

NATIONAL ASSEMBLY FOR WALES
REPORT FROM THE FINANCE COMMITTEE

Report on NHS Redress (Wales) Measure, 2007

Background:

1. Standing Order 14.2 states:

14.2 *The [Finance] Committee may also consider and, where it sees fit, report on:*

(i) *financial information in explanatory memoranda accompanying proposed Assembly Measures;*

Consideration

2. The Committee considered the Report on NHS Redress (Wales) Measure, 2007 at its meeting on 20 September and took evidence from the officials involved in preparing the financial information:

- Janet Davies, Head of Clinical Governance Support & Development Unit
- Pat Vernon, Head of Public and Patient Involvement Branch

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3. The Committee considered the work that had been undertaken to assess the costs that would arise from implementation of the Measure. They noted that the estimates that had been prepared were based on a number of assumptions made by the Department of Health and that figures for Wales had been extrapolated from these.

4. The Committee was concerned that there were a number of other factors that might cause the estimates to be inaccurate including the variation in the number of claims each year in Wales and the huge variation year on year in terms of how much is being paid out overall for negligence. They also noted that, because the proposed Measure could be used for cases involving primary care, it was broader and more flexible than the English legislation. This difference in scope suggested the cost to Wales would be proportionately higher.

5. Members drew attention to the fact that the aim of the Measure was to provide a simpler and fairer system of redress and that one consequence might be the unlocking of a number of 'pent up' claims. They also noted that a further benefit might be a change in the culture of the NHS leading to a more open approach to when things went wrong.

6. The Committee noted that work to assess the costs of the Measure was continuing and that three Working Groups were about to get under way and were expected to produce an interim report by the end of 2007.

Conclusion

7. The Committee were disappointed that the information to assess the cost of the implementing the Measure was so weak. While they accepted that there were difficulties in making judgements in this regard, they felt it should have been possible to provide more robust information so the Committee could test the assumptions that had been made. They consider this important not just in relation to the NHS Redress Measure itself but because any under- or over-estimate of its costs would have a consequent effect on the budgets for other Welsh Assembly Government policies.

8. The Committee noted that Officials are to continue to work on the figures and that this work would be informed by the working groups that have been set up. They were disappointed that the Measure had been brought forward before the assessment its financial impact had been adequately completed.

9. The Committee's judgement is that it cannot reliably assess the impact of the proposed NHS Redress Measure. It concludes that it has little alternative but to recommend that the stage one debate on the general principles of the Measure is not brought forward until the Committee, and by implication Assembly Members generally, have had an opportunity to consider the better estimate of costs that will flow from the work currently underway.

Alun Cairns AM
Chair, Finance Committee