so many organisations involved and with the lack of direction at present? Should we see the Wales coastal forum as performing that role in future?

[102] **Mr Phillips:** That is a good question. I think that it is starting to become more coherent.

[103] **Mr Colman:** In answer to the question of how concerned you should you be, I would say that you should be concerned. The implementation of the policy depends on all these stakeholders working together effectively. This is not the only Assembly Government policy that has that kind of dependency and, I regret to say, this is not the only report in which we have had to say that the stakeholders are not sufficiently aligned. So, there is a general issue of concern here, which is brought out in this report in a way that is all the more powerful because flooding is such a terrible thing to happen to anyone. It is a matter of serious concern in my view.

[104] **Jonathan Morgan:** We are now at a point, having considered the report and having had presentations from the auditor general and from Andy Phillips, to make a decision as to how to respond. There are four usual options. The first is that we do nothing ourselves but write to the Assembly Government requesting a response to the auditor general's recommendation; the second is that we write to the relevant accounting officer seeking further information; the third is to refer the matter to another subject committee—although I have been told that the Sustainability Committee is likely to report in January, so I do not know whether it will be in a position to take this into consideration, but there could be certain policy implications that it may wish to consider now that the report has been published—and fourthly, we could launch an inquiry of our own. Do Members have any firm views on the way forward?

[105] **Michael German:** It seems that we are all trying not to use expansive words to avoid the sort of headlines that we have been seeing here. This is the major issue of this decade and century, and we need to ensure and give confidence to the people of Wales that the Government is doing its best to protect them and to invest in their futures and assets. Provided that we have tight terms of reference and do not duplicate the work of the Sustainability Committee, I think that we should carry out our own inquiry, which the Sustainability Committee could have sight of and take into account in the areas on which it is already reporting.

[106] **Lorraine Barrett:** I agree with what Mike said, and I think that we will be able to define what we do compared with what the Sustainability Committee is doing, which is looking at flooding in general and at what needs to be done. Looking at the information on the timelines, we would consider what the Government is doing in using money effectively and in the right places, whether we are getting good value for money, whether the Government is doing its best to protect the people who are being affected and so on. That would be a bit narrower than what the Sustainability Committee is doing. So, as long as we focus on those

terms of reference, I think we will be okay.

[107] **Janet Ryder:** The report highlights some issues to do with strategic direction, and we need to look at that. It will be crucial for implementation to consider how that strategic direction changes every time we have a serious incident.

[108] **Jonathan Morgan:** Unless there is a contrary view, I recommend option 4—that we pursue our own inquiry. That is the most sensible course of action. The benefit of this sort of report is that it allows a committee of the Assembly to look at an issue in a dispassionate way because there are some substantial strategic issues to be considered. Government’s ability to respond in these circumstances could well become even more difficult, as outlined in the report. It would be appropriate for the committee to undertake an inquiry, so, unless there is a contrary view, we will make arrangements for us to start this inquiry in January because we first have to conclude our work on Communities First in December. If Members are happy, we will make arrangements for that.

[109] Usefully for us, page 29 lists a number of organisations that are key stakeholders, so we can take a decision on who to invite in to provide evidence. At the end of that process, we can invite the relevant accounting officer as well. That is the most sensible course of action for us to take.

[110] **Lorraine Barrett:** Could I just say that animal welfare organisations, such as the RSPCA, were key to dealing with the floods in Gloucester, working with the emergency services. People often do not realise that livestock, as well as pets, are affected. Could we take that into account?

[111] **Jonathan Morgan:** We will put together a list and make sure that we get the right mix.

[112] **Janet Ryder:** The list mentions ‘local (maritime) authorities’—I think that perhaps we need to invite the WLGA to give evidence.

[113] **Nick Ramsay:** I agree with Lorraine. It also ties in with agricultural land—this is not just about where people live, but where animals live. Once the water has gone, it can leave salt behind which means that the land is not usable for a long time afterwards.

[114] **Jonathan Morgan:** We move on to the next item on the agenda, which is to take evidence from the accounting officer and officials from the Welsh Assembly Government with regard to maternity services. We will just wait for them to arrive.

2.38 p.m.

Gwasanaethau Mamolaeth: Sesiwn Dystiolaeth gyda’r Swyddog Cyfrifyddu Maternity Services: Evidence Session with the Accounting Officer

[115] **Jonathan Morgan:** We move on to the auditor general’s report on maternity services. With more than 30,000 women giving birth in Wales each year, it is clearly an issue of great importance, and I remind Members that, in July, the auditor general and the Wales Audit Office team presented their findings on maternity services to the committee. We subsequently wrote to the Minister for Health and Social Services, who advised us that she had established a working group to take forward the issues raised in the report. Today is an opportunity to question our witnesses from the Assembly Government and perhaps we will be able to find out some of the emerging thinking from that group.

[116] With that I welcome our witnesses to the Public Accounts Committee. Could you identify yourselves for the record?

[117] **Mr Williams:** I am Paul Williams, the director general of health and social services and chief executive of the national health service for Wales.

[118] **Ms Kennedy:** I am Rosemary Kennedy, the Chief Nursing Officer for Wales.

[119] **Mr Dean:** I am Simon Dean, the director of strategy and planning.

[120] **Jonathan Morgan:** I start by apologising for the fact that we kept you waiting. We spent a bit more time than anticipated on the previous item, but as it was in relation to coastal flooding and the threat to our coast of the rise in sea levels, we thought that it was important that we spend sufficient time on that. I apologise for keeping you waiting, but I am delighted that you are with us this afternoon. I will ask the opening question. When considering the information in the auditor general's report, particularly paragraphs 1.4 to 1.6, what concerns me is that maternity services seem to have been a low strategic priority for the NHS at a national and local level. Would you agree with that, and if you do agree that maternity services have not been a priority, could you tell us what the Assembly Government intends to do to correct this?

2.40 p.m.

[121] **Mr Williams:** I do not agree that these services have been a low priority. In fact, much of the auditor general's work shows that we have some good services. Clearly, there is more to do, but I think that we need to look at the previous system, and why we have changed the way in which the health service is organised.

[122] Previously, the system was based on the Government giving broad policy guidelines and setting national service frameworks. It was then the responsibility of the former local health boards to assess the needs of their respective populations, commission the services and hold providers to account. Then, the regulators—such as the Wales Audit Office and Healthcare Inspectorate Wales—oversaw the effectiveness of that system.

[123] Unfortunately, that market-based system is not renowned for developing a strategic and coherent approach. So, what we have is a system that needs improvement. A lot of work has been done, but we need to step back and understand why the system was felt to have frailties and how we are strengthening it for the future.

[124] The big issues that we need to look at in terms of having coherent high-quality services constitute the essence of the new reforms. This starts with my own outward-looking agenda as the chief executive of the national health service, accountable to the Government. This morning, for instance, I met my national delivery group, which is my board that looks at the performance of the NHS. I have a board and I am accountable to that board in terms of performance. On the agenda, we have a series of reports relating to the effectiveness of the health service. That gives me an overarching responsibility, if you like, which is reinforced by a board that makes sure that we have coherence.

[125] We then come to the integrated health boards. We have abandoned the market, and the integrated health boards are now responsible for providing coherent services across their organisations and for making sure that those services are pulled together; they bring together the service, the workforce and the financial issues. So, we now have an opportunity to develop what I call 'team Wales'. For the first time that I can remember, I have a situation where I can get the 10 chief executives in the same room, and have them sit around the same table in my office. We meet on a monthly basis, and, by starting to talk about our work, we

are developing a coherent strategy and sharing good practice. In the past, some of the issues raised by this committee have been about why we have not shared good practice. We also challenge areas where we see practice or performance that is not up to the mark.

[126] Those issues will not just be left in that discussion group. Simon is developing a planning system; in the past, when we had a market, there was no planning system. Not having a market requires another way of driving the strategic direction, ensuring that we have a coherent approach and an effective system. We are developing that planning system, which will use the Public Health Wales NHS Trust, in particular, to look at demographic trends and benchmarking. However, we will also back that up with a performance management system, and we will make sure that there is very clear accountability in our performance management system. This may be a long response, Chair, but I think that we need to understand some of the difficulties associated with the past, why we have reorganised, and why I am optimistic. Having said that, I think that there has been considerable progress since the report was issued.

[127] **Jonathan Morgan:** You have referred on more than one occasion to performance and the fact that you are accountable to the board for the performance of the service. One way, although not the only way, of measuring performance is through the setting of national targets. However, maternity services do not have national targets attached to them. Is the Assembly Government considering setting targets to better manage and record and report on the performance of maternity services?

[128] **Mr Williams:** It is certainly part of the debate with regard to Simon's work, and Simon might want to come in on this in relation to the planning system. We need to choose targets that are not necessarily number-driven. We need to choose targets that are much more aligned to quality and outcomes. For example, we might talk later about caesarean section rates, and rather than saying that we want x number of births through the system in 24 hours, I would want to know whether we are delivering a high-quality service, where people are treated with dignity and respect, and whether we were reducing the number of caesarean sections, if those were the objectives that we decided on after consultation.

[129] With the clinicians, we are also developing what we call intelligent targets. We want to get the clinicians much more involved in target setting, so that they can relate to the targets and so that, again, targets relate to improved outcomes of care and are not just number-driven.

[130] **Mr Dean:** Targets are interesting things. We need to be careful about assuming that having targets drives performance and that not having a target does not. We tend to have about 20 targets in our annual operating framework. Those are by no means the only things that the NHS has to deliver in any given year. For maternity services, as with many other services, there is a range of policy guidance documents and best practice documents that contain requirements that we would expect the NHS to be delivering. Although I take the point about the importance of targets, I would not want the NHS to make the assumption that any particular service is any less important because it does not have a national target attached to it. So, it is about ensuring that we get the NHS to deliver across the very wide range of responsibilities it has rather than focusing on only two or three or four. Obviously, I give that answer in the context of Paul's comments on working much more closely with clinicians in future to ensure that we have measures of progress and expectation that are clinically driven as well as publicly acceptable.

[131] **Nick Ramsay:** With regard to obtaining accurate information about the cost of services, paragraphs 1.7 to 1.9 suggest that the local planning of maternity services is being compromised because of a lack of information. What are you doing to improve the accuracy and consistency of the information available to you on the costs of maternity services?

[132] **Mr Williams:** Previously, this was the province of the former local health boards and

the providers. The system really did not promote the need to collect much of this information nationally in the way it perhaps did before the market. I have been in the health service for a very long time, and I can remember when these numbers were collected nationally because we had a different system. For reasons of adopting different approaches and philosophies, the need for national data has diminished. With the new system, we will obviously have to attend to this. You probably picked up that there are quite wide variations in costs, for example. The commissioners in the past have questioned those variations in costs; often, there are very good reasons for those. We are seeing costs of anything from £600 to £1,700 per birth. Often, it comes down to the attribution of the various elements of those costs.

2.50 p.m.

[133] For example, in some parts of Wales where they have integrated midwifery teams, the community service team would be regarded as part of the total cost. In other parts of the health system in Wales, those costs were split, and they were therefore giving us a misleading impression of the cost. We now need to improve the definition of the data, so that when we are talking about a cost for a particular activity we make sure that everything has been attributed properly. We also need to look at the wider data sets in respect of patient quality.

[134] **Nick Ramsay:** Do you think that there will be an opportunity, as a result of reorganisation, for better collection of that information?

[135] **Mr Williams:** It goes hand in hand; if you abandon the market and adopt a planning system, it will be driven at the national level. I will need to have that information, although it was not regarded as necessary in the past. I regarded it as being necessary in my former job because I was interested in providing a high-quality service to my commissioner at a reasonable cost. If you did not have active commissioners and had providers who were not that bothered about things, it was possible that those issues would not be given the attention that they required. I always felt that it was important to use every £1 to the maximum advantage. Therefore, for me, in my previous job, data were important. Data will be equally important in this job in establishing a new planning system. We are now starting to work on developing what we are calling 'service line reporting', where we will have detailed costs running through each clinical activity. We will then be able to sum that information up and look at the costs across Wales. That will help us to improve the effectiveness of our services, to have far better information, and to have the ability to drill down into those costs. In the past, that was not necessarily called for. I thought that it was important in my previous job, and I did a lot of work on information, but it was not necessarily required. We need to get that ethos into the system, so that we have better accountability.

[136] **Janet Ryder:** Just to clarify whether I have understood what you have said, are you going to bring out a standardised system of costing the services that will be applied across Wales? Should we ask you the same question next year, will you be able to give us the standardised costs across Wales?

[137] **Mr Williams:** I am hoping so. That is the work that we have given the directors of finance, so that, in 2010-11, they will have a new system in place. I hope not to disappoint you, because I will want that information. Maybe it is a hard task, but I do not see how we will manage the service effectively without good financial information. There is a lot of work to do, but it is a high priority.

[138] **Nick Ramsay:** Do you believe that there is a case for ring-fencing the funding for maternity services? Would that help the situation?

[139] **Mr Williams:** That is difficult, because where do you draw the line when ring-fencing? We have ring-fenced mental health services, and we could make an argument for

doing that with other services, but that gives little flexibility at the local level. It is an interesting point, but it is an issue of how far you want to be prescriptive. What we have to be clear about is setting effective quality targets and ensuring that our services are being provided efficiently and effectively within reasonable parameters.

[140] **Lorraine Barrett:** Paragraphs 1.10 to 1.18 of the report discuss the physical capacity, facilities and equipment available to maternity services. Although the report states that there seems to be sufficient bed capacity and theatre availability, the availability of supporting equipment is a bit patchy across the board. What are you doing to overcome the at-times limited availability of equipment? Is there a need to invest more in more up-to-date equipment?

[141] **Mr Williams:** Most equipment, unless it is of a very significant nature, is the responsibility of the boards and comes under their discretionary capital programmes. Therefore, it is the responsibility of the local health board to prioritise. It is clear from the report that some local health boards have fallen short. Again, for me, that is indicative of cost pressures or poor priorities. In preparing for the debate today, I noticed that two or three of the new health boards have been picking up their investment. I know that Abertawe Bro Morgannwg has invested more than £300,000 recently in new monitors and equipment, Cardiff is doing the same, as is Gwent. This is the responsibility of the local health boards. The Assembly gets more interested when we are looking at major capital investments of £1 million and above.

[142] **Lorraine Barrett:** Are you referring to superscanners, for example?

[143] **Mr Williams:** Yes, a big scanner. Something like an MRI scanner or a CT scanner would come under the all-Wales capital programme. However, the health boards have a discretionary capital programme of between £3 million and £5 million. They have to ensure that that is prioritised every year. In relation to monitoring, they need to ensure that if equipment is falling short, we are aware of that. However, one has to draw a line and say, 'That is your responsibility', although it can be short-sighted if they are not investing in good equipment.

[144] **Lorraine Barrett:** Would the NHS monitor what the local health boards have? How do we get to the point where they have invested properly? Would you have a say in that at some point, in your auditing or monitoring of what they are doing?

[145] **Mr Williams:** I will ask the chief nursing officer to come in on this point. We would not normally monitor that because it is down to their discretion. However, if a complaint came to our notice or if the Wales Audit Office or Healthcare Inspectorate Wales were to pick this up, then we would get to know about it.

[146] **Ms Kennedy:** I would like to come in on this, if I may. 'Monitoring' is perhaps not the right word. However, from a professional leadership point of view, I definitely feel that there is a role now in the new directorate-general structure, where I am much more outward-facing, to work much more closely with the heads of midwifery services. For example, one of the things that we have talked about and that is now being put into place is a standardised inventory of equipment that is required to manage a normal labour in any ward that is going to be used for that purpose.

[147] The other reason why this is a professional issue as well as a capital issue is that, as the report showed, when they were talking to some professionals, there was a feeling that some equipment was being overused, such as cardiotocographs. So, we need to consider whether we are using the equipment that we have correctly. We have to ask whether we are using those in an appropriate way rather than just saying that everyone has to have

everything. Therefore, there is also a professional dimension to this.

[148] **Michael German:** I would like to turn to the section on neonatal services. The auditor general's report tells us that 10 of the 13 trusts at the time experienced complete closure of the facilities at some stage during the six-month period in 2007. I want to know whether things have improved. The key issue seems to be the strategy that you are putting in place to deal with neonatal services—the strategic framework. Can you tell me what progress you have made with it? At what stage is it?

[149] **Mr Williams:** I will start, and then Simon will probably come in because he has been involved in the detail. As you know, neonatal services are specialised, and we then have levels. We are talking about the high levels, particularly at level 3. They can be provided only on a regional basis.

[150] We have been looking to invest to ensure that we reduce the number of closures, and the number has decreased as a result of that investment. We have been working with Dr Jean Matthews, who has provided advice with regard to the best way for us to use our level 3 services. The plan is that there will be a three-centre transfer model in south Wales, with investments in Newport, Swansea and Cardiff. In north Wales, the discussion is about having one centre. There will be a system of transferring across to those centres, providing a service that will start on a 12-hour basis. Those centres will run on a rota so that we have a seven-day service. It will need investment.

3.00 p.m.

[151] We are investing in additional consultants, specialist nurses and the ambulance service. So, there is a lot of work to do here, but we have made significant progress. We want to underpin strategically the neonatal units and the transfer system with a managed clinical network, which will transcend, if you like, the organisational boundaries. Again, I think that that is one of the benefits of the new NHS, where we do not have rivalry between units in a market environment; it is very much team Wales, working across organisational boundaries to make sure that we maximise the use made of the resources available. We are also looking at improved data collection for monitoring the quality of neonatal services and planning. Simon may want to come in with some more detail on that.

[152] **Mr Dean:** Paul has covered most of the ground, but I will just say that we work very closely with professional colleagues to develop the view as to the immediate priorities for attention. The managed clinical network, which Paul Williams has just described, and the transport system were clear priorities in the professionals' view. It will provide additional consultants, nursing staff and equipment to all of the level 3 centres, which is an important step forward. We will then be looking at the next set of priorities to develop neonatal services further.

[153] **Michael German:** May I have some clarity as to the nature of this work that you are describing? Is this a strategic framework? In other words, is this a statement of activities and policies, written in a document that you are working to, or are you adding to a complete list as you are going along?

[154] **Mr Dean:** The neonatal work was presented to us in a report from a group that Dr Jean Matthes chaired. She produced a business case that looked at a variety of options for the development of neonatal services. That work in turn built on a review that Health Commission Wales had undertaken of neonatal services in 2005. So, it is a continuation and a refinement of direction as time moves on.

[155] **Michael German:** If you went into the office and I said to you, 'Show me the

strategic framework for neonatal services,' could you show it to me?

[156] **Mr Dean:** Yes, I could.

[157] **Michael German:** Of the £4 million investment over two years that you announced, how much money have you spent to date? When is it likely to have been fully expended?

[158] **Mr Dean:** The proposals on the managed clinical network and the transport service are with the Minister for consideration. In the interim, some money has been used to fund additional medical staff in the neonatal units. We are expecting a decision shortly.

[159] **Michael German:** Your announcement of the £4 million investment did not include staff. It mentioned dedicated transport, a clinical information system, clinical networks and the launch of neonatal standards. Is it now being extended to cover staffing as well? The shortage of neonatal staff was one of the reasons given for the closures at the time.

[160] **Mr Dean:** The resource was used to fund staffing because the money was available while the work was being done to develop the proposal for the neonatal transport service. So, it was an interim use of resource to make sure that we are making best use of the money that the Minister made available.

[161] **Michael German:** Forgive me, but I presume that you do not have interim staff, unless you are going to release them as soon as you put the transport in place. That is the implication of what you said. Are we talking about temporary staff?

[162] **Mr Dean:** No, they will continue in post. The ongoing funding will be either through Health Commission Wales or the local health board.

[163] **Michael German:** So, it will not continue to come from that £4 million pot because that would run out.

[164] **Mr Dean:** Yes.

[165] **Michael German:** May I turn to the next section, which is on midwifery? This is where figure 4—

[166] **Jonathan Morgan:** Mike, before you move on, I will bring in Janet, who has a supplementary question to ask. That was my fault; I do apologise.

[167] **Janet Ryder:** Given what you have just said about the investment that has been made in neonatal care and maternity units, are you satisfied that the expenditure now, in every part of Wales, will mean that we should not be seeing the closure of those level 3 centres in particular?

[168] **Mr Dean:** I would not go so far as to guarantee that there will not be any closures. That would be a foolish statement to make. However, the number of closures has come down significantly and the transport service will allow very sick neonatal patients to be cared for in the right place. There will inevitably be occasions when babies will have to be transferred to a unit elsewhere because these are small units and that is why the transport service is such a priority. I would not wish to guarantee that there will not be any closures.

[169] **Mr Williams:** The issue under review is that these trained human resources are scarce. If we make over-provision, we will see those resources being underutilised. We need to keep this under constant review and pitch our resources so that they are used effectively.

[170] **Janet Ryder:** In that case, are you tracking any incidences where the units of two former trusts, now working as one, were closed at the same time? Are you tracking such cases, and, if you are, what is your response?

[171] **Mr Williams:** That is part of the ongoing work being carried out by Dr Matthews and her colleagues. We are improving our information systems to make sure that we have better intelligence than we had in the past about this, so that we can make informed decisions about investment for the future.

[172] **Ms Kennedy:** May I respond to that point? 'Tracking' is not quite the word that I would use, but the close relationship that I and my midwifery officer have with the heads of midwifery means that this is one of the things that we look at each time we have a closure. What we are getting back from those heads of midwifery is that where two major units have joined together under a new LHB, they work together. The situation that you describe has not arisen within those new organisations to date. Therefore, I would be interested to hear from you, because we are working with them to ensure that we have the capacity.

[173] I am not saying that where we do not have a unit that is formed like Cardiff—I am not going to talk about Cardiff. If we are going to talk about some of the others, we are getting assurances now that these units are working together. If you have evidence to the contrary, then I would be delighted to take the matter up.

[174] **Michael German:** To continue with the theme of midwifery, the Birthrate Plus tool for assessing workforce planning is used as a means of projecting how many midwives are needed. The auditor general's report includes the difficult-to-judge problem of a large number of trusts not having sufficient midwives. Alongside that, you have the auditor general's recommendation that you should take note of the Royal College of Midwives' 'Staffing Standards in Midwifery Services' report, which suggests that you will need an 8 per cent increase anyway, on top of what you have. Therefore, if you have a shortfall, you are a further 8 per cent down, according to that report. Can you tell me what you have done to ensure that that is put right? The chart in the report refers to May 2009, which is only six months ago. Has the situation altered? How dramatically do you intend it to alter?

[175] **Ms Kennedy:** The Birthrate Plus tool is the one consistent tool that we have for workforce measures across Wales. We have the numbers for the shortfall, which was picked up in the auditor general's report.

[176] Every new LHB has either recruited completely to meet the shortfall identified or is in the process of doing so with the next outturn of midwifery students, with the exception of Hywel Dda Local Health Board. That LHB is about to take a paper to its board to negotiate on the additional staff needed to meet those levels. So, we are moving satisfactorily towards reaching the Birthrate Plus suggested indicative figures.

[177] All my comments are made as a professional and, as such, I have to say that the more we ask of midwives, the more of them we will need. We will therefore have to keep this up. We cannot sit back, having reached a certain level, and say that everything is satisfactory. The director general sent out a letter to every LHB about two months ago to tell them that he now wants regular reviews of the Birthrate Plus figures so that we are ahead of them at all times.

[178] **Jonathan Morgan:** For clarity, Rosemary, you said that some organisations are recruiting now or will recruit once the midwives are qualified. Is there a specific point in the year at which midwives qualify?

3.10 p.m.

[179] **Ms Kennedy:** Yes. They come out of schools twice during the year, so we are looking at those outturns. Where are we now? Nearly December, so we hope to have the next out in the spring of next year.

[180] **Jonathan Morgan:** So, some will not be able to reach the level of recruitment that we hope for until the spring.

[181] **Ms Kennedy:** Where we have a shortfall of 10 midwives or more, we have not been able to recruit 10 all in one go. Having said that, they continue to recruit from outside Wales opportunistically, as and when midwives are available. So, it is a constant change.

[182] **Mr Williams:** To pick up on the main situation as to where we are now, the Aneurin Bevan Local Health Board needed to recruit 20 midwives to reach the Birthrate Plus level. It has. The Cardiff and Vale University Local Health Board needed 16 midwives. It has appointed 10, and it has placed a permanent advertisement to recruit the rest. The money is locked into the system, so it is just a recruitment issue. North Wales was short by 11 midwives but has just recruited six and so is actively recruiting. So, we are not just waiting for the next school to come out, as it were, and the new boards have been very focused on delivering on this. As Rosemary said, I reinforced that message recently to the new boards, so I think that this is good news.

[183] **Michael German:** The other part of the question was that the Royal College of Midwives said that you need 8 per cent more. How do you react to that?

[184] **Ms Kennedy:** That report talks about midwives supervising the midwives in clinical practice and so who have managerial roles, and we are taking account of that as well. We know that we will have to maintain that figure.

[185] **Michael German:** Are you there now on that figure of 8 per cent more?

[186] **Ms Kennedy:** We are probably there on the numbers, but some reports from the local supervising authority have picked up that we have a shortfall of people who are stepping forward to be the supervisors of midwives, so it is the roles rather than the numbers that we need to keep the pressure up on.

[187] **Michael German:** On the other side of that same coin, I want to talk about the role of obstetrics and gynaecology. The report suggests that providers do not distinguish between the time that consultants spend on obstetrics and on gynaecology. What are you doing to improve that?

[188] **Mr Williams:** The short answer is that they should be distinguishing between them. A reasonable indicative guideline is that, in the 11 sessions under the consultant contract, about seven should be for obstetrics and four for gynaecology—although it does depend on the specialty. In my former role, we picked that issue up. We had an imbalance, and so we worked on the consultant job plans to get the balance right.

[189] We have a patchy picture in Wales. However, I was talking to my medical director just before I came down here about the fact that we now have the ability to monitor those jobs plans to ensure that we get that balance right. So, we are getting the message out, but we will now be able to monitor it as well. Given that we now have seven organisations, we have greater clarity, and I have a medical director who connects directly with the other medical directors to talk across the professions, so I think that we can get that balance right. However, there is more work to be done.

[190] **Bethan Jenkins:** Paragraphs 1.37 to 1.39 highlight the level of staff training, and the

fact that some Welsh trusts have low levels of training. They state specifically that there is a wide variation in the proportion of midwives and particularly obstetricians who have received all the core skills training in the previous six months. Given the vital importance of staff training to the delivery of high-quality and safe patient care, do you monitor the proportion of staff who have received training in core skills?

[191] **Ms Kennedy:** As far as midwives are concerned, all local health boards now have a mandatory in-house cold-call training programme for such things as breech deliveries, obstetric emergencies, post-partum haemorrhages and so on. They are cold calls, so some of the training is arranged but some of them are called to do their training opportunistically. The local supervisors of midwives and the midwifery supervising authority have to keep a record of the midwifery training conducted annually, and those records are available. They are held by Health Inspectorate Wales, because our midwifery officers sit there. The records have to be there for scrutiny purposes because of the professional requirement to approve the midwife continuing to train annually. So, those things are now in place. I am afraid that I cannot speak for obstetricians, although I know that the whole training package is open to everyone.

[192] **Bethan Jenkins:** What are you doing to address the worrying levels of staff training given by some maternity providers?

[193] **Ms Kennedy:** That is a part of that.

[194] **Bethan Jenkins:** It is the same, is it?

[195] **Ms Kennedy:** Yes.

[196] **Mr Williams:** We can monitor that nationally.

[197] **Lorraine Barrett:** Part 2 of the report states that the majority of women are satisfied with their experience of maternity services, but a significant minority felt that they were not always treated with respect and dignity, with kindness or even with understanding. I will not raise any personal experiences. Why do you think that might be? Is it a training issue, is it workload pressure, or is it just how things are sometimes?

[198] **Mr Williams:** First and foremost, it is not excusable under any circumstance. We could say that our staff are under pressure and so on, but that is not acceptable—sorry. We have lots more work to do to improve attitudes, but we are absolutely clear that we are providing a quality service and that everyone needs to be treated with the same dignity and respect.

[199] **Lorraine Barrett:** Thank you for saying that on the record. So, is there a training issue here?

[200] **Mr Williams:** Sorry, yes, there is.

[201] **Ms Kennedy:** As you will be aware, a big dignity and respect campaign has been rolled out across Wales. It covers every patient in every situation, including the ladies accessing obstetric and maternity services. As part of the annual training programme that I just outlined, there will be a specific module on dignity and respect when treating women, on interpreting women's needs and treating them with an acceptable level of respect and kindness all the time.

[202] **Irene James:** Following on from Lorraine's question, paragraphs 2.11 to 2.19 show that about 36 per cent of women felt that they were not always given adequate explanations or fully involved in the decisions about their antenatal care. The Assembly Government has

developed an all-Wales handheld maternity record and postnatal care pathway record that will provide women and professionals with more information. Will the new all-Wales handheld maternity record improve that so that women feel informed about and involved in the decisions about their care?

[203] **Mr Williams:** It is a great advancement, and we are planning for full implementation by the end of the year. It will give the mother an opportunity to indicate her concerns clearly and ensure that they are taken on board properly by the health professionals, while ensuring that if, for instance, there are concerns about her mental health, they will be on the record. So, it will provide significant opportunities for us to improve the dialogue between the patient and the professionals and to underline the fact that it is owned by the patient. There are exciting possibilities in the future, using technology, but at least there will be a tangible, handheld record. We also need to talk about how we link that with child health records and move into integrated information systems that are citizen-focused. The chief nursing officer may want to say more about that, but I think that it is a really great development.

[204] **Ms Kennedy:** I have brought the handheld record with me, so that you can see it. It is the product of the work of a multidisciplinary group that has been working on this quite extensively. There is a page and a half of questions and prompts for mothers to go through, perhaps with their partners, so that they can ask questions at their next meeting or antenatal class. It is signed off and the level of discussion and the comments that are made are recorded there. All the way through, the mother's consent and involvement is evident in all aspects of her care. It is a groundbreaking piece of work involving the mother and the partner. She holds this, so it is there with her all the time.

3.20 p.m.

[205] **Janet Ryder:** That sounds like a very good way of involving the woman in the treatment that she receives. That is fine if she can cope with forms like that, but a number of people will present at maternity units who are on the autistic spectrum or who have a specific learning or other disability that might prevent them from making sense of some of the things that are happening to them. What are you doing to train your staff to help those people to cope with going into hospital? It can be quite a frightening experience for someone who is on the autistic spectrum to go into hospital—even because of the building itself. What are you doing to equip your staff to meet those people's needs? In addition, what are you doing to adapt this groundbreaking initiative and to take it that next step forward, to ensure that it is accessible to every mother who presents herself to hospital?

[206] **Ms Kennedy:** That is extremely important not just for maternity services but for everyone who accesses the health service, so that they can fully understand and make the level of decisions that they need to make as individuals. There is a slight change in tack. Following the ongoing co-operative work between mental health and maternity services, the mental health services have provided some very good models for people accessing accident and emergency departments without having to use a huge, complex form. So, from that experience, we can train midwives to use that from the end of this month to the beginning of December. That has gone on all the way through, because it has been delivered by the heads of midwifery, and is now being put in place. In addition, we have midwives who have a special interest in looking after ethnic groups, people with a learning disability or people who are on the autistic spectrum, whom you have talked about. As you are aware, the types of women who are now happily having babies are as wide as the whole community, so we have a great resource to draw on.

[207] **Janet Ryder:** Is that training being spread across Wales?

[208] **Ms Kennedy:** Yes. The heads of midwifery work right across Wales. They are a

single, cohesive group. They adopt the standards and then ensure that the training is central right across Wales.

[209] **Irene James:** Would that training cover people who have physical disabilities, such as visual impairments?

[210] **Ms Kennedy:** Yes, because we are now seeing women in our maternity services who have a variety of compromising physical and mental situations.

[211] **Irene James:** All trusts offer antenatal classes but the proportion of women who wish to attend or who are able to attend varies greatly: the take-up in Gwent is 24 per cent, while in Ceredigion it is 75 per cent. What more should maternity services be doing to provide women with appropriate opportunities to attend antenatal classes?

[212] **Mr Williams:** There is plenty more to do. I have mentioned being citizen-focused, and so we have to learn to provide services, and not just maternity services. We are living in an environment in which services are needed 24 hours a day, seven days a week, which is why we must be more attuned. Bridgend, for instance, has put on Saturday morning clinics, which are well received, and I know that Cardiff and Gwent are also considering that. So, we must encourage our health boards to make their services much more accessible. There is clearly more to do here, but it will be time well invested.

[213] **Jonathan Morgan:** This is an important point, because there is a huge variation in the data between Gwent and Ceredigion. Out of curiosity, is Ceredigion doing something that Gwent is not, given that it is such a wide variation? If it were within a few percentage points you could imagine that it might be accounted for by different attitudes, but it is quite a substantial difference.

[214] **Mr Williams:** I am fascinated by the data and why Ceredigion scores so heavily. I would need to know more about the data to give a reason, but there are lessons to be learned, and we need to pick up on them.

[215] **Irene James:** Looking at paragraphs 2.20 to 2.28, we see almost the reverse—some women do not get enough check-ups, but others appear to be scanned excessively. Is there a reason for that?

[216] **Mr Williams:** That is where we need to encourage clinicians and clinical teams to review their practice and ensure that they provide a service that is safe and effective. We can do too much as well as too little. That is why we need much more active benchmarking of the quality of care and understanding the outcomes of those results. We might touch on the 1000 Lives campaign at some stage, but we must try to encourage all our clinical teams to question what they do every day, in a helpful way. We must embed that philosophy throughout NHS Wales.

[217] **Bethan Jenkins:** My question is about the support that women are given directly after they give birth. There is evidence in box 6 on page 35 that between 10 and 24 per cent of women are worried that they are left alone during or after labour. Is that because of staffing levels or training capacity? As anecdotal evidence, my cousin recently gave birth and was left in a room on her own for some time; as she was not on the ward, she was not seen as often as others. Is that to do with training or are staff simply unaware that women have not been seen on a regular basis? What is the cause?

[218] **Mr Williams:** It is a combination of factors, but it should not be down to poor staffing levels. The report shows that staffing levels are up to Birthrate Plus; we can do better, but they are up to those levels, and it is probably better than in some parts of England. There

will often be pressure on the unit. I have gone into midwifery units some days and there have been no births and yet, a couple of hours later, it is all happening, as it were. It is important that patients are not left and do not feel vulnerable. That is linked to the design of the buildings—that is something that we need to look at—and it is important that patients have access to communication.

[219] There is also an issue with training. We must emphasise that women can feel vulnerable in this sort of situation, and we need to give them the best possible experience. So, there is a combination of factors and we have to learn from the issues identified in this report.

[220] **Ms Kennedy:** Everyone knows that women do not enjoy being left on their own during labour, whether it is their first baby or the third—it makes no difference. All LHBs are striving not to leave mothers alone in labour, and, on the whole, they are achieving that. There may be the odd occasion when it happens, and it is regrettable that your cousin had that experience. The employment of midwifery support workers and other help in the ward now means that, if there is a sudden requirement for, say, two midwives to be in one place, there should always be someone available to be with the mother, to reassure them and to call help as and when necessary. We should not have a shortage of midwives now, because we are recruiting up to Birthrate Plus.

[221] **Bethan Jenkins:** I guess that the most important thing is that you tell them before you leave that someone is available if they need them.

[222] **Ms Kennedy:** Absolutely.

[223] **Bethan Jenkins:** They need someone to communicate with. If that were done, it would alleviate the need for midwives to always be present.

3.30 p.m.

[224] My other question is on caesarean section rates, which are higher in Wales than in England. Why do you think that is? I know that you are picking up on the caesarean toolkit that has been created in England, but is there a reason why this happens more in Wales than in England? Is it that we need to identify the techniques that are being used in Wales?

[225] **Mr Williams:** I will start on this, although I am not the expert.

[226] **Jonathan Morgan:** I do not mind if Rosemary wishes to answer, if that is helpful.

[227] **Mr Williams:** I was quite interested, when I was working at trust level, to see why we have a higher caesarean section rate. I wondered whether it was pressure from the consumer, so to speak. The rate increased from something like 21 to 26 per cent during 2007-08, which is slightly higher than the rate in England. We might still have an over-dominated medical model here, and we need to do more work with our consultant colleagues to see whether this is consumer-led or whether there is a more technical approach being taken than is necessary. It is a dialogue between the mother and the clinician in this regard. Rosemary will talk about the work that we have put in and the Pathways to Success toolkit. It is about changing those attitudes and understanding exactly what the issues are. There is a great deal of good work going on in the community, where the level of births is increasing. It is an area that we need to address, but it has to be addressed in partnership with mothers and clinicians. It would appear to me that there is room for improvement here.

[228] **Ms Kennedy:** This is a real problem, and, although our rate is about 3 per cent higher than England's and 1 per cent higher than Scotland's, we are all very much alike. When you break the figures down into planned and emergency caesarean sections, there is very little

difference again. Of our rounded up figure of 26 per cent, about 10 per cent are planned, which means that we know in advance. There is a question as to what criteria clinicians and mothers are using in dialogue for planned caesarean sections. The other 16 per cent are emergency caesarean sections. Again, we have to get behind that figure and ask at what point we could have predicted that we were on course for a caesarean section and ask whether we could have taken some alternative measures. That is a really good thing about the caesarean toolkit. The other thing is that it is really going to force midwives, obstetricians and managers to question whether we just have a culture of caesarean sections. At one point, if you had had one caesarean section, you routinely went on to have a second with the next birth. That is not necessary, and we should be working with professionals to persuade them to make that decision safely, but as late as possible, and to encourage people to go on to try for a normal birth following a caesarean section.

[229] There is an interesting dimension here in terms of patient choice, because some people think that they would want a caesarean section. So, there is this whole business about giving patients the full information about caesarean sections. They should know that this is not a way of avoiding the pain of childbirth, but a major operation and procedure for them. So, we have some work to do, but I am absolutely convinced that obstetricians and midwives working together with the toolkit will get behind some of this information. All we have at the moment are ballpark figures, but we do not know why this is happening.

[230] **Bethan Jenkins:** Has there been a fall in the rate in England since the introduction of the toolkit? Is that why you are motivated to use it?

[231] **Ms Kennedy:** Yes.

[232] **Lorraine Barrett:** Why do you think that women are least satisfied with their care during the postnatal period? That issue was picked up in the report.

[233] **Mr Williams:** Prior to that, the results were very good. It feels as though we have lost at the last hurdle, as it were. We need to address that, because we are looking to create that total experience.

[234] **Ms Kennedy:** I will be honest: the audit was carried out a time when we did not have the right staffing numbers. We know that the first reinforcement of the number of midwives on the labour ward came from the postnatal wards, which meant that there was a reduction in that experience level and the number of staff on the postnatal wards who could talk through the anxieties that mothers had about going home, how they would cope with the baby and so on. We should be seeing a complete change now that the Birthrate Plus figures have gone up. There have also been good moves to support this, because many of the units now employ nursery nurses to support mothers to get to grips with feeding, managing and bathing the baby and so on. Many also employ midwifery support care workers, who will take some of the non-direct patient care from the midwives and allow them to spend more quality time with the mothers. That will be a major factor in their satisfaction.

[235] **Lorraine Barrett:** The issue of breastfeeding and support for mothers ties into that. Although I am not one of those who would make a new mother feel guilty about not breastfeeding, many mothers are not aware of the importance of breastfeeding, if only for a short period of time. I am also aware of those who will continue to feed a child past the age of one, which is great. What more could the NHS be doing to increase the level of breastfeeding and to give support, not just by being there at the time of the birth but when mothers go home?

[236] **Ms Kenendy:** One of the most significant things is that Wales, over the last few years, has retained a focus on the baby-friendly initiative, the UK Unicef standard, and has

funded a full-time breastfeeding co-ordinator. She has been working very well with self-help groups, mothers' groups and so on. We now have over 100 mother support groups across Wales. She has been working with the breastfeeding co-ordinators, and we have co-ordinators in all but one of the new LHB arrangements. The LHB that does not have such a co-ordinator is Powys, where the arrangements for maternity services work under a different model, and where there is a close relationship between the midwives and the mothers, which will compensate for that.

[237] The figures have now improved, even though those in the report were recent. We are mapping this in Wales, which has shown that, in a significant swathe of the country, over 60 per cent of mothers are initiating breastfeeding. It is fine to start recording the initiation of breastfeeding when the baby is first born, but what we need to be seeing, and where we need to keep the pressure up, is in the continuation of that breastfeeding when the mother has gone home. The mother support groups and the professionals out in the community are so important to make sure that mum does not give up early.

[238] The other thing that, interestingly, the breastfeeding support co-ordinators are doing is working with grandmothers, because an awful lot of messages, whether they are good or bad, come via the grandmother. So, we are trying to work along that line.

[239] **Lorraine Barrett:** We have a good record in our house.

[240] **Mr Williams:** I work with my midwives on this. There is enormous enthusiasm about the way in which they engage with the community, but, clearly, there are lessons to be learnt. We are mapping this, and have achieved a level of over 60 per cent. There are some areas that are harder to crack, and we will have to understand why that is, as it should not necessarily be the case. There is more work to do.

[241] **Lorraine Barrett:** The message to send out, which I suppose that you also send out, is that it is so much cheaper to breastfeed, apart from being healthier and so much easier and more convenient. We will leave those messages on the record.

[242] Do you have a concern about the level of readmission? I know that there were some questions in the report about the data regarding readmission, which seem to be higher in Wales than elsewhere. What are the reasons for the readmissions? Are they related to the health of the mother or the baby?

3.40 p.m.

[243] **Mr Williams:** They are multifactoral. We certainly would not discharge people sooner than we would want to. However, we ensure that we have low tolerance in relation to people coming back if they feel unhappy or are nervous about anything. We often find that we have a high turnover in paediatric departments, where mothers come back with babies and they just need that reassurance. I am not sure that this is necessarily a product of poor care; it demonstrates that we are able to respond quickly.

[244] **Janet Ryder:** I would like to move on to Part 3 of the report, which relates to the collection of information. You touched on this in one of your early answers about the cost and the fact that you now have an opportunity to put out a standard cost. Paragraphs 3.2 to 3.9 of the report highlight the significant deficiencies in the way that maternity services monitor their performance. The report states that five out of the 13 trusts reported having no maternity information system. Of those who had such a system, only two felt that their systems were comprehensive. Given that you have a new start, what are you doing now to standardise the recording of maternity services across Wales?

[245] **Mr Williams:** We have seconded a colleague from the service who is looking at how we can rebuild or improve the previous data collection systems. There were systems in the past, but, as I said, they tended to fall, to some extent, into disuse because of the way that things were run previously. We want more sophisticated information, so we are starting to look at what we want, whether we can use the existing systems, whether we can populate them with additional suites of information, or whether we need to start again. We are undertaking a root-and-branch review asking ourselves what information we need in order to be able to monitor and plan for the future; how we should collect it; and whether we have the right definitions and the right technology to collect the information. I am hoping that that piece of work will be ready for me next spring.

[246] It is frustrating. In my previous role, I was used to having central data. I searched, but I was unable to find information. I wanted to know, among other things, how well I was doing compared with other units, but I could not find out. That is an area where there is a deficit as a result of the old system, but we are now building it into the new system.

[247] **Janet Ryder:** I accept that you are looking at the system to see what you need, but it is also important in order for you to be able to improve the services that you offer. With regard to how you collect those data, some of the evidence in the report suggested that, when it is left to midwives and nursing staff, because they are involved in front-line nursing, they have not had the time to go back and record those data. We have had instances across other areas of the health service where it has been down to clinical staff to record things, but they have been caught up in doing what they are there to do, which is to minister to people, and the data collection has been left behind. How will you overcome that?

[248] **Mr Williams:** First, we have a clinician doing this piece of work for us. We want this to be clinically driven, and not done from a manager's perspective. We expect to get an opinion about the easiest way to ensure that the data are collected. We need to ensure that we collect them once and use them well. The system should give us all of the information required, but it needs to be owned by the clinical staff who collect the data. A lot of what we are doing in relation to our information technology strategy is clinically driven because if the data are not collected well, then when we analyse them, we will find that they are imperfect. We need to ensure that we are in tune with our clinical colleagues and that they see why those data need to be collected and that they help them.

[249] This comes back to my ambition that we have much more information that is clinically driven and will be benchmarked and used as part of an evidence-based culture within the organisations.

[250] **Janet Ryder:** I just wish to follow that up. The question that I asked you about standardised costing was whether you would be able to give us those costs if we came to you in a year's time. If we come to you in a year's time on this, will you be able to tell us how you are collecting these data?

[251] **Mr Williams:** I hope so; I have people working on this as we speak. In fact, we are talking about needing to not be disappointed next year and find that it is not what we want. We will do a review of that piece of work in the next couple of weeks. It is vital to our new system.

[252] **Janet Ryder:** I am glad to hear that. I want to move on to paragraphs 3.10 to 3.14, which are to do with how you get feedback on the services that you are offering. Some of the things that you have already talked about, where patients are more in control of the treatment they are receiving, should help you with this, but how do you intend to include maternity service users in giving feedback on it services? How do you intend to collect those data, and how do you intend to use them?

[253] **Mr Williams:** We have more work to do here. We have attempted to do this in the past, and there were some very effective user groups, not only in maternity services, but other specialties. However, the picture was pretty patchy in maternity services. As a service, we looked at establishing regional maternity service liaison committees, but, frankly, they have not been very successful. So, if we are serious about citizen engagement, it is a matter of going back to the drawing board and asking ourselves how we are going to do it. The trouble is that we do not seem to be effective in engaging citizens on some of these issues. It may well be that they are busy and do not want to get engaged. However, we cannot tailor services to people's needs unless we have better information. The Minister has been looking at this with her advisory board, to see how we can get better connectivity with citizens about services and their views on services. Some high-level work is being done on that, but we are looking particularly at maternity services. Perhaps the chief nursing officer would like to say more on that.

[254] **Ms Kennedy:** It is a pity that the maternity services liaison committees have not been as effective and useful as we had hoped. They were established on a regional basis, but we no longer have regions. The creation of the seven local health boards, together with the user fora, which they will have to develop as part of the set-up, will give us the opportunity to get down to local level. It is a really difficult issue because unless we get a really good satisfaction tool built on something like Picker Commonwealth information and really develop this, mothers who have just given birth will not respond because they do not have the time or inclination to spend the time in groups. Representative groups often are not as representative as they think they are, so it is a real challenge for us. Nevertheless, the local user fora will be the key to getting this information and providing listening opportunities. Mothers' groups will chat very well, and if we have to go out to mothers' groups and breastfeeding groups and speak to partners, birth partners and families to get that sort of feedback, that is how we will do it.

[255] **Janet Ryder:** At what point could we expect a result from the planning that you referred to that is being done at a higher level?

[256] **Mr Williams:** I would think that it will be within the next couple of months. Enid Rowlands is leading this work for us, looking at how we can engage more effectively with citizens on these issues and at different methods of collecting information.

[257] **Jonathan Morgan:** There has been an increase in the number of reported safety incidents. Do you account for that by better reporting or is it a genuine increase in the number of incidents in maternity services? What can the Government do to ensure that the NHS learns from these?

[258] **Mr Williams:** The number of claims does not seem to be increasing significantly at the moment, but the number of incidents reported is. In a sense, that is a good-news story because we are trying to encourage the reporting of incidents so that we learn from them. I referred to the 1000 Lives campaign. I am hoping that this is also a product of that, and that we are being much more transparent.

3.50 p.m.

[259] We must ensure that we understand the reasons and then we can start to put in improvement programmes so that we can stop those things from happening. I think that it is a much healthier environment than we may have had in the past, when incidents were seen negatively or were not properly reported. Staff now have the confidence to know that they can report incidents and that a constructive approach will be taken because we need to improve patient safety. We are halfway through that campaign, but we are seeing a lot of positives coming out of it.

[260] **Jonathan Morgan:** Sixty-six per cent of all clinical negligence claims approved by the Welsh Risk Pool are for errors in obstetrics. Is that a standard figure when you look at comparisons with the NHS in England and Scotland? Sixty-six per cent seems quite high.

[261] **Mr Williams:** It is a high-risk speciality, unfortunately, and it can be very costly.

[262] **Jonathan Morgan:** Thank you very much. I do not think that there are any other supplementary questions. I thank Paul Williams, Simon Dean and Rosemary Kennedy for being with us this afternoon.

3.51 p.m.

Cynnig Trefniadol Procedural Motion

[263] **Jonathan Morgan:** I move that

the committee resolves to exclude the public from the remainder of the meeting in accordance with Standing Order No. 10.37(vi).

[264] I see that there are no objections.

*Derbyniwyd y cynnig.
Motion agreed.*

*Daeth rhan gyhoeddus y cyfarfod i ben am 3.51 p.m.
The public part of the meeting ended at 3.51 p.m.*