

Complete Agenda

CABINET

GWYNEDD COUNCIL

DATE	Tuesday, 9th March, 2021
TIME	1.00 pm
LOCATION	Virtual Meeting
CONTACT POINT	Annes Siôn 01286 679490 cabinet@gwynedd.llyw.cymru

GWYNEDD COUNCIL CABINET MEMBERS

Members	
Dyfrig L. Siencyn	Leader
Dafydd Meurig	Deputy Leader, Cabinet Member for Adults, Health and Wellbeing
Craig ab Iago	Cabinet Member for Housing
Gareth Wyn Griffith	Cabinet Member for Environment
Nia Wyn Jeffreys	Cabinet Member for Corporate Support
Dilwyn Morgan	Cabinet Member for Children and Young People
Gareth Thomas	Cabinet Member for Economic Development and Community
Ioan Thomas	Cabinet Member for Finance
Catrin Elen Wager	Cabinet Member for Highways and Municipal
Cemlyn Rees Williams	Cabinet Member for Education

AGENDA

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THE CABINET, TUESDAY, 16 FEBRUARY 2021

Present:

Councillors: Dyfrig Siencyn, Dafydd Meurig, Craig ab Iago, Gareth Wyn Griffith, Nia Wyn Jeffreys, Dilwyn Morgan, Gareth Thomas, Ioan Thomas, Catrin Wager and Cemlyn Rees Williams

Also present:

Dilwyn Williams (Chief Executive), Morwena Edwards (Corporate Director), Iwan Evans (Head of Legal Services), Dafydd Edwards (Head of Finance Department) and Annes Siôn (Democracy Team Leader).

Items 6 and 7: Dafydd Wyn Williams (Head of Environment Department)

Item 8: Dafydd Gibbard (Head of Housing and Property Department)

Item 9: Dewi Wyn Jones (Business Support Service Manager)

Items 10 and 11: Ffion Madog Evans (Senior Finance Manager)

Item 12: Dewi Morgan (Assistant Head of Finance - Revenue and Risk)

1. APOLOGIES

The Cabinet Members and Officers were welcomed to the meeting.
No apologies were received.

2. DECLARATION OF PERSONAL INTEREST

A declaration of interest was received from Cllr Dyfrig Siencyn for item 12 as a close family member owned a second home or vacant property.

3. URGENT ITEMS

There were no urgent items.

4. MATTERS ARISING FROM OVERVIEW AND SCRUTINY

There were no matters arising from overview and scrutiny.

5. MINUTES OF THE MEETING HELD ON 26 JANUARY 2021

The Chair accepted the minutes of the meeting held on 26 January 2021 as a true record.

6. BUS EMERGENCY SCHEME (BES)

The report was submitted by Cllr Gareth Griffith

DECISION

It was agreed that the Council would join the BES2 Scheme in accordance with the report.

Delegated powers were granted to the Head of Environment Department in consultation with the Head of Finance Department and Head of Legal Services to agree and complete the Voluntary Regional Partnership Agreement for the implementation of the scheme in North Wales.

DISCUSSION

The report was submitted noting the decision namely that the Council would join the Welsh Government's BES2 Scheme in accordance with the report.

The Head of Environment Department added that two schemes had been implemented previously to support public transport by ensuring sufficient financial support throughout the emergency period. It was highlighted that the scheme was a partnership between Local Authorities, Welsh Government, Transport Wales and operators. It was noted that the scheme ensured sufficient financial support for operators and the objectives seen in the report were highlighted. It was emphasised that it was a temporary scheme that would come to an end in July 2022 and that it gave more control for Welsh Government and Transport Wales in terms of prioritising services and influencing ticket prices. It was highlighted that the scheme was far-reaching.

It was noted that it was a period of great change with re-designing across the country and the importance of being part of this scheme was highlighted in order to influence to ensure specific services in rural services across the county, which would be considered as more of a challenge in Gwynedd.

Observations arising from the discussion

- It was enquired whether or not committing to the temporary scheme would further commit the Council to the scheme. It was noted that there was a number of work streams and that joining would ensure that streams moved forward, highlighting that there was a correlation and that one could only influence by joining.
- It was stated that the recommendation noted to join in order to influence, it was enquired what were the implications of not joining. It was stated that it was not entirely clear at present, but it was noted that companies would see the most impact but the need to be able to influence was emphasised.
- It was noted that Welsh Government would have a role for the main streams but the need for a local role was highlighted in order to look out for Gwynedd residents. It was also elaborated that there was much expertise locally. It was noted that it was encouraging that Welsh Government was interested in the work undertaken by us on social value

when prioritising transport. The need for more control and local expertise was explained.

- Some concerns were highlighted with regards to giving more powers to Transport Wales in the field of buses and that this could hinder local democracy once again if we were not careful.
- It was emphasised that the Cabinet Member was part of the North Wales Transport Sub-group and that the past year had been very busy in the field. Although Welsh Government was eager for this to be adopted across the whole of Wales, it was stated that they did not have the capacity to consider the whole of Wales and, therefore, local support was expected.

7. PARKING REVIEW

The report was submitted by Cllr Gareth Griffith.

DECISION

- The amendments to the Parking Strategy were adopted by changing the parking management arrangements and implementing the parking fees structure in Gwynedd to be implemented from 1 April 2021. It was agreed on an additional late adjustment to the report, reconciling the enforcement hours of Band 1 Car Parks to be operational between 10am and 4:30pm, and to keep the income level under review during 2021/22, with a view to assist the Environment Department should the real income from parking fees be lower than the target in the budget due to this late adjustment.
- The Head of Environment Department was authorised to take the necessary statutory steps to implement the revised fee structure from 1 April 2021.

DISCUSSION

The report was submitted, noting that it was an item that had been discussed for a while but it had been held back as a result of the pandemic. It was stated that Council policies had not changed for many years and that the Education and Economy Scrutiny Committee had resolved to create a task-force to examine the county's arrangements. It was highlighted that this report was the result of the task-force's work.

The Head of Environment Department added that the current strategy had been adopted back in 2015. It was explained that a number of things had changed since then such as an increase in electric vehicles, less use of cash along with an increase in the number of outdoor events. Attention was also drawn to the increase seen during lastsummer in the number of motor homes. It was emphasised that these had highlighted more challenges in terms of parking.

It was noted that the Cabinet and the Full Council had agreed to increase income in the field as part of the savings scheme. With an increase in inflation along with the savings target, it was highlighted that an income increase of approximately £400k would be required. It was explained that the brief of the task-force was to

address the increased income but to keep the impact on local residents to a minimum. It should be emphasised that the work undertaken by the Task-force had been very thorough.

It was noted that the task-force had highlighted that the car park banding system was too complex and that it had been simplified from 5 bands to 3. It was noted that the task-force could have increased the price by 10% across the whole location but the task-force had decided to look at the field differently and the main changes were outlined. The need to ensure that the short-stay parking fee in the main centres remained the same was noted, but that enforcement hours would be adapted in Bangor to 9am until 5pm. It was stated that the long-stay price would be increased specifically in band 2 car park fees and that there would be an increase in season tickets to correspond with inflation.

Parking options during the Christmas period were highlighted along with the desire to keep the free parking arrangements in order to support businesses. It was noted that consideration had been given to residents and Blue Badge holders and that a decision had been made to retain them at present. It was noted that the summer period last year had highlighted the need to increase parking enforcement resources and to strengthen the team. It was noted that these changes not only increased income but identified the changes that had been highlighted over the past 6 years and the needs of residents and visitors were being met in undertaking the adaptations.

Observations arising from the discussion

- The importance of including the Scrutiny Committee as part of the decision-making process and to examine the impact on the economy locally was highlighted.
- Gratitude was expressed for the work of the task-force but in terms of changes to Band 1, it was noted that there may be a local benefit in retaining the 10am – 4:30pm period and that retaining it would be appreciated by residents.
- In terms of Motor Homes, it was enquired how it would be managed and whether or not consideration had been given to creating specific sites, and whether it would be possible to generate income in doing so. It was stated that there was a number of considerations and there was a need to examine long-term arrangements. It had been highlighted during the summer that a number of vehicles had parked in overnight car parks, which had created many problems. The need to research the field and to come to a conclusion on how to manage it responsibly was noted.
- Gratitude was expressed for the work and the attempt to simplify it by scrutiny members. Concern regarding the increase in Band 2 and 3 and the impact it could have on businesses was stated. In addition, in terms of residents' parking it was noted that there may be a need to re-examine which parts of the county were part of the scheme.
- Concern regarding increasing a season ticket by £15 was highlighted as it would affect residents, and it was enquired whether or not it would be possible to use the income to re-invest in the car parks. It was noted that the department had a budget to invest in the car parks and that some Town and Community Councils had been part of the 10% scheme where they charged 10% more in some car parks and received the percentage to

re-invest in their communities.

- It was agreed on an additional late adjustment to the report, reconciling the enforcement hours of Band 1 Car Parks to be operational between 10am and 4:30pm, and to keep the income level under review during 2021/22, with a view to assist the Environment Department should the actual income from parking fees be lower than the target in the budget due to the adjustment.

8. BUY TO LET SCHEME TO LET PROPERTIES FOR GWYNEDD RESIDENTS

The report was submitted by Cllr Craig ab Iago.

DECISION

The business case to invest £15.4m to purchase approximately 100 houses to let to Gwynedd residents at an affordable rent was approved with every purchase to demonstrate its own financial viability on a case-by-case basis.

It was agreed that the Head of Housing and Property Department in consultation with the Head of Legal Services and the Head of Finance Department will review the statutory arrangements for implementing the Scheme following the publication of revised Government Housing Revenue Account Guidance and report further to Cabinet if additional decisions are needed.

DISCUSSION

The report was submitted, noting that Gwynedd was currently in the middle of a housing crisis. It was stated that the Council had been attempting to raise awareness about the problem and had asked both Governments to take action. It was noted that the department was endeavouring to find answers within its ability and to take action. It was highlighted that this scheme was part of the Housing Action Plan and that it was an example of what the department sought to do to assist residents. It was noted that it was a pleasure to submit the scheme as it was a positive and innovative scheme and found ways of housing residents.

The Head of Housing and Property Department added that the scheme was part of the Housing Action Plan. The purpose of the scheme was highlighted, namely to purchase one hundred houses to renovate and let out to residents. It was noted that the investment in the Housing Action Plan was approximately £77m and the combination of funding sources was noted. It was stated that the Cabinet had highlighted its ambition for the scheme by noting its desire for a loan scheme for this scheme in accordance with a robust business plan. It was noted that the report noted the costs and its funding method and showed that it was a viable scheme. It was explained that risks were being highlighted but that a business case for each individual purchase would reduce the risks, and that the individual

purchases would not be made if risks were too high.

Observations arising from the discussion

- Gratitude was expressed for the report and pride was highlighted in turning back the clock to see the Council investing once again in housing for Gwynedd residents. It was asked whether or not there was a difference between housing on the open market and former social housing. It was stated that it was difficult to purchase former social housing and, therefore, there was a need to be operational in getting social housing back within the Council.
- The scheme was welcomed and it was enquired whether or not it would be possible to tailor the scheme for specific families. It was noted that there was a need for rented housing within the county and that a range of housing was required for people who needed support but it would obviously have to be prioritised.
- It was asked whether or not it would be possible to extend and purchase more than 100 houses should the scheme be a success. It was stated that it would be possible to extend the scheme if it worked easily and that they would come back to the Cabinet to note if there was a case to change the number of housing.
- It was emphasised that there was an element of risk to the scheme, but that the Council was currently taking a venturous leap to create an opportunity for Gwynedd residents. If it worked, it was emphasised that it would be possible to borrow more money and to re-visit if it was a success but this would need to be proven over an extended period.

9. GWYNEDD COUNCIL PLAN 2018-23 - REVIEW FOR 2021/22

The report was submitted by Cllr Dyfrig Siencyn

DECISION

The Gwynedd Council Plan for 2018-23, 2021/22 Review was approved subject to amendments to the wording of Priority 4 and Priority 7, and to recommend that the Full Council adopts the Plan at its Full Council meeting on 4 March 2021.

DISCUSSION

The report was submitted noting that the scheme was being submitted noting the work of the Council over the past year. It was noted that sessions had been held with all members who had showed their support to the improvement priorities. It was stated that the sessions with all members had highlighted that the appearance of communities was essentially important for residents this year.

It was emphasised that positive elements had arisen as a result of Covid-19, namely the desire of residents to help each other and to volunteer. Members had noted the need to keep the momentum of helping and volunteering for the future.

Observations arising from the discussion

- It was emphasised that looking after your local area was very important and that the Clean and Tidy Communities scheme was one of the priorities of the Highways and Municipal Department. It was hoped that the scheme would meet the needs of members and work with the communities.
- In terms of priority 4.5, Businesses Receiving Support to Prosper, it was highlighted that there were awful problems, not only as a result of Covid-19, but due to the way the Government dealt with Brexit as well.
- It was noted that sessions with members had been encouraging, with issues raised being included within schemes such as the Area Regeneration Plan.
- Attention was drawn to the amendments to note in priority 4.4, The transfer of holiday units from Council Tax to Business Rates, in order to add a wording regarding the planning work that was ongoing in the field. Priority 7.4 - Realising Savings, was also to be amended in order to highlight that the savings programme had reviewed the need to achieve the amended order.

10. THE COUNCIL'S CAPITAL STRATEGY

The report was submitted by Cllr Ioan Thomas

DECISION

It was agreed to:

- finance the funding gap for Canolfan Dolfeurig (£600,000)
- finance the funding gap for the former Llanrug school house site (£150,000) and recoup the majority of the initial investment by selling the house and part of the land for affordable housing to local people and to make improvements to the primary school
- that a further £2m is provided to commence work on constructing industrial units in the county
- wait to see what the outcome of the discussions held with Welsh Government regarding Barmouth Promenade will be, before considering any further allocations in the Asset Plan.

DISCUSSION

The report was submitted noting that the Full Council had adopted an Asset Plan for a ten year period back in March 2019. It was highlighted that the plan anticipated the resources the Council would have for the 10 years and prioritised all of the plans proposed by the Departments. It was emphasised that the Plan was live and flexible and that the resources situation had changed somewhat since the plan had been approved.

It was stated that there had been an awareness at the time of preparing the Plan that it would be possible that additional schemes could come forward and it was agreed to reserve £0.5m per year in order to address the requirements for small schemes mainly. It was reiterated that substantial schemes needed consideration for 2021/22. Attention was drawn to Canolfan Dolfeurig in Dolgellau explaining

that when the scheme was initially considered, a request had been made for £1.2m, but after undertaking further work, costs were nearer to £1.8m.

The demand for industrial units across the county in recent years was highlighted, and although the North Wales Growth Deal ensured strategic sites, the need for smaller units to meet local demand was noted. On the basis that units would cost approximately £200,000 each (excluding land costs), it was asked for the Cabinet's support to add funding in order to ensure it.

It was originally stated that the Council had anticipated that £1.6m would need to be spent on the restoration of the promenade in Barmouth as a result of damage. Also, as a result of undertaking much more detailed work, it was highlighted that the cost of restoring would likely be between £16m and £22.5m, which meant that the Council would need to find £3.75m as a contribution in order to deliver the work.

At its meeting in October 2017, the Cabinet agreed to purchase a piece of land near Ysgol Gynradd Llanrug, in case it would be required for educational purposes in the future. By now, it was noted that only an element of the land would be required and that it would be possible to re-claim an element of the cost by selling pieces of the land for affordable housing but it was highlighted that a likely gap would need to be funded.

Since the plan had been approved, it was explained that the Council had received various grants that could be used rather than using the Asset Plan resources, and along with a higher than anticipated capital settlement, over £5.5m was available for the Cabinet to consider how they wished to use it.

Observations arising from the discussion

- Support was given to Canolfan Dolfeurig as there was a real need for a new building and it was an excellent asset for the south of the county.
- Support was noted for industrial buildings as specific support was needed for small businesses.
- In terms of Barmouth Promenade and after undertaking further work, it was noted that there was a real need to undertake the work to ensure that the Council kept residents safe, but the additional pressures on coastal councils to fund work of this type were highlighted.

11. 2021/22 BUDGET

The report was submitted by Cllr Ioan Thomas

DECISION

It was agreed to recommend the following to the Full Council on 4 March:

1. Establish a budget of £271,751,360 for 2021/22 to be funded through a

Government Grant of £194,793,140 and £76,958,220 of Council Tax income with an increase of 3.7%.

2. Establish a capital programme of £47,085,960 in 2021/22, to be funded from the sources noted in Appendix 4 of the report.

It was noted that the figures in recommendation 1 above would change in line with the figures in Appendix 6 of the report should the Full Council increase the Council Tax Premium from 50% to 100%.

DISCUSSION

The report was submitted noting that the Council this year had received a grant increase, which met inflation and was a fairer settlement than those in the years before 2020/21. Nevertheless, as unavoidable increases in the cost of some core services needed to be funded, it was noted that the Tax would have to be increased by 3.7%. It was emphasised that increasing the tax was necessary in order to protect essential services for the people of Gwynedd, as it would be impractical to implement additional savings schemes this year.

Attention was drawn to the fact that most Council members had attended a series of consultation workshops, and a positive discussion had been held at the Audit and Governance Committee. By 2021/22, it was noted that expenditure would need to increase by £10.6m in order to stand still, including £3.6m to meet pressures on the services' budgets. In order to address the financial gap, it was explained that £725k could be harvested in 2021/22 from the savings schemes already planned, but Council Tax would have to be increased by 3.7%.

It was added that the Welsh Government's official figures showed that the Council would receive a grant increase of £6.4m by next year, which was an increase of 3.4%. It was explained that Welsh Government would announce the final grant settlement on 2 March, along with the Welsh Government's final budget. The Cabinet was guided through the revenue expenditure highlighting that the estimated salary inflation was £3.5m. Despite the UK Government Chancellor's desire for a pay freeze, it was noted that there would be a pay increase of £250 pro rata to staff on salaries of £24,000 or less, together with prudent provision for all Council staff. It was also highlighted that there would be a 3.1% salary increase for Gwynedd's school teachers for the period April – August 2021.

It was noted that other inflation was £2.6m, which included provision for the effect of the 'living wage', along with an increase in inflation on fuel and energy budgets and an increase in re-tendering prices. It was emphasised that there were pressures on services and it was recommended to approve applications worth £3.59m that had been submitted by the departments for additional permanent resources. It was noted that total Government support in light of the Covid-19 crisis was expected to be in the region of £20m by the end of 2020/21 and it was anticipated that the Government would continue to compensate for additional costs and loss of income in the next financial year.

Attention was drawn to decisions made by the Cabinet on 26 January 2021 to defer or eliminate unrealisable historic savings, highlighting that a net total of £725k in savings could be used to reduce the 2020/21 budget funding gap.

In order to set up the budget, it was noted that a gap of £77m would need to be met by increasing the Council Tax by 3.7%. It was emphasised that the choice between maintaining services and taxing was a difficult one, but it was noted that the average tax increase of the other local authorities across Wales was likely to be around 4.1%.

Observations arising from the discussion

- It was highlighted that there was an Education bid as a result of new legislation, and that the Government had noted that it would be a neutral cost, but it was highlighted that there were risks as a result of the legislation that needed to be funded.
- It was noted that nobody liked to increase taxes but there was a need for the money to be available to support residents. It was noted that the Finance Department sympathised with residents and referred them for support via benefits or allowed them time to pay.
- The officers were thanked for their work and the members for their input.

12. COUNCIL TAX PREMIUM ON SECOND HOMES AND LONG-TERM EMPTY PROPERTIES

The report was submitted by Cllr Ioan Thomas

DECISION

It was resolved to recommend to the Full Council in March that Gwynedd Council:

- Allows no discount on class A second homes, in accordance with Section 12 of the Local Government Finance Act 1992
- Allows no discount and raises a premium of 100% on class B second homes, in accordance with Section 12B of the Local Government Finance Act 1992
- Allows no discount on homes that have been empty for 6 months or more and raises a premium of 100% on homes that have been empty for 12 months or more, in accordance with Section 12A of the Local Government Finance Act 1992.

DISCUSSION

The report was submitted noting that the Full Council in December had resolved to defer a decision on the Council Tax Premium on second homes and long-term empty properties. It was noted that the Council had requested the Cabinet to hold a consultation on the propriety of increasing the level up to 100% in accordance with Section 12, 12B and 12A of the Local Government Finance Act 1992.

According to the 1992 Act, it was noted that any decision on the Premium must

be made by the Full Council before the commencement of the relevant financial year and, therefore, it was not possible to delay the decision. The context was highlighted noting the regulations of the Council Tax where 'second homes' had been categorised into two classes (A & B) and that class C referred to empty properties. The numbers within Gwynedd were reported - 811 within class A, 4,718 within Class B, and 1,130 in class C in November 2020.

When giving councils powers to raise a Premium of up to 100%, it was noted that the Government had published statutory guidance to administrate the Premium. It was added that the guidance outlined what needed to be considered by the Council when proposing to introduce the Premium. It was noted that when the Premium was introduced back in 2016, attention had been given to two studies, a detailed analysis undertaken in 2013 along with the 2013-16 Housing Strategy. It was noted that the Council had now adopted a new Housing Strategy and two key reports, namely Holiday Homes Research Work and the Housing Action Plan.

The consultation responses were outlined, noting that the consultation had been advertised on social media and letters had been sent to every second home and long-term empty property owner informing them of the consultation. 6,227 responses had been received to the questionnaire and approximately 100 separate letters and messages. From the responses, 41% stated that they did not own a second home, 53% noted that they owned a second home.

It was noted that almost 4 in 5 respondents who owned a second home thought that second homes had a positive impact on local communities, while 3 in 5 respondents who did not own a second home thought that they had a negative impact on local communities. A clear difference of opinion was seen with the question of whether it was appropriate to increase the level, with 61% of those stating that they did not own a property that was the subject of the Premium feeling that it was appropriate, while 95.5% of second home owners stated that it was inappropriate.

Attention was drawn to one of the very common arguments from owners who noted that they contributed to the economic benefit of Gwynedd by shopping locally and giving work to local traders. It was highlighted by some respondents that their second homes had been in the possession of their family for a number of years, and that their income was relatively low and that the Council Tax was not as affordable to them as the general belief suggested. It was highlighted that the evidence noted that second home Council Tax bands tended to be higher than those of Gwynedd as a whole.

It was noted that when the original decision had been made to charge a Premium, the risk was identified of an increase in the number of properties transferring to being self-catering holiday units, which were subject to non-domestic rates. A risk was highlighted that increasing the Premium would incentivise more owners to let their properties and transfer them to the non-domestic rating list. It was noted that latest figures showed that a total of 2,106 properties had transferred from the Council Tax list to the Non-domestic Rating list, and that 90% of these received full small business rates relief, which meant that no local taxation was

payable.. A high number of respondents noted that their property had been inherited, and that they had no desire to start letting it commercially.

It was highlighted that recent experiences when administering Government Covid-19 business grants, had shown that a number of individuals and companies were now buying properties in Gwynedd specifically with the intention of converting them into self-catering holiday units, rather than using them as a second home. It was noted that properties that had transferred to self-catering holiday units since 1 April 2018 were in lower bands, and closer to the common picture of Gwynedd's housing stock. It was emphasised that an average of over 400 properties a year had been lost from the Council Tax bands, which was a loss of £286,000 of Premium yield per annum.

When looking at long-term empty properties, it was noted that some second home owners had noted that there was a need to focus on increasing the Premium on long-term empty properties, claiming that these were the real causes of social problems. It was highlighted that the number of long-term empty properties was relatively low compared to the number of second homes. In comparison with the second homes, it was explained that long-term empty properties in Gwynedd tended to be in lower Council Tax bands than the Gwynedd housing stock as a whole.

It was noted that the Council, in accordance with the Well-being of Future Generations Act, had adopted well-being objectives and it was emphasised that the Housing Strategy was intertwined with the objectives. It was also highlighted that the Council was confident that Members and officers had taken all reasonable steps to ensure that any actions taken had been made in order to comply with legislative requirements. It was also noted that an Equality Impact Assessment had been prepared and there was a need to address the findings and duties under the Equality Act 2010 when coming to a decision.

Observations arising from the discussion

- It was noted that 11% of the county's housing stock was now second homes and that the situation was worsening as a result of a number of people working from home and, therefore, they did not have to reside in the big cities. It was noted that there was a need to provide the best county to our residents and tourists and, therefore, there was a need to increase the Premium by 100% to ensure housing and support for Gwynedd residents.
- It was noted that the Report on Second Homes in Gwynedd had been submitted to Welsh Government, and the Minister had welcomed the report and would undertake further research, and had also reminded the Council of the ability to charge a Premium on Second Homes.
- It was noted that the report responded to a housing crisis, but it was highlighted that visitors were needed to ensure that the economy was thriving, in order for communities to benefit. Attention was drawn to the observation that second homes benefited the economy, but it was asked what would be the benefit should the dwelling be used on a full-time basis?
- It was noted that the situation was complex and, with long-term empty properties, it was highlighted that every case tended to be unique and it

may be an idea to have a conversation with owners to discuss how it would be possible for empty properties to be brought back into use.

- Gratitude was expressed for the work and it was noted that some observations from individuals alleged there was a racist motive, but attention was drawn to the equality report, which highlighted that the Premium was solely determined by the characteristics of properties, and not the characteristics of individuals.
- Gratitude was expressed for the high number of responses and sympathy was expressed to some individuals, but it was emphasised that there was a housing crisis within the county. The principle that the Council was eager for residents to have homes in their own communities was emphasised, in order to ensure thriving communities. It was added that housing was a priority and that it was a requirement to ensure additional resources in order to implement the Housing Strategy.
- It was agreed to allow no discount and to raise a premium of 100% on class B and class C second homes, and to allow no discount on Class A second homes.

The meeting commenced at 1.00pm and concluded at 5.00pm.

CHAIR

Agenda Item 6

GWYNEDD COUNCIL CABINET



Report to a meeting of Gwynedd Council Cabinet

Date of meeting:	9 March 2021
Cabinet Member:	Councillor Gareth Thomas
Contact Officer:	Sioned Williams
Contact Telephone Number:	Ext 32547
Title of Item:	Transfer of Lease and Management of Coed Helen Site, Caernarfon to Caernarfon Town Council

1 THE REASON FOR THE NEED FOR A DECISION

Gwynedd Council currently contributes £12,450 to the Byw'n Iach Company towards the annual running costs of Coed Helen Park. The Council's savings programme has identified a savings target of £155,000 for the Byw'n Iach company. Transferring the management of Coed Helen Park would mean an annual saving of £12,450 in terms of site management costs, which would contribute towards the above target.

2 THE DECISION SOUGHT

Lease and transfer the management of Coed Helen Park, Caernarfon to Caernarfon Town Council.

3 INTRODUCTION

In December 2014, Gwynedd Council approved its savings programme that included £1.05m of savings by the Leisure Service to be realised by 2018/19 through a series of changes to the service management arrangements. The Department has managed to realise these savings and as part of the process, a business case was developed to establish a Gwynedd Council controlled Company to undertake the future management of the Leisure Service. The scheme was adopted by the Full Council on 5 October 2017 and the Byw'n Iach Ltd. company became operational on 1 April 2019.

The business case was established on a service that included the running of 12 of the Council's Leisure Centres. But also for these centres, the Leisure Service was also responsible for five community resources, namely:

- Coed Helen Park, Caernarfon
- Waunfawr Synthetic Pitch
- Brynrefail Synthetic Pitch
- Safle'r Bwthyn, Deiniolen
- Strand Street Pitch, Bangor

Each one of these resources are used by local clubs and are key leisure resources within their communities. It was considered that transferring them to the control of the Byw'n Iach Company was not the most effective arrangement to ensure that local voices maintained the sites and made the most of the resources to benefit the community, but rather to work with local partners in order to identify alternative arrangements.

The Department's priority was to ensure a smooth transfer of the Service to the Byw'n Iach company in order to protect the interests of staff and service users. Within the transfer timetable, there was insufficient time to allow discussions with local partners regarding control of the community resources. It was resolved to transfer all of the resources as a temporary measure to the Company on the condition that the Economy and Community Department would commence discussions with the local partners to consider alternative arrangements for the future.

Over the past two years, the Economy and Community Department has held discussions with a number of community groups and entities e.g. Community Councils, local schools and enterprises as well as commercial enterprises, to see if there would be an interest and more effective arrangements to manage the resources. There has been good progress in a number of cases.

Positive discussions have been held between Gwynedd Council officers and the Caernarfon Town Council Executive Committee regarding the potential transfer of Coed Helen Park. The Park is an important resource for residents and visitors to Caernarfon. There is a number of facilities there, which include:

- Football, rugby and cricket pitches
- Bowling-green
- Small golf course
- Skate park
- Play equipment
- Parking spaces
- A building that includes toilets, changing rooms, office as well as a flat for the Caretaker.

At its meeting on 1 October 2019, the Town Council resolved to accept the transfer of the Park on a 99 year lease, and for a nominal sum. The lease would be subject to the extant lease for the benefit of the Bowling Club and a commitment from the Town Council to continue with the current licence arrangements in relation to the Cricket Club. The current post of the site caretaker would be abolished and the Byw'n Iach Ltd. company has commenced discussions in terms of the redundancy. The existing employment contract of the caretaker gives her the right to reside in the flat located on the site, and Caernarfon Town Council has committed to offer the caretaker a new lease for the flat, when the site is transferred.

The Town Council is happy to maintain the existing services for the community, while also seeking opportunities to improve the facilities for the future. Caernarfon Town Council will consider different management options, including charging a parking fee for long stay vehicles. Overnight parking is a problem on the site and it is considered that more income can be generated by providing resources for visitors to stay. The Town Council is not eager to charge parking fees on short stay park users, and Gwynedd Council will discuss the details of their plans over the coming months.

In principle, Gwynedd Council has agreed to contribute towards maintaining the play equipment for up to three years after the transfer.

4 THE RATIONALE AND JUSTIFICATION FOR RECOMMENDING THE DECISION

Gwynedd Council has transferred all its leisure service management resources to the Byw'n lach Company. There is an agreement in place between Gwynedd Council and the Company to provide the service, but in 2019 Gwynedd Council resolved to reduce the cost of the £155,000 agreement in the long term as part of its Savings Programme. This target is very challenging and the Company will consider different measures to introduce in 2021/22 onwards in order to meet the funding gap.

The purpose and vision of the Byw'n lach Company is:

'Offer sustainable leisure and fitness services, of the highest quality to our communities, in order to improve everyone's health, well-being, fitness, and skills.

Every resident a customer - every family improving their health and well-being - every community benefiting.'

Although it collaborates with a wide range of clubs and partners across Gwynedd to achieve this vision, the Byw'n lach Company does not manage leisure parks that are similar to Coed Helen Park in any other community in Gwynedd. It is considered that running an urban leisure park in Caernarfon is not a priority for the company and that it can divert its efforts to achieve the purpose across the county.

Transferring the resource would generate a financial saving of up to £12,450 and it is recommended that this budget is used in 2021/22 to fund any redundancy costs and investment costs in the Park. Gwynedd Council's agreement with the Byw'n lach company will need to be reviewed in order to reflect the change but it will be possible to use the saving as a contribution towards the income target for the future.

The Department has considered different options to manage the Park in future, including the management of a commercial partner. However, it became apparent that the proposed development was unlikely to take place and it is not considered that another private company would invest in the leisure resources.

When considering the existing use of the Park and future opportunities, the Economy and Community Department is of the opinion that collaborating with Caernarfon Town Council would be the best arrangement to safeguard the use of the site for the local community in future.

Transferring to the Town Council would not change the use of the Park for local residents in the short term or the visitor experience. With the support of the Community Support Service, Gwynedd Council would be able to assist Caernarfon Town Council to invest in the site in future in order to reflect local wishes.

The Council is statutorily required to ensure best value for its assets in accordance with Section 123 of the Local Government Act 1972. There is no intention to transfer for less than the market value. In accordance with the requirements of Section 123 (2A) of the Act and as the site was open public land the proposal had to be advertised before a decision was made on disposal. This was done in accordance with the Act and no objections were received within the advertising period.

It should be noted that the proposal involves leasing the property, and should the lease for the Town Council be wound up in future, the site would remain in the ownership of Gwynedd Council.

There is an objection from a local Councillor for Gwynedd Council to transfer the management of the site to Caernarfon Town Council. In accordance with the constitution of Gwynedd Council, in such a situation, the matter is referred to the attention of the Council Cabinet for a decision.

6 NEXT STEPS AND TIMETABLE

If the Gwynedd Council Cabinet supports the proposal to transfer Coed Helen Park, a lease will be prepared to transfer the site to Caernarfon Town Council during 2021/22.

7 ANY CONSULTATIONS UNDERTAKEN PRIOR TO RECOMMENDING THE DECISION

Chief Finance Officer's Comments

I confirm that Gwynedd Council, as part of this agreement with Byw'n Iach, contributes an annual sum of £12,450 towards the annual running costs of Coed Helen Park. Once the responsibility for the Park is transferred to the Town Council, we would then expect the first call on the savings to contribute towards any unavoidable transitional costs, such as redundancy costs; with the permanent savings then contributing towards the Council's savings programme, which has identified a target of £155,000 for the Byw'n Iach company.

I note the opinion of the Economy and Community Department that transferring the Park to the Town Council is the best arrangement in order to secure the future of the Park, by investing and fulfilling the wishes of local residents. As Caernarfon Town Council is willing to take responsibility for the Park, which will lead to savings for Gwynedd Council, I support the recommendation.

The Monitoring Officer's Comments

The report contains appropriate recommendations and has addresses the requirement in relation to the transfer of such properties. I also confirm that the reason for presenting the matter to the Cabinet is in accordance with the Constitution.

Agenda Item 7

GWYNEDD COUNCIL CABINET



Report to a meeting of Gwynedd Council Cabinet

Date of meeting:	9 March 2021
Cabinet Member:	Councillor Dilwyn Morgan
Contact Officer:	Morwena Edwards, Corporate Director
Title of Item:	Strategic Safeguarding Panel Progress Report 2018-2020

1. THE DECISION SOUGHT

- 1.1 The Cabinet is asked to accept the report on the work of the Strategic Safeguarding Children and Adults Panel.

2. THE REASON FOR THE NEED FOR A DECISION

- 2.1. It is essential that Cabinet members are aware of the Panel's work on safeguarding and are satisfied that the Panel has undertaken the required work in a thorough and conscientious manner.
- 2.2. The Statutory Director is required to consistently and regularly report upon safeguarding matters to members.

3. INTRODUCTION

- 3.1. The purpose of this report is to update my fellow members on what has been achieved by the Strategic Safeguarding Panel during the period December 2018 – December 2020.
- 3.2. It is considered that the report accurately and fairly summarises the work of the Strategic Safeguarding Panel, and it also includes references to reports or observations made by external inspectors in relation to this work.
- 3.3. 2020 was a very different year for everyone, with the far-reaching impacts of Covid-19. Consequently, this report is published later than usual, as a number of the Council's staff have been redeployed to the work of supporting our communities. This report therefore relates to the work over a period of two years rather than one year. The essential work of safeguarding our residents has of course continued, it is only the task of reporting on this work that has been delayed.

4. NEXT STEPS AND TIMETABLE

- 4.1. None to note.

5. Views of the Statutory Officers:

i) The Monitoring Officer:

As a member of this Panel, I welcome this report that appropriately summarises its work. It provides the Cabinet with assurance about this key responsibility.

ii) Head of Finance:

I understand that accepting this report does not bind the Council to any new/additional expenditure.

6. Appendices

Strategic Safeguarding Panel Report 2018-2020

**ANNUAL REPORT OF THE STRATEGIC
SAFEGUARDING PANEL**

2018-2020

1. INTRODUCTION

- 1.1 The purpose of this report is to outline the work of the Strategic Safeguarding Panel (Strategic Panel) for the period December 2018 to December 2020, giving a clear and fair picture of the work achieved and to summarise the opinion of external inspectors on the work.
- 1.2 As a result of the Covid-19 pandemic in 2020, this report is published later than usual, as several Council staff have been redeployed to the work of supporting our communities. Therefore, this document reports on work over a period of two years rather than one year. The essential work of safeguarding our residents has of course continued, it is only the task of reporting on this work that has been delayed.
- 1.3 The report outlines the work achieved by the Council itself and by the Council in partnership with others, during the period in question. If information regarding safeguarding work by the Council has already been published, such as in the [Annual Report of the Director of Social Services](#), by external inspectors, or by other organisations, we refer the reader to those documents rather than reiterating this information. A list of these reports can be seen in Section 9.
- 1.4 Lastly, the report outlines the future priorities of the Strategic Safeguarding Panel.

2. RESPONSIBILITIES AND ACCOUNTABILITY

- 2.1 The aim of the Strategic Safeguarding Panel is to ensure that appropriate arrangements and procedures are in place at a corporate level across the Council to ensure the safety of children, young people and adults. Since 2017/18 the Panel is also responsible for an overview of wider safeguarding issues across Gwynedd, such as Community Safety.
- 2.2 The Panel in turn is accountable to the Statutory Director of Social Services, namely the Corporate Director in the Council's case, who has the final accountability for safeguarding issues.
- 2.3 The Chair of the Panel for the period in question was Councillor Dilwyn Morgan, Cabinet Member for Children and Young People, supported by the Corporate Director, Morwena Edwards. The other members were: Cabinet Member for Adults, Health and Well-being; Education; Corporate Support; Heads of Children and Supporting Families, Adults, Health and Well-being, Education; Monitoring Officer; Gwynedd and Anglesey Community Safety Partnership Manager and the Chair of the Safeguarding Operational Panel.
- 2.4 The Safeguarding Operational Panel supports the Strategic Panel to implement its priorities and to deal with operational and practical issues in the area of work. This is an

internal panel of officers, with the safeguarding champion of each Council department serving on it, to ensure the ownership of safeguarding issues by the whole Council.

2.5 The Council's performance in the safeguarding field is assessed by independent external inspectors as part of their work in assessing wider performance. Links to the external inspectors' reports can be seen in Section 8.

3. WORK ACHIEVED DURING THE PERIOD DECEMBER 2018 TO DECEMBER 2020

3.1 Up to 2018 safeguarding issues were a priority area within the Council's Plan in order to focus its energy on updating the arrangements. The next natural step was to build upon those arrangements during the period up to the present, and of course in the future.

3.2 The Strategic Panel set itself a challenge for this period, namely to focus on making progress in four priority areas.

3.3 1. Governance Arrangements of the Safeguarding Strategic Panel

Purpose: Review and Improve the Governance Arrangements of the Strategic Safeguarding Panel and the Operational Panel

What needed to be done?	Progress made	The future
Develop measures to measure performance against the purpose	<p>A work programme and a communication plan for safeguarding messages with staff, are continually fine-tuned. The current update has been agreed by the Operational Panel in December 2020. A questionnaire was used to conduct a survey of staff awareness of their responsibilities in the safeguarding field between January and February 2020, and it is a method of measuring the success of the Operational Panel's work. Amendments were made to the work programme following the assessment of the results.</p> <p>Attendance in the Operational Panel has increased over this period as each departmental champion has stronger reporting responsibilities, especially when gathering information about DBS judgements.</p> <p>It is deemed that we need to continue to build upon the work of developing measures and the Operational Panel will continue with the work.</p>	Further progress is needed to ensure that the measures are incorporated in the work of departments.

Ensure that the appropriate administrative and specialist support is available for the work within the Panels.	The Strategic Panel and the Operational Panel receive administrative support via the Democracy Service. The support of practical services such as the Organisational Learning and Development Service and Communication and Engagement enable the work programmes to be realised.	Delivered - continue to maintain the standard
Ensure that the Panels meet within the Performance Cycle.	The Strategic and Operational Panels have met regularly throughout the period in question, and have also continued to meet virtually over the Covid-19 period.	Continue to maintain the standard
Adapting the Terms of Reference	<p>The new Terms of Reference is in place, and the membership and accountability arrangements are clear.</p> <p>Attendance in meetings has strengthened, with the Operational Panel focusing specifically on embedding the responsibility for safeguarding matters across all Council's departments. This has ensured regular attendance from a representative from every department, with everyone contributing to specialist elements.</p> <p>The Corporate Safeguarding Policy has been updated, and the Departmental Policies are in the work programme for delivery by the end of the 2020/21 financial year.</p>	Continue to maintain the standard and complete Departmental Policies

3.4 2. Regional Safeguarding Meeting Arrangements

Purpose: To better understand the local and regional safeguarding landscape

What needed to be done?	Progress made	The future
Conduct an audit to analyse all the local and regional meetings within the Safeguarding field.	<p>Work has been undertaken at a regional level during 2020 to review, simplify and avoid duplication in terms of all the groups that exist and are active in the safeguarding and community safety area.</p> <p>Collaboration across the counties of Gwynedd and Anglesey has strengthened by having 2 Coordinators who work across both counties.</p> <p>There is further work to be done to see how the audit outcomes change the local landscape.</p>	Reflect on the local arrangements as a result of regional changes

Review and rationalise the Safety Partnership regional groups	The work of reviewing and rationalising has been completed, and a new structure is in place. Gwynedd Council officers have been identified to be part of the regional groups and they will report back at a local level.	Discussions will take place on how to continue to administer the meetings
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3.5 3. Adults at Risk

Purpose: Ensure that Gwynedd Council's response to 'adults at risk' corresponds to the requirements of the Social Services and Well-being Act (Wales) 2014.

What needed to be done?	Progress made	The future
Undertake a review of the Council's Internal Safeguarding arrangements dealing with Adults at Risk	<p>An audit of internal arrangements was conducted and now Gwynedd and Anglesey councils are looking into joint safeguarding cases. This arrangement has meant that we have wider resources and expertise than we would have if we worked separately.</p> <p>A Safeguarding Hub has also been established in the Adults, Health and Well-being Department since autumn 2017, and a Deprivation of Liberty Safeguards (DoLS) Coordinator has been appointed.</p> <p>A focus activity was conducted in 2019 by Care Inspectorate Wales and following their recommendations the Adults Department is operating a work programme.</p>	Continue with the new arrangements
As part of the review, track some cases in order to identify any lessons	This exercise was conducted and the new arrangements in place have improved performance in terms of the documenting decisions.	Continue with the new arrangements

3.6 4. Training

Purpose: Ensure a workforce with up-to-date safeguarding knowledge

What needed to be done?	Progress made	The future
Create a comprehensive Safeguarding course for the workforce, to include all safeguarding matters	Following the publication of the new Child Protection Guidelines the Council has provided on-line training since July 2020.	Continue to promote e-learning courses as one

<p>and the flexibility to be tailored as required</p>	<p>A number of e-learning courses have been developed on-line during 2018-2020 in the areas of Protecting and Safeguarding Children, Safeguarding Adults, Domestic Abuse, Prevent and Modern Slavery.</p> <p>A message was sent by Councillor Dilwyn Morgan, Chair of the Strategic Safeguarding Panel to staff (via a range of Communication channels, including social media) asking all staff to complete safeguarding training, specifically on the above elements.</p> <p>5,540 of these sessions had been completed by 9 December 2020. One tool amongst several is the on-line training module; however, this should not be depended upon as the only method of learning, nor the only measure of understanding safeguarding issues.</p> <p>Between January and March 2020, Council staff were requested to measure their awareness of their responsibilities in the safeguarding field. From the responses received, 96.6% were aware of their responsibilities to draw attention to any suspicion that someone was being abused; however, the figure reduced to 70% for those who believed they knew what to do if they thought someone was being abused and at risk, where an urgent or non-urgent response was required.</p> <p>The results of the questionnaire proved that further work was needed to ensure that every Council staff member knows <i>what</i> to do, and therefore a new work programme has been developed by the Operational Panel, that will be continuously modified, to clearly communicate the main safeguarding messages.</p>	<p>method of raising awareness and learning about safeguarding issues.</p>
<p>Providing Ask and Act training</p>	<p>As a result of the Violence against Women, Domestic Abuse and Sexual Violence (Wales) Act 2015, the Welsh Government</p>	<p>Training programmes</p>

	<p>issued a national training framework that includes six elements of training. All public service professions belong to one of these groups and every member of the Council's workforce is required to receive the relevant training.</p> <p>The Welsh Government expected Councils to have completed 50% of the training by the end of 2017; however, this target was not achieved for various reasons, including the availability of <i>train the trainers</i> programmes and Welsh medium materials.</p> <p>By now, 4 trainers have received training during the period 2018-2020 (in Adults, Education and Corporate Support Departments).</p> <p>In addition, a new Ask and Act virtual training programme was developed by staff from the Organisational Learning and Development Department and the Education Department, which had to await approval from Welsh Government. A successful 'pilot' course was conducted in November 2020 by staff from the Education Department and the Organisational Learning and Development Department, where staff from the Education Department received training. A 12 month programme is now in place for the Education Department. The workforce development team is developing a programme for Care staff.</p>	<p>will be conducted to reach the Welsh Government's aim, and to ensure that more members of staff complete these.</p>
<p>Ensure that all the Council's workforce complete a Domestic Abuse e-module.</p>	<p>In 2019, all Gwynedd Council staff members were asked to complete a Domestic Abuse e-module. Despite this, the response has been very disappointing thus far, with only 1,852 members of staff having completed the e-module by the end of 2019. This figure has increased to 2,491 by the end of 2020, therefore a small increase has been made; however, it is necessary to continue to increase the number of staff</p>	<p>Analyse and understand why the figures are so disappointing (e.g. via a questionnaire) and try to find a solution that leads to an increase in the</p>

	who complete the module, and to promote its importance.	numbers who complete the e-module.
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4. WORKING IN PARTNERSHIP

4.1 The period between December 2018 and December 2020 saw the strengthening of work arrangements in partnership with other local Gwynedd agencies and regionally across north Wales.

4.2 Although the Strategic Safeguarding Panel focuses on corporate responsibilities regarding safeguarding issues within Gwynedd, it also receives information and guidance via **Regional Safeguarding Boards for Safeguarding Vulnerable Children and Adults** working across north Wales. These are Statutory Boards with cross-agency membership and specific statutory and legal responsibilities. The Council is a member of these Boards and contributes to implementing their plans. Further information regarding the work of the Boards can be seen here - <https://www.northwalessafeguardingboard.wales/> and there are links to the annual reports of the Boards in Section 9.

4.3 During the period of this report the Council has also strengthened its working partnership with **Betsi Cadwaladr University Health Board** in several fields; however, the safeguarding field has benefited as the Council and the Health Board now monitor the quality of nursing care in joint care homes. Once more, this is successful good practice that will continue in the future.

4.4 There was also good collaboration in the Children's field, especially during the pandemic. Covid-19 brought new challenges to the service and the relevant Partnerships; however, it was possible to continue to collaborate and discuss the challenges that they faced in order to fully implement their responsibilities.

5. GWYNEDD AND ANGLESEY COMMUNITY SAFETY PARTNERSHIP

5.1 **Gwynedd and Anglesey Community Safety Partnership** have also demonstrated that working in partnership across county boundaries has proven successful. The Partnership Manager serves on the Safeguarding Strategic Panel, and the Partnership's work in areas such as *Prevent* is essential if the Panel is to ensure the quality of safeguarding arrangements in Gwynedd.

5.2 Several organisations have a statutory duty to be part of the partnership, including Local Authorities, Police, Probation Services, Fire and Rescue Service and the Health Board. Information on all aspects of community safety the Council deal with is on our [website](#).

- 5.3 Information about the Gwynedd and Anglesey Community Safety Partnership as well as the 2020 Community Safety Local Plan can be seen [here](#). Elements of this work plan have been delayed this year as a result of Covid-19 as it was not possible to hold face-to-face campaigns in our communities; however, the work as a whole has not relaxed.
- 5.4 The Partnership is required to report formally to the Care Scrutiny Committee annually, in order to give an overview of the Partnership's main strategic developments over the year, together with the commissioning work that sets the framework for the priorities which are based on a strategic assessment. No concerns were raised in the Scrutiny Committee in 2019 or 2020.

6. WIDER SAFEGUARDING ISSUES

6.1 Safeguarding Children

- 6.2 At the start of 2019, the First Minister for Wales, Mark Drakeford, announced that one Welsh Government's priorities would be to reduce the number of looked after children, and local authorities were required to set a numerical target to reduce the numbers in order to measure success against this target.
- 6.3 Gwynedd Council determined that it would not set any numerical or percentage target in relation to the number of looked after children, as the local authority has a duty to ensure that every child is safeguarded from harm.
- 6.4 As the purpose of the Children's Services is to ensure that things improve via a suitable and appropriate practice, and not by complying and reaching a target, they focused on improving practice, understanding Service requirements, continuous improvement and eradicating barriers to deliver the best for children.
- 6.5 The Covid-19 pandemic saw new trends in child referrals that led to a concern by the service about the cases that they did not reach. There were several reasons for this including children not attending schools, and front-line health services being redeployed to specific roles in response to the crisis. This meant that there was substantially less direct contact with families than usual.
- 6.6 There was a significant reduction in the number of referrals to the service at the start of the pandemic. Over time there was an increase, with referrals returning back to what would be expected by September, but by the end of the year, the numbers had reduced once more and this means that it is necessary to understand and analyse the reason for this to ensure that the Children's Department puts everything necessary in place to ensure that agencies and the public are aware that the service is available to respond to any matter as usual.
- 6.7 The ability of the service to respond to referrals or to conduct timely safeguarding investigations did not deteriorate. The service ensured that regular, direct contact

occurred with children who were at risk and children on the Child Protection Register in accordance with Covid-19 guidance. There was no waiting list in place for a service and the workforce was available continuously throughout the period and it was possible to ensure that new cases of concern of significant harm that needed to be presented to the courts could be heard in a timely manner in virtual courts.

6.8 Safeguarding Adults

6.9 Since 1 September 2020, new Safeguarding Guidelines have been in operation. These new guidelines place more emphasis on the individual's voice within the safeguarding process, and differentiate between concern for wellbeing and concern about the safety of individuals. Consequently, there was a change in the Corporate Safeguarding Policy to ensure that it was in line with the new Guidelines. Every Department is expected to adapt their own safeguarding policies to comply with the Policy and Guidelines.

6.10 In terms of referrals to the Adults, Health and Well-being Department during the Covid-19 pandemic, they were low at the start of lockdown, however, they increased and were substantially higher than the monthly average of 50 referrals in July (73 referrals) and August (80 referrals). It appeared that there was no specific pattern in relation to the reason for the referrals.

6.11 By the end of 2020, the significant increase in referrals had continued. The increase has been noted as a risk, therefore the Department will keep an eye on the level of referrals.

6.12 Home Education Regulations and Guidance

6.13 As a Council we share the concerns of the Children's Commissioner for Wales and ADSS Wales regarding the delay in 2020 by Welsh Government bringing in new legislation via the Senedd to regulate the home education field. The increase in the number of children taken out of the school system to be educated at home this year has highlighted the need to have clear guidelines for both local authorities and families on how to ensure the welfare and safety of any child. We are talking here about children who are permanently home educated, rather than children who undertake distance learning from the home during the Covid-19 period.

6.14 In accepting that Covid-19 has an impact on the work of most organisations, we are also concerned that there is no clear commitment by the Minister for Education regarding if, and when the legislation journey will recommence. It was expected that statutory guidelines would replace the non-statutory ones in September 2021, however, there has been a delay until September 2022 as a result of the pandemic. The Children's Commissioner has expressed disagreement regarding this delay.

6.15 In the meantime, officers from the Education and the Children and Supporting Families Departments continue to follow the present learning and safeguarding guidelines in order to retain contact with children and families who opt for home education.

6.16 By the second half of 2020, it was noted that there had been an increase reported in the number of families that request to permanently educate their children at home. It was likely that the reason for this increase is that some of the children, or household members, are in the shielding category, and the concern is that the child would bring the virus home. Consequently, the Council has been strengthening the process regarding Home Education in order to implement a plan to transfer back to school.

6.17 Domestic Abuse

6.18 There was national concern that domestic abuse was increasing nationally as a result of Covid-19; however, in May 2020 it was noted that the number of cases in Gwynedd was low.

6.19 By the end of 2020, the number of domestic abuse cases reported was exactly the same as 2019. Bearing in mind that so many more people are home during the lockdown period, this is a matter of concern as it begs the question whether sufferers are too afraid to report about their situation and that they live in situations of risk. However, it was confirmed that there was good collaboration between the Council and relevant organisations and that efforts had been made to raise awareness of reporting domestic abuse.

6.20 Crime

6.21 As a result of the pandemic, the levels of nearly every category of crime had reduced in May 2020. On average, the crime levels in Gwynedd was 23% lower than the same time the previous year.

6.22 In July and September, the rates started to gradually increase again. Crime categories such as stalking, harassment, anti-social behaviour and domestic abuse had risen again to the expected levels.

6.23 However, the majority of the crime categories remained substantially lower than expected, and by the end of 2020 crime levels on the whole were 15.2% lower than at the same time in 2019.

6.24 Modern Slavery Statement and Ethical Employment in Supply Chains

6.25 This work now falls within the strategic regional structure and investigations by North Wales Police have identified local cases that justify the priority given to modern slavery by the North Wales Police Commissioner. These investigations confirm the

need for public bodies to work together to meet the requirements of the Slavery Act but also to safeguard the welfare of vulnerable individuals.

- 6.26 In January 2020, the Panel adopted operational measures for the coming year to ensure that the Council has specific arrangements in place, namely posting the guidelines and pathways to refer suspicions/cases on the Gwynedd Council website, establish a single point of contact, publish a specific annual statement regarding how the Council avoids Modern Slavery within business activities and the supply chains and training for staff.
- 6.27 In July 2018, the Council Cabinet approved the Welsh Government Code of Practice for ethical employment in supply chains, which aims to ensure that every organisation in the public sector acts to eradicate unlawful and unethical employment practices.
- 6.28 Following the commitment to the Code, in 2019 the Council published [Gwynedd Council's Modern Slavery Statement 2020/21](#).
- 6.29 The latest developments against the Code of Practice and the Slavery Statement can be seen in this document - [Action Plan 2020-2021: Welsh Government Code of Practice](#). In addition to the description of the Council's internal employment arrangements, it demonstrates that the principles of ethical employment are also embedded in our procurement arrangements and our tendering processes.
- 6.30 Counter Terrorism
- 6.31 The Local Counter Terrorism Profile for Wales has been completed, this looked at risk matters in relation to counter terrorism. Through this Profile, Gwynedd was identified as a region with a low risk level; however, the aim is to continue to raise awareness in the field.
- 6.32 Prevent
- 6.33 In 2020, work proceeded to bring a Prevent Plan together. Gwynedd was a low risk area in relation to radicalisation and extremism; however, risk factors needed to be highlighted.
- 6.34 The Home Office confirmed that individuals acting alone was the highest risk in Gwynedd in relation to mixed unspecific ideologies.

7. PRACTICE REVIEWS

- 7.1 Wales has developed a Child Practice Review (CPR) framework to improve the culture of learning lessons from child protection cases. 'Brief' or 'extended' reviews exist depending on the circumstances of the child in question. They are undertaken by the North Wales Safeguarding Board with the aim of learning lessons to be shared in order to try and avoid such cases in the future.

7.2 During the period (October 2019) the results of one extended case practice review (ECPR) has been published - [ECPR Gwynedd 1 - 2015](#)

7.3 The North Wales Safeguarding Board also conduct Adults Practice Reviews, in accordance with the Social Services and Well-being (Wales) Act 2014. The purpose of these Reviews is to note the lessons to be learnt from complex and difficult Adult Safeguarding cases, and to implement changes to improve services as a result of these lessons.

8. THE FUTURE

7.1 As can be seen in the tables in Part 3, the Panel has further work to do to ensure that some matters are strengthened further - this includes access to appropriate and effective safeguarding training and using appropriate measures.

7.2 The Panel will continue to monitor the safeguarding position of Gwynedd residents as a result of the pandemic by looking at the impact of this at the level and nature of the demand on the options of how to respond.

7.3 Once the work pressure as a result of the pandemic reduces, it is proposed for the Panel to hold a reflective session to assess if there are any matters that require specific attention by the Panel. In addition, the Panel will continue to receive appropriate updates to have assurance that safeguarding matters receive appropriate attention within the corporation.

9. INDEPENDENT INSPECTIONS RECEIVED DURING THE PERIOD

As has already been noted, external agencies review the work of Gwynedd Council in order to ensure compliance with standards. The reviews conducted during the period of this Report are listed below:

Care Inspectorate Wales:

[Annual Performance Review Letter to the Local Authority in 2018/19: Gwynedd Council](#)

[Annual Performance Review Letter to the Local Authority in 2019/20: Gwynedd Council](#)

10. LINKS TO FURTHER READING

[Annual Report of the Director of Social Services 2019/20](#)

[National Independent Safeguarding Board Wales – Annual Report 2019/20](#)

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Agenda Item 8

GWYNEDD COUNCIL CABINET



Report to a meeting of Gwynedd Council Cabinet

Date of meeting:	9 March 2021
Cabinet Member:	Councillor Dafydd Meurig and Councillor Dilwyn Morgan
Contact Officer:	Morwena Edwards, Corporate Director
Title of Item:	Response to the Consultation on the White Paper: Rebalancing Care and Support

1. THE DECISION SOUGHT

- 1.1. The Cabinet is requested to approve the draft response to the Consultation, and to support the Council's decision to disagree with the proposals included in the White Paper.

2. THE REASON FOR THE NEED FOR A DECISION

- 2.1 Welsh Government has published a White Paper on its intention to rebalance care and support in Wales, and has asked for observations on proposals to introduce new legislation to improve social care arrangements and strengthen partnership working to achieve the vision set out in the Social Services and Well-being (Wales) Act 2014 for people who need care and support, and carers who need assistance.
- 2.2 The response will be considered when developing any new legislation in this field.

3. INTRODUCTION

- 3.1 Welsh Government's vision is to rebalance the field of care and support in order to provide high quality social care that supports people to achieve their outcomes. The White Paper briefly defines 'rebalancing' as a series of descriptions of the change we want to see within the system.
- 3.2 The vision of the White Paper corresponds fully to the vision we are already striving to realise here in Gwynedd, and so the vision is to be welcomed, in principle.
- 3.3 These are the key proposals included in the Paper:

- To move away from a focus on money within the care market, and towards quality and value
- To commission services with the focus on outcomes
- To develop integration by reducing obstacles to joint planning and provision
- To co-produce outcomes with people
- To gain better control of the care market
- To move away from an organisational focus towards more effective partnership working

3.4 However, the proposals within the White Paper are very different to the proposals that we would support as a means of achieving this vision.

These are the key matters the White Paper proposes to change:

- To create a National Framework for commissioning children and adults' care, which would set out the methodology for fees, standard commissioning processes, and increase performance transparency
- To further improve regional planning, with joint commissioning across health and care
- To strengthen regional organisations in order to allow more integration and action between social services and its partners, to allow focus on preventative services
- An improved basis for adopting long-term policies, including improved salaries and terms and conditions for the workforce
- To reduce environmental impact by cutting direct emissions through more effective procurement
- To establish a National Office for Social Care that would gain an overview of the stability of the care market, and that would be able to drive national policies

3.5 In terms of the change to strengthen the "regional organisation", the proposal is outlined to ensure that the Regional Partnership Board has more tools at its disposal to ensure that this can be better achieved.

This is the change that is on the table:

- Establishment of Partnership Boards as legal corporate entities.
- The Boards' ability to directly employ staff
- The ability to hold their own budgets
- The Boards' ability to implement joint commissioning with health and care themselves
- To ensure clear governance arrangements for matters of joint accountability for decisions made by local authorities and health boards in terms of pooled funds and joint commissioning
- To establish and hold integrated budgets for the provision of regional integrated services
- To establish a planning and performance monitoring cycle and framework, based around the five-year cycle of data and population assessment

- The Regional Boards would be jointly audited by Care Inspectorate Wales and Healthcare Inspectorate Wales in terms of their effectiveness in working together and in partnership, pooled funds and joint commissioning.
- The Regional Boards and the Public Services Boards to continue to have 'complimentary' functions, but this does not rule out extending the function to CJs for social care.

4. THE RATIONALE AND JUSTIFICATION FOR RECOMMENDING THE DECISION

- 4.1 We have concerns regarding several aspects and directions taken within this White Paper, and are not prepared to support the proposals. At first glance, as the vision is very similar to the vision that we are already striving to achieve here in Gwynedd, the Government's proposal seems to be taking us in the right direction.
- 4.2 However, having considered the content in more detail, the proposals are clearly moving us further away from our vision here in Gwynedd to integrate more locally and to focus on what matters to individuals.
- 4.3 There is also a lack of detail within the White Paper with regard to what some of these proposals actually mean, which makes it very difficult for us to form an opinion on whether the change will be a positive one for the people of Gwynedd or not.
- 4.4 As well as forming a response to the questions that have been set as part of the consultation, we propose that we also form a draft response to the Deputy Minister for Health and Social Services, which includes the following points:
- 4.4.1 First and foremost, Welsh Government is to be congratulated for the outlining of a strong vision within the White Paper. The vision itself should be welcomed and praised, as it is in keeping with the principles of the Social Services and Well-being (Wales) Act 2014, and enriches the quality of care and support. We completely agree that there is a need to focus on outcomes for the individuals as well as the quality of our support and provisions rather than money; and we also welcome the vision of keeping arrangements simple so that we can deliver effectively for our residents.
- 4.4.2 However, **we do not agree** with how it is proposed the vision should be implemented.
- 4.4.3 We truly believe that the actions proposed in the White Paper take us further from the vision outlined. Major assumptions are made with regard to our current arrangements; these are, unfortunately, often incorrect. Neither do we believe that increasing the current level of regional work and, as a result, moving the arrangements further from the local level, will solve or simplify anything. The truth is that this will add a layer of bureaucracy and complexity, and as a result, its impact on individuals locally can only be negative.

- 4.4.4 By establishing another regional body as a separate legal body, as noted in the White Paper, this would lead to a further erosion in local democracy. A body of this sort would need its own specific governance arrangements and framework which will add to the running costs and bureaucracy. It is also fair to note that this will be in addition to establishing CJsCs that already appear cumbersome, suggesting that a range of ad-hoc regional arrangements will exist.
- 4.4.5 In addition, there is insufficient cross reference made to the contents of A Healthier Wales, if at all. The document discusses improving the health and care system as well as working as one, doing so by local integration, as well as striving to focus on the matters behind individuals' health and well-being. And yet, the White Paper seems to ignore this and sees regionalisation as the solution to simplifying work and the sustainability of the care sector.
- 4.4.6 As a Council, we have been undertaking integrated work on a local level for some years now, with Betsi Cadwaladr University Health Board and the Third Sector. A good example of this integrated working are our community resource teams, which are referred to locally at times as our 'Alltwen project' or the 'Ffordd Gwynedd project'.

In this work, we have information and feedback that provide strong evidence that integration at a local level works in terms of how people's outcomes are improved. Our experience shows clearly that it is at this level that integration works best.

At this level, it is possible to simplify work processes and avoid obstacles, leading eventually to an improved service for the individual.

- 4.4.7 Also, the fact that services referred to in the White Paper are seen as support for purchase only is these days a traditional view of the sector.

For many years now, we have strived to include our care provisions in Gwynedd as part of the array of support individuals need, attempting to include providers in the support at a very local level. By trying to create a regional system and pooling resources at a regional level, this excellent work will be lost.

On top of the fact that this would be a considerable step backwards, these regional systems are very likely to be expensive to run and administer, and we would far prefer, as a Council, for those funds to be spent on our residents rather than cumbersome regional systems.

- 4.4.8 Although reference is made to the children field within the White Paper, we believe that the proposals are based on an understanding of the adults' field only and, once again, there is a lack of understanding that it is at a local level that the solutions and integrated working will succeed.

- 4.4.9 We do not agree that yet more regional work in the health and care field is likely to lead to the outcomes listed within the vision.

Our experience locally shows clearly that a focus on local work is what is needed, and the fact that the Health Board in the north has split into smaller sections in order to operate more effectively is very strong evidence of this.

- 4.4.10 The White Paper mentions the need for fair salaries for care providers and we fully agree with this, but there is a major shortfall in terms of noting in the paper how exactly this would be achieved.

Certainly, pooling budgets at a regional level would not achieve this, and a better understanding is needed of how the Government would ensure that Local Authorities are appropriately funded for this to happen. Much more detail is required, as well as an explanation on how these salaries would be funded.

- 4.4.11 We see no references to the Welsh language in the White Paper, which undermines the robust efforts of Welsh Government's More than Just Words strategic framework to offer services in Welsh to patients in care settings as an integral part of the care provided to them. This is a concern for us as a Council, especially when we consider the Welsh demographic of our county. Regional working could undermine much of the work that happens locally in terms of responding to the local language needs.

- 4.4.12 We have major concerns regarding several aspects within this White Paper, and are not prepared to support the proposals. At first glance, it is easy to read the vision and take for granted that the Government is moving in the right direction, but in actual fact, the detailed contents move us further from our vision here in Gwynedd to integrate on a more local level, and to be focussing on what matters to individuals.

- 4.5 We therefore ask Welsh Government to give careful consideration to our observations, and to reconsider the proposals within the White Paper.

5. NEXT STEPS AND TIMETABLE

- 5.1 Gwynedd Council is asked to submit a response to the consultation by 6 April 2021.

6. Views of the Statutory Officers:

i) The Monitoring Officer:

As noted in the report the White Paper offers solutions which, on the one hand are welcome but with elements which give rise to some fundamental questions as to their intent an direction.

ii) Head of Finance:

I agree with the authors of this 'response' report that there is danger within the White Paper's proposals for regional joint commissioning across health and care. There would be diseconomies of scale and risk of duplication of management costs with an oversized "regional organization" moving arrangements further away from the local level.

Furthermore, with regional "pooled budgets" (words which appear several times in the White Paper), there is a risk of a lack of accountability for very significant expenditure, and a likelihood of failure in financial management due to 'cost shunting'. It would be much easier to keep financial control with integrated working at a local level, so I'm convinced that enforcing regional pooled budgets would be counterproductive.

Questions of the Consultation on the White Paper: Rebalancing Care and Support

Question 1: Do you agree that complexity in the social care sector inhibits service improvement?

Complexity in any service would likely inhibit service improvement, but we believe that adding an additional layer at a regional level, and in doing so go further away from the individual, would certainly add complexity rather than reduce it.

It is not always easy to avoid complexity in the social care sector, because of policies, procedures and processes. Nevertheless, we do have room to simplify some aspects of the sector's work in order to improve services for our patients, for example, by working in an integrated manner and at a more local level.

The White Paper argues that the sector's current procedure is complex, but we believe that the changes proposed would add layers of unnecessary complexity, by moving the decisions that matter to our individuals further away by introducing them at a regional and national level.

Consequently, we would also move away from doing what matters to the individual and placing them at the centre of everything we do. A Healthier Wales stresses the need to do this, and the White Paper undoes this work by regionalising the work.

Question 2: Do you agree that commissioning practices are disproportionately focussed on procurement?

For some years now in Gwynedd, we have identified the need to work much more closely with our care providers, whether external or in-house, in terms of planning services and support for individuals. Therefore, we are already trying to move away from traditional procurement arrangements for the care sector.

The proposals made would likely inhibit the pioneering and exciting changes that we have underway.

Question 3: Do you agree that the ability of RPBs to deliver on their responsibilities is limited by their design and structure?

The different regions within Wales need to be given consideration, while addressing the fact that the north Wales region is comprised of a number of different areas which have different needs.

Welsh Government has set out the design and structure of the Regional Partnership Boards, and the needs of the north Wales region are not always considered within this, which means that making decisions and holding discussions at a regional level can be difficult at times, given the size of the region.

With the right design and structure, Regional Partnership Boards can be a strength for networking and to deliver on some very specific matters, but more local partnership arrangements would likely give better results to the people of Gwynedd than regional arrangements.

Question 4: Do you agree a national framework that includes fee methodologies and standardised commissioning practices will reduce complexity and enable a greater focus on service quality?

We welcome the need to have a greater focus on service quality. However, the White Paper does not set out a clear intention which highlights the way the care sector would be funded in the future. It is suggested that budgets should be accrued regionally, but it is difficult to see how this would improve services at a local level and it is, indeed, more likely to create complexities which would deteriorate quality.

A national framework would probably benefit us on matters where national intervention is needed - e.g. if it included better terms and conditions in terms of fees for staff working in the care sector, as well as a commitment to fair funding so that local authorities are able to do this.

However, it is not possible for us to anticipate whether such a national framework would benefit us at a local level until we know what is included in it, and how it will be implemented. We need far more detail before being able to answer this question properly.

Question 4a: - What parts of the commissioning cycle should be reflected in the national framework?

Again, without further detail, it is difficult to give a comprehensive response, but generally speaking, it is important that the needs of our local population, within specific areas of the county, are identified and that this feeds into commissioning at a local level, where possible. If there are issues due to numbers or specialist requirements, requiring a regional or national level response, it would then be possible to hold the discussions at that level.

Question 5: Do you agree that all commissioned services provided or arranged through a care and support plan, or support plan for carers, should be based on the national framework?

It would be useful to have more clarity in terms of what the Government views as the problem at present, and then have an explanation of how they see a national framework solving this problem. There is a lack of information and detail within the White Paper to enable us to respond sensibly.

There has been good work at a local and national level in terms of commissioning and providing arrangements here in north Wales. Care and support is very personal to every individual, and we are focusing our efforts on working to provide what matters to individuals to enable them to live their lives as they want to live them.

We are uncertain how much a national framework would add to the arrangements we already have in place; we do not wish to duplicate work or create more work for ourselves.

Question 5a- Proposals include NHS provision of funded nursing care, but do not include continuing health care; do you agree with this?

We do not agree that continuing health care should be excluded from any consideration. For the individual, many concerns and obstacles are caused if the continuing health care arrangements are kept separate to the care arrangements. There is an opportunity here for the White Paper to address these obstacles in terms of the patients' experience.

Question 5b- Are there other services which should be included in the national framework?

It is difficult if not impossible to answer this question without further detail.

Question 6: Do you agree that the activities of some existing national groups should be consolidated through a national office?

It is very difficult to answer this question without further detail and more evidence in terms of why a National Office is needed.

Many national groups already exist, but it is unclear what benefits would stem from combining them by creating a national office. Again, we must ask if this would duplicate or create more work.

Question 6a- If so, which ones?

Please see the above response.

Question 7: Do you agree that establishing RPBs as corporate legal entities capable of directly employing staff and holding budgets would strengthen their ability to fulfil their responsibilities?

On the basis of the current responsibilities of the Regional Partnership Boards, the boards do not need to be corporate legal entities.

Question 7a- Are there other functions that should be considered to further strengthen regional integration through RPBs?

There is no need to strengthen regional integration as this is already happening, and working successfully, at a local level.

Question 8: Do you agree that real-time population, outcome measures and market information should be used more frequently to analyse needs and service provision?

Possessing this information at a local level is important in order to help us to better create services, with adaptations as required.

Question 8a- Within the 5 year cycle, how can this best be achieved?

Ensuring that this planning happens at a very local level and as part of natural community planning - within community clusters - would be beneficial. It must be ensured that preventative work within communities and community resilience are key parts of planning within the health and care sector. This was seen clearly with the way we responded to the Covid crisis - actually working at an even more local level. The regional work was suspended and leaders naturally looked at their local networks in order to respond. This needs to be reflected in the White Paper.

Question 9: Do you consider that further change is needed to address the challenges highlighted in the case for change?

Yes. There is a need to think of different ways of resolving the challenges that face us in the sector. A Healthier Wales addresses these challenges in an effective and meaningful way, therefore, we believe that the principles contained within it should be followed, rather than following the direction of the White Paper.

The White Paper is in danger of undoing much of the good work which has been happening locally in the sector to provide care of a good quality according to the needs of the individuals.

Question 9a- What should these be?

As a Council, we are very willing to discuss further with you in order to show the evidence we have in terms of integration and working locally, bringing our care provisions in even more to the solutions at a local level.

Question 10: What do you consider are the costs, and cost savings, of the proposals to introduce a national office and establish RPBs as corporate entities?

There would be a high cost of establishing these things, at the expense of funding we could spend elsewhere in the interests of the patients e.g. on provisions, resources or staff. It is unclear what benefits would stem from establishing these national and regional bodies, but using the money to improve direct provisions for individuals and the salaries of care staff would certainly make more of a difference.

Question 10a- Are there any particular or additional costs associated with the proposals you wish to raise?

Please see the above response.

Question 11: We would like to know your views on the effects that a national framework for commissioning social care with regionally organised services, delivered locally would have on the Welsh language, specifically on opportunities for people to use Welsh and on treating the Welsh language no less favorably than English. What effects do you think there would be? How could positive effects be increased, or negative effects be mitigated?

The White Paper makes no reference to the Welsh language or the impact on the language, which raises major concerns that no consideration has been given to the impact these changes would have on the language.

The More Than Just Words framework means that patients must receive a service in the language of their choice, without having to ask for it. We would hope that no change is made to this expectation, and that the framework would be further strengthened with the emergence of any changes.

Question 12: Please also explain how you believe the proposed policy to develop a national framework for commissioning social care with regionally organised services, delivered locally could be formulated or changed so as to have positive effects or increased positive effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language, and no adverse effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.

Again, this is likely to be very difficult to deliver, given the north Wales regional demography. It is an extensive area with a variety of linguistic needs; therefore, it would be difficult to have a policy which would suit all areas.

Number: WG41756



Llywodraeth Cymru
Welsh Government

Welsh Government
White Paper

Rebalancing care and support

A consultation on improving social care arrangements and strengthening partnership working to better support people's well-being.

Date of issue: 12 January 2021
Action required: Responses by 06 April 2021

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.
This document is also available in Welsh.

Overview This consultation document seeks views on proposals to introduce new legislation to improve social care arrangements and strengthen partnership working to achieve the vision set out in the Social Services and Well-being (Wales) Act 2014 for people who need care and support and carers who need support. Proposals include setting out a clear national framework to support services to be planned regionally and delivered locally, and for the strengthening of partnership arrangements.

Your responses will be considered in developing any new legislation.

How to respond Responses to this consultation should be e-mailed or posted using the online response form to the respond address below. All consultation responses must arrive by 6 April 2021 at the latest.

Further information and related documents **Large print, Braille and alternative language versions of this document are available on request.**

The consultation documents can be accessed from the Welsh Government's website at <https://gov.wales/consultations>

Contact details For further information:

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Also available in Welsh at: <https://llyw.cymru/ymgyngoriadau>

General Data Protection Regulation (GDPR)

The Welsh Government will be data controller for any personal data you provide as part of your response to the consultation. Welsh Ministers have statutory powers they will rely on to process this personal data which will enable them to make informed decisions about how they exercise their public functions. Any response you send us will be seen in full by Welsh Government staff dealing with the issues which this consultation is about or planning future consultations. Where the Welsh Government undertakes further analysis of consultation responses then this work may be commissioned to be carried out by an accredited third party (e.g. a research organisation or a consultancy company). Any such work will only be undertaken under contract. Welsh Government's standard terms and conditions for such contracts set out strict requirements for the processing and safekeeping of personal data.

In order to show that the consultation was carried out properly, the Welsh Government intends to publish a summary of the responses to this document. We may also publish responses in full. Normally, the name and address (or part of the address) of the person or organisation who sent the response are published with the response. If you do not want your name or address published, please tell us this in writing when you send your response. We will then redact them before publishing.

You should also be aware of our responsibilities under Freedom of Information legislation. If your details are published as part of the consultation response then these published reports will be retained indefinitely. Any of your data held otherwise by Welsh Government will be kept for no more than three years.

Your rights

Under the data protection legislation, you have the right:

- to be informed of the personal data held about you and to access it
- to require us to rectify inaccuracies in that data
- to (in certain circumstances) object to or restrict processing
- for (in certain circumstances) your data to be 'erased'
- to (in certain circumstances) data portability
- to lodge a complaint with the Information Commissioner's Office (ICO) who is our independent regulator for data protection.

For further details about the information the Welsh Government holds and its use, or if you want to exercise your rights under the GDPR, please see contact details below:

Data Protection Officer:

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Cathays Park

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The contact details for the Information Commissioner's Office are:

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Ministerial Foreword

Throughout the Covid-19 pandemic the social care sector has dealt with unprecedented levels of challenge, supporting many of the most vulnerable people in our society. Local innovation has developed at pace and services have worked together. I want to take this opportunity to thank personally each and every member of the social care workforce for their ongoing contribution to our local communities.

The Welsh Government remains committed to our vision of securing well-being for people who need care and support and carers who need support. Significant progress has been made in the nearly ten years since our first White Paper on social care, *Sustainable Social Services: A Framework for Action 2011*, which marked the beginning of our transformational journey. The Social Services and Well-being (Wales) Act 2014⁽¹⁾ was co-produced with the sector and people who need care and support and carers who need support, and it has reshaped the nature of the sector. It shares with the Well-being of Future Generations (Wales) Act 2015⁽²⁾ a focus on well-being, an ethos of prevention and early intervention and the imperative of co-production and cross-sector working. *A Healthier Wales – our Plan for Health and Social Care* also broke new ground in setting out in a national plan a single system approach to health and social care.

This White Paper therefore builds on strong foundations. However, the pandemic has put the social care system under great strain and made the fragility of the sector more visible. Years of UK-wide austerity has made its mark on public finances, and a further challenging period lies ahead of us. That is why we must increase the pace of our transformational work to make social services sustainable.

To be fit for the future we are proposing legislative changes that we believe are essential to secure our vision. We intend to develop a national framework for commissioning social care that will rebalance care and support. It will reduce complexity and ensure that quality is the key determinant of success in the social care market. We know that continuity of the social care workforce has a significant impact on the achievement of people's outcomes, and therefore there will be a strong link between the national framework and action to support the workforce.

We remain committed to Regional Partnership Boards and want to support them to build on their successes to strengthen integration across Wales. We will enhance Regional Partnership Boards by providing them with a sharper set of tools to deploy, to better plan and deliver care and support where collective action is essential in order to improve people's well-being.

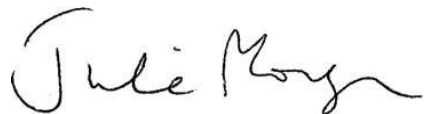
In setting out these proposals I want to assure locally elected representatives that I am strongly committed to local democratic accountability, and therefore to decisions about local services being made as close as possible to local people. In making that clear statement, it is not contradictory to point to the complexity in the social care commissioning landscape, nor to the benefits of regionally integrated planning and delivery.

¹ [The Social Services and Well-being \(Wales\) Act 2014](#) (2014 anaw 4)

² [The Well-being of Future Generations \(Wales\) Act 2015](#) (2015 anaw 2)

We recognise that there are significant pressures on the sector due to the pandemic, but it is important to look to the future and how we may build back better. These proposals are not about short term structural changes, they are about long term solutions to enhance our system and ensure sustainable social services in Wales that support people to achieve well-being. We believe our proposals will provide a better basis for future improvement to the social care sector, including by supporting the workforce.

I welcome your views on our proposals, and look forward to working together with you to deliver our ambitions for better social care in Wales.

A handwritten signature in black ink, reading "Julie Morgan". The signature is written in a cursive, flowing style.

Julie Morgan, MS
Deputy Minister for Health and Social Services

Executive Summary

Introduction

At the time of publication of this White Paper, social care services are grappling with enormous challenges on a daily basis because of Covid-19. The pandemic has made more apparent the sector's fragility. How then as a social care sector we can build back better is both an opportunity and a necessity.

Landmark legislation in the form of the Social Services and Well-being (Wales) Act 2014 and the Regulation and Inspection of Social Care (Wales) Act 2016⁽³⁾ has unanimous support across the sector. *A Healthier Wales*⁴ remains central to our vision of an integrated health and social care system. All our work as a government is shaped by the Well-being of Future Generations Act 2015.

However, the description in the social services well-being statement, of the outcomes people should experience with support from care and support services, is still not uniformly the experience of people who need care and support, and carers who need support. A range of environmental and system factors offer explanations for this.

Analysis

There is growing need for care and support in all population groups. This relates to the biggest underlying challenge which is the sector's funding position. Years of austerity have made their mark on public finances, and the impact of Covid-19 is creating a further challenging period. The Welsh Government's Inter Ministerial Group on Paying for Social Care is examining options for the future resourcing to be made available to the adult social care sector as part of the package of funding available for a future social care promise. Future financial implications will need to be met from within the future settlements set by forthcoming budget rounds, and all governments will face difficult decisions in the face of very tight budget outlooks.

Complexity is the overriding feature of the care and support landscape. Social care in Wales is provided through a market place of over 1,000 providers, mostly from the independent sector, who often compete for the same contracts. People's care and support is commissioned through local authorities, local health boards or directly by themselves. It is funded through national and local government and through fees and charges people may pay to their local authority or directly to a care provider.

In this context of a fragmented system, partners working together is vital. There is evidence of good practice here, but equally there are concerns about the progress of integration. There is little space for social value organisations, and limited data sharing as a basis for system-wide learning. This is the system we have, rather than the system that would be designed by choice.

³ [The Regulation and Inspection of Social Care \(Wales\) Act 2016](#) (2016 anaw 2)

⁴ [A healthier Wales: long term plan for health and social care](#)

Design

From the case for change, three critical areas emerge where focused action is needed to deliver improvement:

- refocusing the fundamentals of the care market – away from price towards quality and value;
- reorientation of commissioning practices – towards managing the market and focusing on outcomes; and
- evolution of integration mechanisms – simplifying joint planning and delivery.

Through action in these three areas, this White Paper seeks to rebalance the care and support market based on a clear national framework where services are organised regionally and delivered locally. In doing so we aim to rebalance social care so that there is neither an over reliance on the private sector, nor a monopoly in the other direction. This White paper defines 'rebalancing' broadly as a set of descriptions of the system change we want to see.

Rebalancing means...

...Away from complexity. Towards simplification.

Away from price. Towards quality and social value.

Away from reactive commissioning. Towards managing the market.

Away from task-based practice. Towards an outcome-based practice.

Away from an organisational focus. Towards more effective partnership...

... to co-produce better outcomes with people.

In shaping these proposals we have drawn on guiding frameworks which emphasise a long term perspective, the importance of collaboration and seeking opportunities to reduce complexity.

Overview of proposals

A national framework for commissioning care and support for children and adults will be developed to rebalance the market with the aim of improving quality. The national framework will set fee methodologies, develop more standardised commissioning processes, and increase transparency of service performance. Fee methodologies must be flexible enough to reflect factors including size and location and the resourcing of providers at different stages of their own business cycle. The framework can be a platform for implementing future recommendations of the Social Care Forum in relation to improved terms and conditions across the sector in Wales.

A 'national office' for social care should be established to develop and deliver the national framework. This may be either through developing a function within government, or setting up a small arms-length body of the Welsh Government. In both options, governance arrangements will ensure full engagement with local authorities, health boards, the independent sector and other key partners.

The national office will maintain an overview of the stability of the market for care and support, and be a basis for driving national policy initiatives. It will consolidate activity of some national fora, including the National Commissioning Board, working with Social Care Wales, the workforce regulator with responsibility for supporting service improvement in Wales. Separately, national direction will be strengthened through establishing a professional voice for the social care and social work workforce at a national level within Welsh Government.

Local authority commissioning functions will continue to be accountable locally. Based on the proposals in this paper, in future local authorities and local health boards will exercise these functions in accordance with the national framework, ensuring the full and fair use of its methodologies.

Regional Partnership Boards (RPBs) will be provided with a sharper set of tools to deploy to deliver their core aims of jointly assessing and planning for population needs. This responds to external reviews, and to the feedback from RPB members about how the current configuration of these partnership arrangements can sometimes limit their ability to act collectively and decisively. Specifically, we propose that RPBs should be established as corporate legal entities. Re-shaped RPBs, with functions to employ staff and hold budgets, would be expected to undertake significant joint commissioning and more directive market shaping.

Current planning and reporting arrangements will be consolidated, and these arrangements will be a better basis to evidence accountability to local and regional partners, as well as Welsh Ministers in respect of any national resources allocated to RPBs.

Conclusion

The proposals outlined in this White Paper will strengthen the arrangements of the social care sector and improve quality of care. They are based on an analysis of the weaknesses in the market for care and support, and limitations in current partnership structures.

The proposals will reduce complexity, increase sustainability, and strengthen integration. They will increase transparency rather than obscure local accountability. The changes proposed can rebalance the provision of care and support profoundly.

The focus is on the way the system is arranged, but the clear purpose is achieving our vision for social care through improving outcomes for people who need care and support and carers who need support.

Introduction

Overview

Social care helps people who need care and support, such as older people, children who have physical or social needs, disabled people, and their families and carers. Care and support might include support to communicate, protection from abuse or neglect, help to maintain or develop family or other significant personal relationships or help with everyday living (e.g. getting in and out of bed, cooking and laundry).

People in need of care and support and carers who need support must be enabled to use their strengths to achieve what matters to them, and they must have real voice and control over their lives, so that they can make a full contribution to the community and draw on it for support. Prevention is at the heart of this approach, this requires a whole system approach with an emphasis on improvement, well-being, co-production, prevention and early intervention, and on using new and emerging technology effectively.

The organisation, arrangement and delivery of social care is complex. That was the case before the emergence of Covid-19, but the pandemic has reconfirmed fragility within parts of the sector, for example across domiciliary and residential care. It has also shown how we can collectively address unnecessary complexity in order to increase the focus on quality and person-centred care. This White Paper proposes that current arrangements for social care need to be strengthened and re-aligned to respond to the range of challenges facing the sector, and to achieve the vision for social care set out in the Social Services and Well-being (Wales) Act 2014, supporting people to achieve their well-being outcomes. These challenges form the basic rationale for the proposals in this White Paper, which will provide a better basis for the future of social care.

The vision for social care

It is almost ten years since the Welsh Government's White Paper '*Sustainable Social Services for Wales: A Framework for Action*' set the Welsh Government's commitment to reform social care in Wales and marked the beginning of a transformational journey. The Social Services and Well-being (Wales) Act 2014 ('the Act') and the Regulation and Inspection of Social Care (Wales) Act 2016 were co-produced with the sector and people in Wales.

This landmark legislation embodies the Welsh Government's vision and core principles for social care, building on people's strengths to support them to achieve well-being and this continues to be right for social care in Wales. For older people this means living longer, healthier and happier lives, being able to remain active and independent, in their own homes, for as long as possible. For adults this means being able to exercise control over their lives and participate in work and other activities that are important to them. For children and families this means being supported to stay together, where this is in the best interests of the child.

Section 5 of the Act includes a definition of well-being. "Well-being", in relation to a person, means well-being in relation to any of the following—

- a) physical and mental health and emotional well-being;
- b) protection from abuse and neglect;
- c) education, training and recreation;
- d) domestic, family and personal relationships;
- e) contribution made to society;
- f) securing rights and entitlements;
- g) social and economic well-being; and
- h) suitability of living accommodation.

In relation to a child, “well-being” also includes—

- a) physical, intellectual, emotional, social and behavioural development; and
- b) “welfare” as that word is interpreted for the purposes of the Children Act 1989.

In relation to an adult, “well-being” also includes—

- a) control over day to day life; and
- b) participation in work.

This definition was further developed through the social services well-being statement for people who need care and support and carers who need support⁵. The statement sets out what well-being means for people. This is about giving people a stronger voice and greater control over decisions that affect them and ensuring people get the care and support they need to lead fulfilled lives.

The core principles of the vision are set out as overarching duties in section 6 of the Act. These are:

- to ascertain and have regard to the individual’s views, wishes and feelings, in so far as is reasonably practicable;
- to have regard to the importance of promoting and respecting the dignity of the individual;
- to have regard to the importance of providing appropriate support to enable the individual to participate in decisions that affect them to the extent that is appropriate in the circumstances, particularly where the individual’s ability to communicate is limited for any reason; and
- to have regard to the characteristics, culture and beliefs of the individual (including, for example, language).

Specifically in relation to adults, these are:

- to have regard to the importance of beginning with the presumption that the adult is best placed to judge their well-being; and
- to have regard to the importance of promoting the adult’s independence, where possible.

Specifically in relation to children, these are

- to have regard to the importance of promoting the upbringing of the child by the child’s family, in so far as doing so is consistent with promoting the well-being of the child; and

⁵ [Well-being statement for people who need care and support and carers who need support](#)

- to ascertain and have regard to the views, wishes and feelings of the persons with parental responsibility for the child where a child is under 16, in so far as doing so is a) consistent with promoting the well-being of the child and b) reasonably practicable.

The Welsh Government has a longstanding commitment to rights and has put the United Nations Principles for Older Persons and the United Nations Convention on the Rights of the Child in Section 7 of the Act. The Welsh Government has also included a duty to have regard to the United Nations Convention on the Rights of Persons with Disabilities in the Code of Practice for Part 2 of the Act.

The Older People's Commissioner for Wales⁶ has noted that growing older and living in an ageing society is something most of us will experience. Improving this experience therefore benefits us all, and we must continue to ensure that the human rights of older people are protected, both now and in the future. People's rights must be at the heart of action and decisions about what happens in our care homes, in the wider social care system and in our communities⁷. The Welsh Government is committed to create a Wales where everyone looks forward to growing older. The Strategy for an Ageing Society⁸ sets out to create an age friendly Wales that upholds older people's rights and promotes intergenerational solidarity.

In 2011 Wales became the first country in the UK to incorporate children's rights into domestic law with the introduction of the Rights of Children and Young persons (Wales) Measure 2011. The Measure embeds consideration of the United Nations Convention on the Rights of the Child (UNCRC) and the optional protocols into Welsh law. The main duty within the Measure, under section 1, requires Ministers to have due regard to the UNCRC when exercising any of their functions. The Welsh Government believes that all children – without discrimination in any form – must have their human rights protected. Any persons carrying out functions under the Act in relation to children with needs for care and support, child carers with needs for support and persons in respect of whom functions are exercised under Part 6 (looked after and accommodated children), must have due regard to the United Nations Convention on the Rights of the Child.

In addition the Act, for the first time, gives carers equivalent rights to the people that they care for by extending their right to an assessment for support. The duty to assess applies regardless of the authority's view of the level of support the carer needs or the financial resources he or she has or the financial resources of the person needing care. The assessment must include an assessment of the extent to which the carer is able and willing to provide the care and to continue to provide the care, the outcomes the carer wishes to achieve both in terms of themselves and the extent to which support, preventative services, or the provision of information, advice or assistance could assist in achieving the identified outcomes. The Welsh Government is currently consulting on a national plan for carers⁹.

⁶ [Older People's Commissioner for Wales Strategy 2019-22- Making Wales the best place in the world to grow older](#)

⁷ [Joint Statement by the Older People's Commissioner for Wales and Equality and Human Rights Commission in Wales](#)

⁸ [Welsh Government consultation on the strategy for an ageing society: age friendly Wales](#)

⁹ [Welsh Government consultation on a national plan for carers](#)

Progress in achieving the vision

The quality of people's experience of care and support is impacted by the behaviour of those providing services, such as warmth, kindness, empathy, respect, genuineness and love¹⁰. In September 2020, 75 per cent of people who responded to the National Survey for Wales¹¹ agreed that the care and support they received had improved their quality of life.

Alongside this broadly positive account, we know progress in achieving the vision of the Act can be inconsistent. For example the Care Crisis Review¹² reported that some children, young people and families say they are not getting the early offers of help they want to stop problems escalating. A recent study of citizens' views¹³ showed many respondents felt like they need to fight for services, and that there was an expectation that they will accept and fit in with whatever support they are given. Carers were more likely to report a far higher incidence of 'negative' or 'very negative' experiences than those who receive care and support.

This legislation is still relatively new, and its implementation, including the shift to a new way of working to support people to achieve well-being, continues to be a journey. The Welsh Government's evaluation of the Act findings suggest that the ethos and principles of the Act are supported and have led to real change in social care, even despite austerity, but it is still very much regarded as an ongoing process. Given the variations in people's experiences, the challenges facing the sector described in the Case for Change section of this paper, and reflecting from the impact of the Covid-19 pandemic, the present moment is an important time to take stock and plan for the future.

¹⁰ [The King's Fund blog- Quality in social care: we need an ear for stories as well as an eye for data](#)

¹¹ [National Survey for Wales: results viewer](#)

¹² [Care Crisis Review- A sector-led Review of the rise in applications for care orders and the number of children in care](#)

¹³ [Measuring the Mountain- our findings](#)

The case for change

The Welsh Government has commissioned a partnership between academics across four universities in Wales and expert advisers to deliver the evaluation of the Act. Evidence from this evaluation suggests that the legislation has promoted change, and progressed local authorities' relationships with key partners in health, the voluntary sector and the independent sector. Four years after the Act came into force, there is considerable evidence of the difference made. However, a key theme running throughout the evaluation was the reference to the difference still to be made and the implementation of the legislation being seen as a continuous journey of change¹⁴.

The following section builds on the preceding analysis by setting out important challenges facing care and support in Wales in the time ahead. This 'case for change' provides a basis for the proposals in the final sections of this White Paper.

Population change and need

The proportion of people over the age of 75 in Wales is projected to increase by more than 53 per cent by 2040. Likewise, those over 65 will rise to one in four of the population before 2050. Although future demand for formal care cannot simply be linked to an ageing population, the projected growth in the numbers of older people with complex care needs (including severe dementia) is highly likely to result in increased pressure on formal care services – for example, the number of older adults living with severe dementia is predicted to double to 53,700 by 2040¹⁵.

There has tended to be a perception in the sector of a reluctance to engage with social care amongst some Black Asian and Minority Ethnic communities as some families have preferred to support older family members themselves. However, more families are reported to say they cannot offer the support needed and therefore it is expected that significantly more Black Asian and Minority Ethnic older people will need to access social care services in the future. Current national data on adults receiving care and support provided to Welsh Government is not broken down by ethnicity. The Welsh Government is collaborating with key stakeholders in the social care sector on the development of a more comprehensive routine census of adults receiving care and support. The Welsh Government is also developing a Race Equality Action Plan to stimulate culture change in Welsh Government, in public services in Wales, in business and in Welsh society, to address structural and systemic racism. The Race Equality Action Plan will aim to transform the experiences and life chances of Black, Asian and Minority Ethnic people in Wales. Enabling access to appropriate and culturally sensitive social care provision has emerged as a priority for Black, Asian and Minority Ethnic people in the early co-construction of the Plan. Social Care Wales and Health Education and Improvement Wales have developed a workforce strategy¹⁶ for health and social care which includes developing targeted recruitment schemes for under-represented groups.

¹⁴ [Evaluation of the Social Services and Well-being \(Wales\) Act 2014](#)

¹⁵ [The future of care in Wales: Resourcing social care for older adults report by Wales Fiscal Analysis 2020](#)

¹⁶ [Social Care Wales and Health Education and Improvement Wales' 10 year workforce strategy for health and social care](#)

Numbers of people with long term, life limiting and chronic conditions are increasing, largely due to the ageing population. There will be a 57% increase in people age over 75 with life limiting long term illness by 2035¹⁷. Older age is the leading cause of deafblindness, this is likely to increase as the over 85 population continues to grow. In the UK, 29,000 adults with a learning disability live with parents aged 70 or over, many of whom are too old or frail to continue in their caring role.

Local authority expenditure increased far more over the last 10 years for children's services than adult's services, even though the population of children in Wales remained relatively constant. The number of looked after children has risen significantly. Since 2003 the number of looked after children in Wales has risen by 63 per cent. In addition, more expensive care and support interventions are also needed to meet the increasingly complex needs of families, including those where children and young people who are disabled or who have severe chronic illnesses are living longer.

Tackling the continuing rise in numbers of looked after children in Wales has been a key priority throughout the course of this Government. To help stem the rise in looked after children numbers, the First Minister asked for a targeted approach to be developed with local authorities. Local authorities have developed reduction expectation plans over a 3 year period (2019-2021). However since the introduction of these plans, further increases have been seen with a 6.9 per cent increase in numbers of looked after children across Wales. At 31 March 2019 looked after children from Black, Asian and Minority Ethnic group population were over represented, making up 8.6 per cent of looked after children¹⁸, compared with 6.6 per cent of all children from the Black, Asian and Minority Ethnic population group in Wales.

Carers should be enabled to lead a life alongside their caring, and through supporting carers the demands on public services can be reduced. The most recent official statistics on the numbers of carers in Wales are reported through the 2011 Census¹⁹. There were 370,230 unpaid carers (both children and adults) in 2011 providing at least one hour of unpaid care. Of those, 157,794 were providing at least 20 hours of unpaid care. Carers UK has noted an increase in unpaid carers due to the coronavirus pandemic. Unpaid carers providing high levels of care are twice as likely to be permanently sick or disabled themselves. Unpaid care is by far the largest source of adult care provision²⁰.

The funding challenge

The Welsh Government recognises the biggest challenge facing the social care sector is the funding position in the context of increasing and more complex demand on services. Social services continues to make up an increased percentage of overall local government expenditure. Commissioning costs and wage inflation account for a

¹⁷ [National population needs assessment report for care and support in Wales](#)

¹⁸ [Looked after children census, at 31 March 2019.](#)

¹⁹ [Office for National Statistics- official labour market statistics](#)

²⁰ [The future of care in Wales: Resourcing social care for older adults report by Wales Fiscal Analysis](#)

significant proportion of increased demands on local authority social services departments across Wales²¹.

There is uncertainty over future budgets. The Welsh Government received a one year budget settlement for 2021-22. The Welsh Government has increased local government budgets by £172 million in 2021-2022 on a like-for-like basis compared to the current year. Setting aside additional spending because of the Covid-19 pandemic, this budget plan represented an above inflation increase of more than £400 million in health and social care, bringing the total investment in the health and social care system in 2021-22 to more than £8.7billion. This includes an increased special grant of £50 million to local authorities to address pressures on social care and more than £130 million provided through the Integrated Care Fund. But even with this additional funding the projected future funding need looks challenging. Any future financial implications will need to be met from within the future settlements set by future budget rounds.

The Health Foundation estimates that pressures on social care will rise by around 4.1 per cent a year in real terms between 2015 and 2030-31, due to demography, chronic health conditions and rising costs. This will require the budget to almost double by 2030-31 to match demand. This rate of growth is higher than that expected for the NHS, as social care is heavily concentrated on the frail elderly, often with co-morbidity, and a much smaller but growing (and ageing) population of people with learning disabilities.

Analysis undertaken for the Welsh Government shows potential funding requirements for social services in Wales in the short to medium term. LE Wales presented five potential scenarios, projecting net expenditure requirements up to 2022-23. While it is difficult to predict expenditure patterns, since publication, 2018-19 data shows an annual increase of 5.7 per cent on 2017-18 net current expenditure, which is closest to the high cost scenario estimate. These scenarios were predicted before Covid-19, with an increase in demand from the pandemic, it is likely that the expected projections will be an underestimate.

The Inter-Ministerial Group on Paying for Care ('the IMG') has been considering the possibility of raising additional funding for adult social care in the context of Professor Holtham's²² proposals for a hypothecated levy to create a social care fund. For contributing in this way he envisaged people receiving a "social care promise" or clear benefit of some kind. The IMG's work has been delayed by the pandemic, but is progressing. The IMG has considered a range of options for the potential use of any additional funds raised. This included all personal care and accommodation free, along the lines of the NHS. However, an initial cost of this is an estimated additional £700 million a year, well beyond the Welsh Government's ability to provide. As a result, the IMG has focused on developing funded options that are potentially sustainable and deliver better quality care.

The care and support market

The care estate is large and varied, consisting mostly of smaller private providers with narrow margins and limited financial reserves. On 22 December 2019, there were 1076

²¹ [At the tipping point? Welsh local government and austerity report by Wales Centre for Public Policy](#) 2019

²² Paying for social care- An independent report commissioned by the Welsh Government 2018

care home services for adults, 229 care home services for children and 570 domiciliary support services, registered with Care Inspectorate Wales (CIW). Of the 570 domiciliary support services, 23 were provided by local authorities or local health boards. The majority (75per cent) of care homes for older people in Wales are owned by a single owner who own one care home or an owner who has less than five care homes. A much smaller percentage of homes are owned by larger group providers (8per cent)²³.

More adults are receiving care and support at home wherever possible, in line with what matters to them. This has created a level of demand that outweighs the volume of domiciliary care provision available. Often the greatest proportion of delayed transfers of care from hospitals has been attributable to people waiting to return to their homes with packages of domiciliary care services in place.

Implementation of the Regulation and Inspection of Social Care (Wales) Act 2016 has changed the framework under which the care market is regulated and inspected. New regulations have been made covering each of the regulated services listed in that Act. The regulations were made in three phases – an explanation of the regulations (and relevant links) may be found on the Social Care Wales information and learning hub²⁴.

The purpose of these regulations and CIW is to ensure safety of care and support, to drive up improvement so that people can achieve well-being and the outcomes that are important to them. It is an offence for a service provider to fail to comply with a specified provisions of these regulations, and CIW is able to take action against providers and responsible individuals when necessary. The regulations focus on six key areas: information, person-centred care, safeguarding, environment (including premises), staffing and governance.

Commissioning and complexity

The *Let's Agree to Agree Toolkit*²⁵ used the term commissioner to describe the staff from the local authority or the health board who have responsibility for ensuring that the right range and type of care is available for people in their area. Social care commissioners analyse need, plan and design appropriate service provision, secure that provision (often but not exclusively through procurement activity) and monitor the quality and delivery of the provision on an ongoing basis. There are 29 main commissioners of care in Wales through 22 local authorities and 7 local health boards.

The *Let's Agree to Agree Toolkit* describes procurement as the process of ensuring that a fair price is paid from the public purse for those people whom the state arranges or provides care for. Commissioners in Wales mainly procure services and undertake contract management arrangements. Due to the complexity of the market, and reduced capacity because of austerity, it is challenging for commissioners to develop all parts of the commissioning cycle, for example, designing, capacity building, managing relationships and analysing. This can be seen in excessive residential care beds and service gaps across Wales, for example limited availability of care and support through the Welsh Language, particularly in the provision of nursing care.

²³ [Rapid Review for Care Homes in Relation to Covid-19 in Wales by Professor John Bolton](#) 2020

²⁴ [Social Care Wales learning hub](#)

²⁵ [Lets agree to agree- A toolkit for commissioners and providers to agree the cost of residential and nursing care for older people in Wales, August 2018](#)

There has been limited progress on creating a more diverse provider base and rebalancing the market by supporting alternative models of care. The Parliamentary Review of Health and Social Care in Wales 2018²⁶ noted that the commissioning role needs to be strengthened and used to incentivise local reshaping of seamless health and care services with greater focus on health and well-being responsibilities. Although innovative multi-agency approaches are being developed the scale and pace needs to increase to meet changing population needs.

To support the sector in their commissioning role, the National Commissioning Board was set up. It is made up of key representatives of the sector and plays a central role in building vision and setting a national direction for the commissioning of health, social care and well-being services in Wales. The Board:

- Provides a national perspective on the care and support market;
- Influences national policy;
- Drives implementation of good practice in regions; and
- Supports Regional Partnership Boards (RPBs) to fulfil their duties in relation to effective regional commissioning and pooling of funds.

Whilst the Board does not direct or determine the work programmes of individual local authorities, local health boards or RPBs, its purpose is to provide an authoritative voice and actively seek to promote a coherent approach to commissioning practice and the collation of good practice across Wales.

Despite the focus in the Act on collaborative approaches to commissioning through shared population needs assessments and area plans (and, when implemented, market stability reports), few areas have achieved a truly partnership approach across all aspects of the commissioning cycle. Even with the consensus built through the National Commissioning Board, the *Let's Agree to Agree Toolkit*²⁷ has not secured the buy-in to be adopted across Wales.

The current structure of the social care market for adults can be referred to as a monopsony – where there are a small number of purchasers and a large number of providers. Local authorities are the main buyer of the social care market; in the context of austerity, this market structure and pressurised budgets has caused a driving down of fees and costs. Care providers are often competing within the same local area by minimising costs to win contracts. With the main costs for providers being labour, pay and terms and conditions are seen as a cost to be minimised to ensure providers can win contracts. This has led to downward pressure on pay and on terms and conditions.

Fragmentation also makes it much more difficult for the sector to play its part in consistently adopting effective environmental practices. Whilst individual providers may have ambitious aims and plans to significantly reduce their carbon emissions, a galvanised whole-sector approach is more difficult to identify.

²⁶ [The Parliamentary Review of Health and Social Care in Wales 2019](#)

²⁷ [Lets agree to agree- A toolkit for commissioners and providers to agree the cost of residential and nursing care for older people in Wales, August 2018](#)

The evaluation of the implementation of the Act²⁸ suggest that although there were some positives there were also shortcomings in commissioning practices. The findings suggest that there is a sense that practice had evolved such that commissioning for the principles and outcomes of the Act had been realised, but there was considerable progress still to be made. Through discussions with the sector, the main issue identified with commissioning during the implementation of the Act was the lack of co-ordination between local authorities leading to 22 distinct and different ways of doing things.

In contrast progress has been made by the Children's Commissioning Consortium Cymru (4Cs) which was created in 2012 and consists of all 22 local authorities who have joined together to address concerns about the variable standards evident in placement commissioning for looked after children. The Consortium work collaboratively with partners to match vulnerable children who need to be looked after with the best possible placement.

The vision is to deliver improved outcomes, as well as better value for money, through excellent standards of care with trusted, quality assured providers, maximising the benefit of standardised contracts, terms and conditions, and purchaser economies of scale. As well as significant cost savings, benefits include improved management information, consistent and secure collaborative tools and processes across authorities to facilitate individual placement matching, contract award and contract monitoring, collaborative risk management, and quality assurance of providers; sustained reduction in prices; and an environment of partnership with the independent sector to commission new sustainable care models. It also rationalised processes for all participant authorities ensuring a consistent placement process fit for purpose by focusing on the needs of the child.

The Consortium has established social care frameworks for looked-after children's foster and residential placements and only those who offer the best quality placements and value for money can become Framework providers. These Frameworks provide a strategic procurement solution for independent sector looked after children placement needs. For the life of the contract provider quality, cost per placement, terms conditions and specifications are determined and agreed. This has eliminated the need for a full procurement process for each and every placement and removed options of 'opportunistic' pricing which previously existed for some urgent requirements. It also rationalised processes for all participant authority ensuring a consistent placement process fit for purpose by focusing on the needs of the child.

Workforce sustainability

The delivery of social care is rightly labour-intensive and the availability of a skilled workforce plays a key role in delivering high quality of care²⁹. People who use social care have reported they value the continuity and familiarity of people who often provide very personal care, and that it is important to build up a rapport as it makes people feel more secure³⁰. The development of positive relationships is essential for safe, effective and high quality care and it matters to everyone, children and adults.

[28 The evaluation of the implementation of the Act](#)

[29 The future of care in Wales: Resourcing social care for older adults by Wales Fiscal Analysis](#)

[30 Home care in Wales: Views and experiences of older people. Welsh Institute for Health and Social Care report for the Older People's Commissioner for Wales, 2012.](#)

The social care workforce is typically ageing and gendered, with the vast majority of staff of commissioned care providers are female and over a half of the workforce is aged over 40³¹. The Institute for Fiscal Studies in its analysis for England and Wales notes that particular ethnic minorities are more likely to be employed in critical worker roles. They indicate that, across England and Wales, Black African employees are much more likely than other ethnic groups to be employed as critical workers, and particularly in health and social care. Analysis produced by Welsh Government³² indicates that half of Black, African, Caribbean and Black British employees work in critical occupations and that more than half of employees of Bangladeshi ethnicity are critical workers.

The staff turnover rate for all of the adult social care workforce in Wales is reported by the ONS at 30 per cent in Wales^{33, 34}. In addition to high turnover, current issues include high vacancy rates, costly recruitment and training of new staff, growing use of (more expensive) agency staff, and churn within the sector with staff frequently moving between employers often for financial incentives or improved working conditions. Recent research by the Welsh Institute for Health and Social Care³⁵ noted there is competition from employers outside the social care sectors (e.g. retail). These employers are considered to provide similar or better pay, with roles carrying less responsibility. Competition within and between social care employers and the NHS was thought to contribute to retention problems in the social care workforce.

The social care workforce in Wales makes up an important part of the Welsh foundational economy, representing 6 per cent of the total employment in Wales. The Economic Value of Adult Social Care Report 2018³⁶ notes that the combined annual Gross Value Added (GVA) plus the indirect impact supply chain multiplier and the wage multiplier for the sector (induced impact) is estimated to generate £2.2 billion in Wales. The report states that there are 72,100 jobs in the adult social care sector in 2000+ sites across Wales (in residential care, domiciliary care, day care and other settings which include central support services) which equated to 54,100 Full Time Equivalents (FTEs) in 2016. Most of the care sector is on national minimum wage. The average earnings for those in the adult social care sector in Wales were estimated to be £16,900 per FTE, compared with average earnings across all industries of those in Wales of £29,200 in 2016.

As part of the Fair Work Commission, the *Fair Work Wales*³⁷ report noted that despite the sector being a core industry that contributes to individual and social well-being, it is a sector which displays various features associated with insecurity and poor working environment. In response to the recommendations of the report, the Welsh Government has recently convened a Social Care Forum which is considering how best to improve pay and other conditions of employment in the social care sector.

³¹ [Report on the factors that affect recruitment and retention of domiciliary care workers 2016](#)

³² [Coronavirus and employment: analysis of protected characteristics](#)

³³ [Employee turnover levels and rates by industry section, UK, January 2017 to December 2018](#)

³⁴ [Factors that affect the recruitment and retention of domiciliary care workers and the extent to which these factors impact upon the quality of domiciliary care](#)

³⁵ [Research on the terms and conditions of social care employment contracts in Wales](#)

³⁶ [The Economic Value of the Adult Social Care sector Wales](#)

³⁷ [Fair Work Wales- Report of the Fair Work Commission](#), March 2019

Research indicates that pay, terms and conditions are regarded as key factors that relate to job satisfaction, and there is an important link between job satisfaction, service quality and the achievement of outcomes³⁸. Improving pay, terms and conditions is considered to be an important part of attracting, recruiting and retaining workers in the sector particularly for domiciliary care where anecdotally we know that salaries are lower and working hours less reliable than in other parts of the sector³⁹.

Recent analysis by LE Wales of the adult social care workforce data and ratings of care establishments in England (inadequate, requires improvement, good and outstanding) from the Care Quality Commission England indicates a link between wages of care workers and quality of care. The analysis suggests that a £1 increase in hourly wages for care workers reduces the proportion of establishments in need of improvement by about 4.5 percentage points, for both residential and domiciliary care. Although equivalent quality ratings for settings in Wales are not currently available, this relationship is assumed to hold in Wales.

The Welsh Government has taken steps through the Regulation and Inspection of Social Care (Wales) Act 2016 to help improve the quality of the care and support provided by the domiciliary care workforce, by requiring an increase in the separation between travel and call time. These provide further opportunities to establish domiciliary care as an attractive, supported and rewarding long term career. Measures have also been taken to limit the use of zero hours contracts by requiring domiciliary care service providers to give workers a choice after three months of employment as to whether they are employed on zero hours or fixed hour contracts.

However, the *Measuring the Mountain* evaluation project⁴⁰ reported in 2019 that among those who have regular engagement with social care, either through a social worker or through carer workers coming into their home, the turnover of staff continued to be a cause of uncertainty and anxiety. Individuals often did not know which care workers they should expect or if they would have met them previously. The report noted two key factors that contribute to when people are most likely to feel out of control, namely working with multiple services or sectors and staff turnover.

Children

The Act reinforces the principle of supporting families in caring for children with an emphasis on helping parents develop their own ability to identify and manage problems, keeping families together in a safe, supportive and stable environment. Preventative services have a key role to play in meeting the needs of children by preventing circumstances that might lead to a child or young person being looked after by a local authority.

The *Care Crisis Review 2018*⁴¹ noted that research continues to raise questions about the level and effectiveness of support available for parents of children who receive care and support, and identifies that a significant proportion of spend by the state is on 'late

³⁸ [Fair care, a workforce strategy for social care](#), March 2019

³⁹ [Fair care, a workforce strategy for social care](#), March 2019

⁴⁰ [Measuring the mountain-report on what really matters to in social care to individuals in Wales?](#)

⁴¹ [Care Crisis Review- Factors contributing to national increases in numbers of looked after children and applications for care orders](#) (June 2018)

intervention' for children and families, with one of the largest single items the cost of children who are taken into care. Placing the focus for repairing families on statutory social services is often too late. The Welsh Government's 'reduction expectations' work has, over the past two years, provided further evidence that although socio-economic factors explain variation in demand between local authorities, there is also considerable local variation in practice when it comes to preventing children being in care.

The number of looked after children continues to increase year on year, despite policy supporting children to remain with their families and out of care, including prevention and early intervention schemes. Also too often children are placed far from home at great expense, removing them from their families and sourcing appropriate, regulated placements is often difficult. Alongside this the secure accommodation system often is unable to meet young people's needs and there continues to be a lack of investment in expanding residential care for looked after children with complex needs, to support them to remain close to home and transition to independent living.

The Children's Commissioner visited each of the seven Regional Partnership Boards during 2019, and produced a report, *No Wrong Door: bringing services together to meet children's needs*⁴², it focused on children with complex emotional wellbeing or mental health needs and young people with learning disabilities transitioning to adult services. The report found that children are waiting too long to receive the help they need, and are being 'bounced' between services which cannot agree who is responsible for their care. The Commissioner concluded that there is a pressing need for a 'No Wrong Door' approach, where the child's needs and circumstances are responded to in a holistic, multi-agency, wraparound way, and children and young people feel confident that wherever they go for help should be able either to provide support directly, or to point them in the right direction for support.

This report added further evidence to the need to develop joint social care and health commissioned residential provision for children with complex emotional wellbeing and mental health needs. To respond to this evidence and lack of investment, Regional Partnership Boards have been identified as the collective vehicle for delivering therapeutic, multi-disciplinary services. Regional Partnership Boards are supporting a small number of developments which will enable young people placed away to return closer to home.

The Commissioner also found that young people with learning disability still have complicated and stressful transition to adulthood. An earlier report, *'Don't Hold Back'*, 2018 had found that young people and their families were not involved enough in their own care, there were different thresholds across services, and every service had a different way of managing transition from child to adult services. Although there were promising signs, there had not been much change on the ground. As the Commissioner noted, Regional Partnership Boards should be ideally placed to broker arrangements between child and adult services to ensure integrated transitions for young people with learning disability.

⁴² [The Children's Commissioner for Wales report- No wrong door: bringing services together to meet children's needs](#)

Public services working together

Individuals, their families and carers may require care and support from more than one professional or organisation. Where this is the case, services should be effectively co-ordinated and delivered to meet needs. When all partners work effectively together it improves outcomes for people. It also means that resources are used in the most effective and efficient way. The key aims of partnership and integration can be described as follows:

- To improve care and support, ensuring people have more voice and control;
- To improve well-being outcomes;
- To provide co-ordinated, person centred care and support; and
- To make more effective use of resources, skills and expertise.

A Healthier Wales reinforces the critical importance of public services working together and the role the Welsh Government should play to enable that. In considering how social care is arranged, its relationship with healthcare remains important. The housing and education sectors also have key roles to work in partnership to support people.

The Act set clear expectations and sought to provide equally clear means for partners with a direct role in arranging or delivering care and support, to work together effectively at a strategic level, including to set pooled budgets to deliver truly integrated services. Part 9 of the Act and section 25 of the Children Act 2004 together require local authorities and relevant partners to co-operate, it also provides for partnership arrangements between local authorities and local health boards for the discharge of their functions and a requirement for formal partnership arrangements through Regional Partnership Boards (RPBs).

The Welsh Government has made two key grant funding streams available to RPBs to support them to drive forward integration; the Transformation Fund and the Integrated Care Fund. Recent reviews of these funds provide useful evidence about the progress of partnership working at the regional level.

- An Audit Wales report about the Integrated Care Fund ⁴³ was published by Audit Wales in July 2019. The aim of the Integrated Care Fund is to drive and enable integrated working between social services, health, housing and the third sector and independent providers to develop sustainable services. It is distributed to RPBs, which oversee and manage the fund in their area, and there are capital and revenue-based allocations each year. RPBs approve revenue projects and submit an annual Revenue Investment Plan to Welsh Government. Capital proposals are submitted to Welsh Government for approval and are grant-funded. Overall, Audit Wales concluded that the fund has a positive impact, and is provided an impetus for partners to develop integrated services and move to joint funding arrangements in the context of wider policy and legislation.
- The Transformation Fund was established to speed up the development and scaling up of new models of health and social services provision. It focused on three areas: seamless alignment of health and social care; local primary and community-based health and social care delivery; and new integrated

⁴³ [Integrated Care Fund \(Auditor General for Wales, July 2019\)](#)

preventative services and activities. It is delivered via RPBs, and 30 projects have been supported across the seven regions. A mid-term report⁴⁴ in April 2020 noted that the fund seems to be having a positive impact in getting partners to work together and there is some initial evidence across regions where staff are starting to think differently and change their working culture.

Although the evidence suggests that regions are effective in working collaboratively to deploy Welsh Government allocated grant budgets, progress to share or pool budgets and action in order to achieve added value and better performance has varied. A report into the use of pooled budgets in older people's residential care, which was produced for Welsh Government by KPMG in 2020⁴⁵, has shown only moderate progress, and notes that RPBs are predominantly meeting the minimum requirements. The report identifies a number of areas for development, including:

- Many RPBs do not physically pool budgets and where they do, the majority are not actively prioritising and managing the budgets as a single fund;
- RPB are concerned about the risk of cross-subsidisation across local authority boundaries. Currently none of the RPBs share financial risks although there is increased transparency of activity, expenditure and risks;
- RPBs can only make recommendations and not decisions as they are not legal entities;
- RPBs are concerned about managing a diverse cohort of need across localities; and
- Identified good practice such as the establishment of a pooled funds manager to maximise operational and financial performance should be shared.

A thematic review by CIW, *Prevention and promotion of independence for older people*⁴⁶, in September 2020, based on inspections and fieldwork undertaken during 2019, found that progress towards partnership and integrated service delivery for older people remains very mixed. There is evidence of integrated partnership approaches in some areas but overall a 'red' status for partnership working and integration was awarded. The report details numerous examples of joint community resource teams working as equal partners, and in some areas jointly funded posts and management teams across health and social services. Whilst this does not necessarily mean better integration, it clearly provides opportunity to communicate, recognise common ground and shared responsibility. In addition strategic commissioning through population assessments and area plans is still in its infancy and delivering limited impact. The report says that partners do not share a clear strategic vision of sustainable health and social care services, and leaders and senior managers are still focusing on service delivery within their own areas of control, rather than on people and outcomes.

RPBs ability to meet their responsibilities could be regarded as limited in that they do not have all the functions that may be needed to deliver integration. They have no directly accountable staff or controllable budget. The Welsh Government's formal evaluation on the implementation of the Act concluded that a priority for further

[Mid-point evaluation of 'A Healthier Wales' Transformation Fund \(research, for Welsh Government, April 2020\)](#)

⁴⁵ [Report on Regional Partnership Boards' use of pooled budgets for care home accommodation](#) by KPMG 2020

⁴⁶ [Care Inspectorate Wales report on prevention and promotion of independence for older adults, September 2020](#)

implementation included the continuation and development of integration and partnerships, monitoring and evidencing outcomes, and the infrastructure to facilitate integrated working. Given the mixed progress identified above and the legislative limitations of Part 9 of the Act, RPBs need further support to achieve the optimum benefit from their collective capacity to lead change.

Prevention

Prevention is at the heart of the Welsh Government's programme of change for social services. There is a need to focus on prevention and early intervention to make social services sustainable into the future. It is vital that care and support services do not wait to respond until people reach a crisis point. Section 14 of the Act requires that local authorities and local health boards jointly carry out a strategic assessment of needs for care and support and support needs for carers. That assessment must also assess the range and level of services necessary to deliver preventative services. Section 15 of the Act requires local authorities to provide or arrange for the provision of these preventative services.

There is no one definition for what constitutes preventative activity. It can be anything that helps meet an identified need and could range from wide-scale measures aimed at the whole population to more targeted individual interventions, including mechanisms to enable people to actively engage in making decisions about their lives.

Some key progress has been made, supported through partners deploying the Integrated Care Fund and Transformation Fund, in developing new models of preventative service delivery. The third sector in particular have helped to bring this focus and capability for prevention to the RPB agenda. However, competing priorities and increased demand for services to meet more complex needs often means a focus of commissioning and delivery on the acute services, which are more costly and which squeeze the capacity for preventative work. This is particularly noticeable for care and support for children.

Lessons from other parts of the UK

Although health and social care systems have evolved in different ways and at a different pace across the UK since devolution, there is much experience and innovation that can be shared and lessons learned between the four nations, with regard to collaborative working and integration. What the systems all have in common is a drive to rebalance care away from the acute hospital setting towards prevention and support within the community and at home.

Northern Ireland is unique in the UK in having arranged health and social care within the same organisational structure through the Health and Social Care (Reform) Act (Northern Ireland) 2009. A recent report by the Nuffield Trust⁴⁷ has shown having an integrated system does not in itself result in social care being accorded a higher priority or in smoother working across the sectors. The Northern Irish experience reinforces the message that effective leadership and scrutiny, within a culture that promotes

⁴⁷[Change or Collapse: Lessons from the drive to reform health and social care in Northern Ireland by the Nuffield Trust, July 2019](#)

innovation and genuine partnership working, are ultimately more important than structures.

In England a partnership approach is evolving based around Integrated Care Systems (ICSs), which take collective responsibility for managing resources and delivering health and social care. These are yet to be given legal status and it is expected that the UK Government will publish proposals and draft legislation on ICSs in the first part of 2021. The Kings Fund 2020⁴⁸ noted there is wide variation in the maturity of partnership working across these systems. The systems that are furthest ahead are those that have given priority to strengthening collaborative relationships and trust between partner organisations and their leaders. This has often been achieved by leaders from different organisations spending time together to work through the challenges facing the system and individual organisations, clarifying a shared purpose for working together, and undertaking focused development work with their leadership groups. The Kings Fund also noted that collaborating across the NHS and local government is not easy, and requires local leaders (including NHS leaders as well as officers and elected members in local government) to better understand each other's challenges, to recognise and respect differences in governance, accountabilities, funding and performance regimes, and to find ways to manage these differences.

The majority of Scottish local health and social care partnerships have adopted a model of where arrangements are delegated to a third body, known as an Integration Joint Board (IJB), through the Public Bodies (Joint Working) (Scotland) Act 2014. The IJBs are responsible for the governance, planning and resourcing of social care, primary and community healthcare, and unscheduled hospital care for adults. Some have also integrated additional services including children's services, social work, criminal justice services and all acute hospital services. A report from the Ministerial Strategic Group for Health and Community Care (Scottish Government, February 2019)⁴⁹ reviewed progress on the Health and Social Care integration and noted Scottish Integration Joint Boards have struggled to exert influence on the budget-setting process as partners are unwilling to give up financial control. Partners must be empowered to use the totality of their resources to do things differently. The report noted that joint resources held must lose their original identity and become a single budget.

As this brief review has shown, the other UK countries continue to strengthen collaborative relationships, however no one country has found the answer. Similar to Wales, England and Scotland have taken a partnership arrangement approach, as opposed to a structural one. The key lessons from their progress that can be applied to any partnership arrangement is clear. Organisations have different governance, accountability funding and performance requirements, this must be recognised and partners must find ways to manage these differences to do things differently. Proposals set out in this paper should avoid structural disruption where it is not needed and instead focus on strategic enhancement that will strengthen current arrangements to secure well-being for people who need care and support and carers who need support.

⁴⁸ [The King's Fund- Integrated care systems explained: making sense of systems, places and neighbourhoods](#)

⁴⁹

[Health and Social Care integration: progress review – final report from the Ministerial Strategic Group for Health and Community Care \(Scottish Government, February 2019\)](#)

Achieving the vision

Design

Based on the challenges outlines in the Case for Change section of this paper, three critical areas emerge where additional focused action could deliver system-wide improvement to secure the vision for social care:

- refocussing the fundamentals of the care market – away from price towards a value measure based upon service quality and overall cost;
- reorientation of commissioning practices – managing the market and focusing on outcomes; and
- evolution of integration mechanisms – reducing barriers to joint planning and delivery.

In forming this frame of reference we have drawn on important guiding frameworks. The five ways of working set out in the Well-being of Future Generations (Wales) Act 2015 call on us to balance the short term and long term, and in terms of collaboration to test whether our arrangements help us work together effectively. *A Healthier Wales* design principles compel health and social care system leaders to “[develop] services which are less complex and better co-ordinated for the individual; [where there should be] close professional integration, joint working, and information sharing between services and providers.”

Through action in the three areas identified above, this White Paper seeks to rebalance the care and support market based on a clear national framework where services are organised regionally and delivered locally. In doing so we aim to rebalance social care so that there is neither an over reliance on the private sector, nor a monopoly in the other direction. This White paper defines ‘rebalancing’ broadly as a set of descriptions of the system change we want to see.

Refocussing the fundamentals of the care market

<p>Rebalancing means...</p> <p>... Away from price. Towards quality and social value...</p> <p>... to co-produce better outcomes with people.</p>

The majority of care and support is provided through a market structure known as a monopsony⁵⁰. This market structure, in the financial context of austerity, has resulted in ‘price’ becoming its dominant feature. If the vision is for high quality social care that supports people to achieve their outcomes, the price-orientated market structure that has evolved over time is not the route to achieving that. This was recognised in the Welsh Government’s recent *Strengthening Social Partnerships White Paper*⁵¹, which

⁵⁰ Definition of monopsony is where there are a small number of purchasers and a large number of providers. Local authorities are the main buyer of the social care market; in the context of austerity, this market structure and pressurised budgets has caused a driving down of fees and costs.

⁵¹ [Welsh Government White Paper- A More Equal Wales: Strengthening Social Partnerships](#) 2019

said that the modern era of our social partnership arrangements has been dominated, and shaped by our response to economic crisis and the challenges of chronic UK public sector austerity.

Value for money will remain important, and care and support that is commissioned by local authorities and local health boards will continue to need to demonstrate efficient use of tax payers' resources. Value for money in this context is about delivering effective services, at a cost which delivers strong social outcomes⁵².

To do this, we look to service commissioners to focus on specifying, scoring and measuring against providers' ability to deliver multiple outcomes against the overarching duties set out in the Act to achieve quality services and secure well-being, balanced against value for money. Commissioners should continue to define the sort of capabilities and experience required of tendering organisations, and procurement teams should work with commissioners on how they build this into the procurement assessment process⁵³.

Critically, the rebalancing towards a market which incentivises quality will require the Welsh Government and all local commissioners to work together to agree and implement robustly a common framework. Learning from the Children's Commissioning Consortium Cymru's approach to focussing on quality placements that are affordable should be applied to the development of a proposed framework.

More predictable, standardised approaches to fee setting can reduce provider competition for staff through marginal pay differences. The case for change highlighted the relationship between pay, terms and conditions on staff turnover and the impact of staff turnover on service quality. Greater consistency of the workforce providing care and support and less turnover allows people to build relationships with people that provide care and support, feel safe and more secure, thus improving quality of social care and well-being outcomes. Therefore clear expectations for improved terms and conditions including pay, should be a core part of determining the funding methodologies. The Welsh Government has accepted the recommendations of the Fair Work Commission⁵⁴ and is committed to working with partners towards implementing the Real Living Wage across social care. Fair work means a more productive, happier workforce, greater levels of commitment and engagement, less absenteeism and lower staff turnover⁵⁵.

⁵² [Welsh Government White Paper- A More Equal Wales: Strengthening Social Partnership](#) 2019

⁵³ [Wales Co-operative Centre report- Supporting Care Commissioners and Procurers to promote social value models 2020](#)

⁵⁴ [Fair work commission- terms of reference](#)

⁵⁵ [Welsh Government White Paper- A More Equal Wales: Strengthening Social Partnership](#) 2019

Reorientation of commissioning practices

Rebalancing means...

...Away from complexity. Towards simplification.

Away from task-based practice. Towards an outcome-based practice.

Away from reactive commissioning. Towards managing the market....

... to co-produce better outcomes with people.

Whilst the Act has provided greater focus on securing well-being for people, the case for change has highlighted that commissioning practices can still be task-orientated. The evaluation of the implementation of the Act identified a significant challenge to arranging and delivering care and support because of the lack of co-ordination between local authorities leading to twenty two potentially different ways of doing things.

Critically, with an environment that favours quality, and where procurement is based on a simpler approach, commissioners will be freer to innovate to support the creation of the new models of care that are needed for changing population needs. Commissioning practice will therefore shift away from task management, and multiple small procurements and associated time-consuming management activity, towards social value based commissioning that secures well-being for people. In doing this, commissioners and planners are enabled to develop all the important parts of the commissioning cycle⁵⁶, such as capacity building, market development and market relationships.

A common framework will enable a greater degree of joint-commissioning. As a basis for closer partnership working, it can ensure service delivery outcomes align with what matters to people and on Foundational Economy and social value initiatives. Whilst there is no single, agreed definition of “social value”, Social Enterprise UK define social value as the additional benefit to the community from a commissioning/ procurement process over and above the direct purchasing of goods, services and outcomes. In social care in Wales it has been used to create phrases like “social value organisations” and “social value forums”. These phrases have come to be used as short-hand for organisations referenced in section 16 of Part 2 of the Act, which sets out models for care and support that strive to deliver on the principles of the Act.

Progress can be made towards a more diverse provider base and rebalancing the market by supporting alternative models of care. Focusing on social value commissioning will create an environment in which not-for-profit providers can grow, including co-operatives, whilst simultaneously encouraging all providers to develop their capacity for delivering social value. The whole sector will be better placed to engage in consistently effective co-production from the earliest stages of assessing, planning, delivering and evaluating care and support.

Providers also have much to gain from this new approach. The removal of much complexity will enable providers to increase their focus on supporting people to achieve their personal outcomes.

The case for change described the care and support market as large and varied, consisting mostly of smaller private providers with narrow margins and limited financial reserves. Within these new arrangements, small providers will be encouraged to work together to respond to local commissions. This could be achieved by the development of a collective approach to enabling shared activities, such as marketing, procurement, HR and IT support. This approach will contribute to the rebalancing of the care and support market to fewer individual providers competing for contracts, reducing time-consuming activity and complexity.

Evolution of integration mechanisms

<p style="text-align: center;">Rebalancing means...</p> <p style="text-align: center;">... Away from an organisational focus. Towards more effective partnership</p> <p style="text-align: center;">... to co-produce better outcomes with people.</p>
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The interdependency of social care and healthcare is at the heart of *A Healthier Wales*. For adults, the necessity for close alignment of these services enables people to live as independently as possible and is critical to prevention and early intervention. Close joint working enables people to return to their home after a period in hospital, and is fundamental to the success of the new *Discharge to Recover and Assess Model of Care*.

The relationship between social care, the NHS, housing organisations and the education sector is particularly important to provide coordinated person centred care and support. At a regional level, these partners can make more effective use of resources, skills and expertise to improve well-being outcomes. RPBs bring partners together along with representatives of citizens, carers and other important voices. RPB members recognise the emerging benefits from their partnership and want to build on joint commissioning arrangements⁵⁷. RPBs’ role is complementary to other regional and local partnerships, and better alignment between these partnerships is the subject of ongoing work.

The case for change pointed to progress made by RPBs and a number of achievements. It also outlined areas where progress has been more challenging, for example residential care for children. The Welsh Government’s evaluation of the Act points to the infrastructure of the RPBs requiring priority action to better facilitate integrated working. Therefore it is proposed that the current design of RPB functions are strengthened to enable them to deliver effectively.

The approaches to partnership and integration adopted by other parts of the UK to enable the closer alignment of social care and health services (for example delegation

⁵⁷ [Report on Regional Partnership Boards' use of pooled budgets for care home accommodation](#) by KPMG 2020

of budgets to a third party where some members are provided with voting powers through IJBs in Scotland) provides a basis to consider the strengths and weaknesses of different potential arrangements.

The fundamental role of RPBs should remain as bringing partners together to jointly review population needs and plan the models of care and support that people will need. Joint analysis and planning, should, in areas where partners need to align services to achieve better outcomes, lead to joint commissioning of provision. Reflecting on independent reports and direct feedback from the sector, we believe that to do this most effectively RPBs need to be equipped with additional tools to better align planning and organisation of services, and tangible organisational capacity to fully deliver to this mandate.

Putting it into practice

How can we do it?

Current arrangements for social care need to be strengthened and re-aligned to respond to the range of challenges facing the sector, and to achieve the vision for social care set out in the Act, supporting people to achieve their well-being outcomes. The following set of proposals flow from a systems-thinking perspective and an analysis of the deficiencies in the market for social care provision and some limitations in current partnership structures. The changes advocated can reshape the organisation of social care profoundly and in the clear interests of those receiving care and support. It is proposed legislation is introduced to deliver the required change.

A national framework for commissioning care and support for both children and adults can forge a more balanced market of better quality provision. The framework will help to ensure social value commissioning that supports people to achieve their outcomes, and fully utilises the assets that exist in local communities.

A national framework can be a platform for implementing future recommendations of the Social Care Forum, across the sector in Wales. A national framework will set fee methodologies, develop more standardised commissioning processes, and increase transparency of service performance.

Enhanced regional planning and a greater degree of joint commissioning across health and social care and across regional footprints would reduce complexity and duplication and improve consistency and capacity. This would enable commissioners to refocus on meeting changing population need through more directive market shaping. It is proposed therefore that the future of high quality social care that support people to achieve their outcomes is arranged through a structure comprising a national framework, where care and support is planned regionally and delivered locally.

Strengthened regional organisation will enable greater integration and action amongst social care and its partners, including health care and the voluntary sector, along with education and housing. This approach would support social care as a part of the foundational economy and better enable integrated delivery, for example through the development of housing with care alongside community hubs. This will also help to maintain focus on preventative services and opportunities for alignment with Public Service Boards.

In addition to addressing current sectoral challenges, the proposals would provide a better basis for the implementation of long term policy objectives. These include ensuring improved pay, terms and conditions for workforce to support a reduction in turnover and improvement in quality of care and a more resilient workforce and long-term aspiration for a system that is closer to the NHS principle of healthcare free at the point of need.

It will also enable the sector to reduce its environmental impact. The Welsh Government has set out its ambition for the public sector to be carbon neutral by 2030. Indirect carbon emissions from care and support providers are not directly controlled by local authorities, however dramatically cutting indirect emissions from the delivery of these

services can be achieved through more effective procurement. Decarbonisation can be ensured through consistent procurement expectations requiring raised environmental standards from all organisations providing care and support. The same tools can deliver foundational economy benefits through incentivising local sourcing of goods.

Rebalancing the national framework

It is not proposed that any current functions are transferred from local authorities or local health boards to be undertaken nationally. It is proposed that a national framework is developed that set the terms through which services for people who need care and support and carers who need support are commissioned – by developing a set of common commissioning practices and a range of fee methodologies that commissioners will be required in law to use, simplifying procurement and ensuring greater visibility of service standards.

This is not to say there should be one price for care and support that is procured, but rather an agreed set of fee methodologies that all commissioners work with in future. Fee methodologies must be flexible enough to reflect local circumstances, for example different geographic factors, and be able to respond to the capacity and resourcing requirements of providers at different stages of their own business cycle. For example, new care models, particularly where capital investment is involved, will require different levels of support.

Through the Act, a local authority is required to prepare a care and support plan for people whose needs meet the eligibility criteria, following a needs assessment. The care and support plan (or support plan for carers) describes how a person's needs for care and support will be met, including detailing services that are to be arranged or provided by the local authority. Where services detailed in the plan are commissioned by the local health board, it is proposed that those services will also be commissioned using the national framework (for example NHS Funded Nursing Care).

To develop and deliver a national framework, it is proposed that a 'national office' for social care is established either through:

- developing a function within government, or
- setting up an arms-length body, led by a small executive team.

In both options, full engagement with local authorities, health boards, the independent sector and other key partners will be secured through an advisory board.

The national office will maintain an overview of the stability of the social care market and be a basis for driving national policy initiatives. It will consolidate activity of some national fora including the National Commissioning Board, working with Social Care Wales, with responsibility for supporting social care research and service improvement in Wales.

The voice of the social care profession must be fully reflected in national discourse, so that national policy set by the national office is based on a full understanding of delivery challenges. The function of a Chief Social Care and Social Work Officer will be located within the Welsh Government to champion the voice of the social care and social work profession within Government.

Strengthening regional organisation

Local authorities and local health boards are required through section 14 of the Act to develop population needs assessments, area plans and market stability reports. These functions are discharged through partnership arrangements described in Part 9 of the Act and section 25 of the Children Act 2004, specifically through RPBs. These reports are intended to assist RPBs in jointly planning and commissioning quality care and support at a strategic level for their populations.

In addition, the objectives of Regional Partnership Boards are to:

- undertake and respond to the population assessment carried out in accordance with section 14 of the Act (and, when implemented, prepare market stability reports under section 144B of the Act);
- implement the joint area plans which local authorities and local health boards are required to prepare and publish under section 14A of the Act;
- ensure the partnership bodies provide sufficient resources for the partnership arrangements, in accordance with their powers under section 167 of the Act; and
- promote the establishment of pooled funds where appropriate.

RPBs are required to report on the extent to which the board's objectives have been achieved annually⁵⁸.

This paper has suggested that RPBs should be provided with a more refined set of tools to enable them to better meet their core aims of jointly assessing and planning for population needs. It is proposed that RPBs should be strengthened by legislating to establish them as corporate legal entities. Strengthened RPBs with the tools of being able to directly employ staff and hold budgets would be capable of undertaking joint health and care commissioning more directly where local partners agree that would maximise resources and have the greatest benefit for delivering better outcomes.

Specifically, in addition to the functions already set out in the Act, RPBs functions will be extended so that they would:

- be enabled to employ staff to enable the full discharge of their functions (this is intended to boost joint planning, but the power could be used by RPBs in other ways);
- have clear governance arrangements in place where shared accountability of decisions made by local authorities and local health boards in relation to the pooling of budgets and joint commissioning is transparent and in line with their statutory responsibilities;
- set their own priorities for regional commissioning and delivery using intelligence from their population needs assessments, joint area plans and market stability reports;
- be enabled to hold integrated budgets to deliver integrated regional services;
- monitor progress against agreed regional priorities, sharing data between partners where appropriate; and

⁵⁸ [Social Services and Well-being \(Wales\) Act 2014- Codes and guidance: Part 9 Statutory Guidance \(Partnership Arrangements\)](#)

- establish within each RPB a planning and performance monitoring framework that refines the 5 year strategic planning cycle and makes use of up to date population, outcome, and market information.

In line with the action in *A Healthier Wales*, RPBs would also be made subject to joint inspection and review by CIW and Healthcare Inspectorate Wales in relation to the effectiveness of joint working, including partnership working, pooled budgets and joint commissioning.

The current planning requirements for a long cycle of population needs assessments and area plans is a broad framework, but does not always reflect a rapidly changing world. Real-time population data, outcome measures and market information should be used to enable more frequent needs analysis and impact measurement. Plans should be revisited whenever significant changes occur in the care and support environment. To support this, a new approach to planning and reporting is intended. It will be less intensive, but a more frequent process of evaluating and responding to population needs.

Clear regional integration priorities should provide a focus for the work of RPBs. Priority areas should define where collective action is the optimum means of improving delivery, and these areas must be considered for regional joint commissioning.

The work of RPBs should be viewed by partners and stakeholders as being fully transparent and accountable. The changes proposed in this White Paper can be a basis for further strengthening of arrangements which support accountability. They will enable resources to be held within the partnership, overseen by RPB staff, with clear arrangements created for reporting fully to member organisations.

RPBs will also be required to report to Welsh Ministers on the progress of joint delivery against the integrated priorities agreed. There should not be a growth in reporting requirements, rather it is proposed that reporting requirements are streamlined, including by consolidating current national requirements as part of the consideration of the future of national funding support.

The proposal to strengthen RPBs as an existing part of the health and social care collaboration landscape must work alongside arrangements for Public Service Boards (PSBs). RPBs and PSBs have complementary functions. In the context of the ongoing requirements of respective legislation, regions and localities should align these partnerships in a way that works best in their circumstances.

The proposals set out in this White Paper do not preclude any future extension of the functions of Corporate Joint Committees (CJCs) in relation to social care. CJCs could be a useful future mechanism to enable strategic local authority social care functions to be delivered more effectively across local authority boundaries.

Impact on local authority and local health board commissioning of care and support

Local authorities and local health boards will remain the principal commissioning bodies for social care services. Local services should be delivered as close as possible to local

people. By reducing complexity a national framework will support local delivery without obscuring accountability. Based on the proposals in this paper, in future local authorities and local health boards will exercise their commissioning functions either directly or delegating them to the RPB. Commissioning activities will be undertaken in accordance with the national framework, ensuring the full and fair use of national framework methodologies.

Annex 1: Summary of the impacts

The Welsh Government is preparing an integrated impact assessment on the proposals outlined in this White Paper, including the social, economic, cultural and environmental effects represented in the Well-being Goals of the Well-being of Future Generations (Wales) Act 2015. A Regulatory Impact Assessment (RIA) will also be developed and this consultation is being used to gather evidence to inform that assessment.

In developing the proposals, the Welsh Government has considered the ‘five ways of working’ set out in the Well-being of Future Generations (Wales) Act 2015 which requires a focus on the long term, and in terms of collaboration to test whether our arrangements help us work together effectively. The Welsh Government has also considered *A Healthier Wales* design principles to develop services which are less complex and better co-ordinated for the individual; where there should be close professional integration, joint working, and information sharing between local authorities, local health boards and providers.

This annex includes a summary of some of the impacts of the proposed changes on people, the workforce and social care services in Wales.

People who need care and support and carers who need support

- Supporting the sector to respond to the implementation gap in relation to the Welsh Government’s vision for social care will better drive outcomes for people in Wales. This paper highlighted the variable and sometimes negative experience that people have with care and support, which impacts on the vision of securing well-being. The Act puts a duty on local authorities and their partners to promote the well-being of people who need care and support and carers who need support in Wales. The Act sets out the definition of well-being. The Act also places a duty on Welsh Ministers to issue a statement of well-being outcomes to be achieved. The well-being statement defines well-being outcomes for all people who need care and support and carers who need support in Wales, which include people in protected groups. The proposals set out in this White Paper aim to better services to deliver their functions so that people who need care and support and carers who need support can achieve their well-being. An RIA was developed for the Act and the impacts on people are the same as the proposals in this paper. The proposals aim to increase the pace at which those impacts are realised. The RIA can be found in the Explanatory memorandum available below:
<https://business.senedd.wales/mglIssueHistoryHome.aspx?lId=5664>
- The aim of the Act is to put into law the rights and responsibilities of people who need care and support and carers who need support. The social care sector will use the statement of well-being to design and deliver services with people. This will be an important driver in the shift to an approach which puts people at the centre, the outcomes they wish to achieve, and in giving them greater voice and control. The case for change section of this White Paper outlines how change is needed to make a difference to the people of Wales. The Welsh Government worked extensively with people to develop the well-being statement. The approach to engagement is detailed in the equality impact assessment for the national outcomes framework⁵⁹.

⁵⁹ [Social services national outcomes framework- equality -impact assessment](#)

The social care workforce

- The case for change highlighted the relationship between pay, terms and conditions on staff turnover and the resulting impact of staff turnover on service quality. Greater consistency of the workforce providing care and support and less turnover allows people to build relationships with people that provide care and support, feel safe and more secure, thus improving quality of social care and well-being outcomes. People are more likely to see the same person, increasing ability to maintain relationships, and reduce loneliness and isolation, leading to higher quality of care. Standardised and improved pay and terms and conditions, which could be achieved through a national framework, would positively impact:
 - Women. The workforce is typically ageing and gendered, with the vast majority of staff of commissioned care providers being female. On 5 March 2019, the Deputy Minister and Chief Whip, Jane Hutt AM, outlined the Welsh Government's vision for gender equality in Wales, which stated that "...a gender equal Wales means an equal sharing of power, resources and influence for all women, men and non-binary people. This is a vision where the government aims to create the conditions for equality of outcome for all."
 - Attracting young people to social care. Over a half of the workforce is aged over 40⁶⁰. There may be a reduction of those wishing to enter social care as school leavers, especially women, become more highly educated and there is greater competition from other sectors, such as retail, where pay is often slightly higher for less demanding work and the regulatory requirements on, for example, qualifications are lower.
 - Black, Asian and Minority Ethnic workers who are overrepresented in the social care workforce and account for 7.2 per cent of the workforce in Wales⁶¹.

Services

- Standardising and simplifying through a national framework supports an approach to make better use of collective resources, across local authority boundaries, in response to population needs and outcomes. The removal of some duplication and inefficiencies in the commissioning process can free up commissioners' time to develop other elements of the commissioning cycle.
- A national framework that sets out terms through which care and support is commissioned must consider pay, terms and conditions of the workforce. Improvement to pay, terms and conditions will in part reflect the overall resources available to the sector and potentially progress decisions made in future by the Social Care Forum.
- Strengthening RPBs will better support effective joint planning and delivery of care and support where collective capacity leads to better outcomes for people, supporting statutory bodies to better deliver their current functions.

⁶⁰ [Factors that affect the recruitment and retention of domiciliary care workers and the extent to which these factors impact upon the quality of domiciliary care](#)

⁶¹ [Welsh Government analysis of the Annual Population Survey - Coronavirus \(COVID-19\) and the Black, Asian and Minority Ethnic \(BAME\) population in Wales](#)

Annex 2: Summary of the consultation questions

The Welsh Government welcome comments on all aspects of the proposals. We are particularly interested in responses to the questions. A summary of the questions is provided below.

Question 1: Do you agree that complexity in the social care sector inhibits service improvement?

Question 2: Do you agree that commissioning practices are disproportionately focussed on procurement?

Question 3: Do you agree that the ability of RPBs to deliver on their responsibilities is limited by their design and structure?

Question 4: Do you agree a national framework that includes fee methodologies and standardised commissioning practices will reduce complexity and enable a greater focus on service quality?

Question 4a: - What parts of the commissioning cycle should be reflected in the national framework?

Question 5: Do you agree that all commissioned services provided or arranged through a care and support plan, or support plan for carers, should be based on the national framework?

Question 5a- Proposals include NHS provision of funded nursing care, but do not include continuing health care; do you agree with this?

Question 5b- Are there other services which should be included in the national framework?

Question 6: Do you agree that the activities of some existing national groups should be consolidated through a national office?

Question 6a- If so, which ones?

Question 7: Do you agree that establishing RPBs as corporate legal entities capable of directly employing staff and holding budgets would strengthen their ability to fulfil their responsibilities?

Question 7a- Are there other functions that should be considered to further strengthen regional integration through RPBs?

Question 8: Do you agree that real-time population, outcome measures and market information should be used more frequently to analyse needs and service provision?

Question 8a- Within the 5 year cycle, how can this best be achieved?

Question 9: Do you consider that further change is needed to address the challenges highlighted in the case for change?

Question 9a- what should these be?

Question 10: What do you consider are the costs, and cost savings, of the proposals to introduce a national office and establish RPBs as corporate entities?

Question 10a- Are there any particular or additional costs associated with the proposals you wish to raise?

Welsh language

Question 11: We would like to know your views on the effects that a national framework for commissioning social care with regionally organised services, delivered locally would have on the Welsh language, specifically on opportunities for people to use Welsh and on treating the Welsh language no less favorably than English.

What effects do you think there would be? How could positive effects be increased, or negative effects be mitigated?

Question 12: Please also explain how you believe the proposed policy to develop a national framework for commissioning social care with regionally organised services, delivered locally could be formulated or changed so as to have positive effects or increased positive effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language, and no adverse effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.

Agenda Item 9

Meeting	Cabinet
Date	9 March 2021
Cabinet Member	Councillor Dafydd Meurig
Officer	Rhion Glyn Senior Business Manager – Adults, Health and Well being Department
Title	Residential and Nursing Fees 2021/22

1. **The decision sought**

Approval of the residential and nursing fees, Option A, to be agreed with independent providers for 2021/22.

2. **Reasons for the need for a decision**

In order that we pay fair fees to finance the care of individuals who are placed by us in independent residential and nursing homes. The increase recommended takes us further than the level of inflation which has currently been set in the budget and therefore would mean an additional financial investment.

3. **Introduction**

We review our residential and nursing fees on an annual basis when setting our budgets for the following year. This year we are doing so in the context of detailed conversations which are underway with providers regarding their costs of providing residential and nursing services.

4. **Background**

During the past few years it has become apparent that our current fee arrangements are unsustainable. This is reflected in the fact that we are seeing an increase in the homes which refuse our standard fees and demand higher fees. At present, 8 of the 22 independent homes in Gwynedd are refusing our standard fee in some way or another, which usually means that they raise additional fees, or 'top up fees' to be paid by the individual who is receiving the care, the family, or by ourselves in circumstances where that is not possible. We have also seen examples in homes during the past year of staffing shortages and problems with management and leadership, and in three cases have dealt with those situations through the formal 'Escalating Concerns' arrangements.

5. **Arrangement for the review of fees**

- 5.1 The arrangements for the annual review of fees happen regionally, and we have four categories of fee, namely:
- Residential
 - Residential (dementia – high dependency)
 - Nursing
 - Nursing (dementia – high dependency)
- 5.2 A standard tool by the Laing & Buisson company is used for this work, and although this process ensures consistency across the region, it was agreed in 2017/18 that local authorities should be given the flexibility to adapt part of the tool in order to respond to the situation of the market locally. That part being the Return On Investment (ROI). Gwynedd uses this flexibility to ensure a higher proportion of ROI for the placements of individuals with the most intensive needs.

6 Steps taken to address the situation

- 6.1 In 2019/20, work began to prepare a business case to look at options for the way ahead:
- Discussions were held with each provider regarding the costs of their care
 - An agreement was reached with a number of them that they would be prepared to take part in an 'open book accounting' exercise
 - The Council's Research Unit began on work to assess the care costs of providers
- 6.2 Unfortunately, it has been necessary to pause this work because of the pandemic, and therefore we are not yet in a situation to offer options which could possibly result in new model to fund care costs.

7 Providers' opinions

- 7.1 Providers regularly express that the fees are insufficient to meet the costs of providing care, and they have recently been drawing attention to the increase in the management and administration costs. Recent evidence of our cases of homes which have had to be placed in the formal quality procedure of 'Escalating Concerns' suggest deficiencies in:
- Leadership
 - Staff shortages and staff turnover
 - Maintaining timely and current records of the care details of individuals
- 7.2 Gwynedd providers also draw our attention to the standard fee of Council homes, and the fact that it is higher than the fee which we pay independent providers. It is noted that the standard fee for Council homes in 2020/21 is £733.67, and it is anticipated that it will increase to around £750 in 2021/22.

7.3 In addition, this year, providers have emphasised the need to acknowledge the costs of agency workers which they shoulder (costs which have increased since before the time of the pandemic).

8 Ongoing discussions regarding setting fees for 2021/22

8.1 This year, in contrast to the arrangements in previous years, the regional partnership has held its own consultation with a representation of providers. This was done on 4 December 2020 in accordance with the principles of 'Let's agree to agree', which is the Government's commissioning tool for commissioners and providers to agree on the cost of residential care for older people in Wales. It is believed that this is a step in the right direction, but there is acknowledgement at the same time that there is further work to be done. On the basis of the regional work which has been done therefore, four choices have been submitted for consideration.

- Standard increase
- Option A
- Option B
- Option C

8.2 The options differ in the combination they offer of % Consumer Price Index (CPI), an acknowledgement of the costs of agency staff and living wage elements. These are the main aspects which were highlighted by the providers in their discussions with the partnership. It is noted that the flexibility to adapt the ROI continues, and therefore means that the fees are likely to continue to be different across the region even if each authority agrees to decide on the same option. We currently understand that most North Wales authorities are likely to go for Option A.

9 The regional options

9.1 Options table

<p>Standard increase 2.2% to ensure payment of the National Living Wage (NLW) and 0.5% Consumer Price Index (CPI)(inflationary increase in the care field)</p>	<p>This would maintain our current arrangements and mean that it would not be necessary to make a request for additional funding. However, the commissioning arrangement is fragile as it is, and it could create instability in the marketplace and unforeseen costs as it leads to more providers charging additional fees.</p>
<p>Option A 2.2% National Living Wage 2% CPI 5% agency overheads (an increase from the current 1.5%)</p>	<p>Although this choice does not go far enough in terms of where we want to be in order to ensure that independent providers can pay a fair wage to staff, approving this fee would demonstrate that we are listening and responding to the current pressures on providers, taking a step in the right direction as we continue to work on assessing the true costs of care.</p>
<p>Option B Paying Real Living Wage, namely 50% of care costs at £9.50 and 50% at the higher rate, namely £10.80 (in line with the current differential)</p>	<p>Again, this choice would appear to be positive, but without providing us with the opportunity to take the decision in the context of our assessment of real care costs. This choice would not respond to some aspects which have been highlighted by our providers where they can evidence higher costs.</p>
<p>Option C Paying the Real Living Wage, also 2% CPI 5% agency overheads</p>	<p>This choice would go very far towards achieving the aims of 'Let's Agree to Agree', enabling stability within the market when responding to some of the current concerns. However, it would be premature at present to decide on this without completing the work on real care costs with the market and consider the implications on other services provided such as Supported Living and Domiciliary Care.</p>

9.2 Costs of options

	Regional	Regional							
Category	Standard	Draft	%	Option	%	Option	%	Option	%
	Fee	Fee	Increase	A	Increase	B	Increase	C	Increase
	2020/21	2021/22							
	£	£							
Residential	£566.30	£575.19	1.56%	£586.32	3.53%	£595.97	5.24%	£609.96	7.71%
Residential dementia – high dependency	£629.33	£638.75	1.50%	£650.79	3.41%	£661.07	5.04%	£676.04	7.42%
Nursing	£660.79	£670.88	1.53%	£683.90	3.49%	£694.75	5.14%	£710.65	7.55%
Nursing dementia – high dependency	£697.07	£708.05	1.57%	£722.33	3.62%	£734.14	5.32%	£751.46	7.80%

At the moment, 1.8% has been set in the Gwynedd draft budget for an increase in 2021/22 residential and nursing fees which have calculated 2.2% for the NLW. Options A, B or C would result in adapting this at an additional cost:

Option A: £300k

Option B: £600k

Option C: £1,027k

10 Considerations

- 10.1 All options offered consider the effect on market sustainability. During the time of the pandemic, the homes have received additional financial support through the Welsh Government Hardship Fund, and also for their PPE. There is no certainty about the continuation of the fund further than the end of March, and we will need to consider the situation of homes in that context.
- 10.2 We will also return to the work of looking at the real costs of homes as work capacity is released following the pandemic period. This will enable us to consider the options for adapting the funding model in the longer term.

11 Equality Impact Assessment

No issues have currently been identified, and we will continue to assess the effect as we work with providers on the true cost of care.

12 Well-being of Future Generations Act

The Pre Placement Agreement that we hold jointly with the Health Board and residential and nursing homes considers the principles of the act, e.g. a proactive offer to receive services in Welsh, and sustainability matters. Our work on real care costs and the sustainability of residential care in the long term are also aligned with the principles of the act.

13 Next steps

Once the Cabinet's approval to the fees to be paid is received, we will continue with the work of assessing real care cost and to present them to discussions on 2022/23 residential and nursing fees in the autumn. This will happen alongside regional developments and we will include the Government in the discussion regarding our financial ability to achieve the aims of 'Let's Agree to Agree'.

14 Conclusions

- 14.1 We believe that we cannot justify choosing the 'Standard Increase' since the issues which have been highlighted are issues which the care providers could evidence are real costs of providing care and therefore our responsibility as commissioners to fund. It is therefore noted that providing a greater increase is necessary in order to try and sustain the market.
- 14.2 It is also believed that we should not consider Option B since it does not give attention to elements where providers can evidence increased costs.
- 14.3 It is unlikely that Option C is affordable, but also at the same time, it is necessary to acknowledge that it would not fully solve the problems that we face, nor would it be realistic without consideration of all implications.

14.4 Although Option A is insufficient regarding dealing with some of the matters existing in the field, it does fund the real costs of care. This is the most reasonable and fair choice considering the evidence offered, as well as the maturity of our discussions with the providers.

15 Recommendation

In order to maintain the situation of the market over the coming year as we continue with the work of assessing the real costs of providing care, it is recommended that the Cabinet decides on Option A at an additional cost of £300k for the Council.

Views of statutory officers

Chief Finance Officer

Resources for funding the 'standard' inflationary increase to the independent residential and nursing homes have already been provided for in the Budget which was submitted to full Council on 4th March. It would have been beneficial for the Cabinet to discuss the option to fund the higher cost of this care in a timely fashion, with the remainder of the 'bids' considered for 2021/22.

I appreciate some of the arguments submitted by providers regarding their care costs, but I note that they have not yet 'opened their accounts' for us. Therefore, I believe that that discussion has some way to go before we can approve steps towards much more expensive options.

However, I note that the recommendation of the Adults Department to the Cabinet is to increase the level of residential and nursing fees to the 'Option A' level, and I confirm that this would result in an additional cost of £300k to the Council. If the Cabinet are convinced, then it would be possible to fund this cost from contingency funds, but of course that would reduce the flexibility for us to address any unexpected blows during 2021/22.

Monitoring Officer

The report acknowledges that by now establishing a framework for private care home fees is challenging. The recommendation which acknowledges a need to undertake a review of the system is a sensible one.

Meeting: Cabinet

Date: 9 March 2021

Cabinet Members: Councillor Ioan Thomas, Cabinet Member for Finance, and Councillor Gareth Thomas, Cabinet Member for Economic Development and Community

Subject: The effect of Covid-19 on Byw'n Iach's 2021/22 Budget

Contact Officer: Dafydd L Edwards, Head of Finance

DECISION SOUGHT:

The Cabinet is asked to authorise the Head of Finance, in consultation with the Head of Legal Services and the Head of Economy and Community, to provide a letter of assurance extending the period of assurance already given to the Byw'n Iach company until the end of the 2021/22 financial year, as provided for in the agreement with the company.

Background

1. At the Cabinet meeting of 19 May 2020, the report was presented by Cllr Ioan Thomas', noting the possible gap in the 2020/21 budget, due to the Covid-19 virus crisis, and noting the efforts of the Leader and officials to ensure appropriate funding options from Welsh Government.
2. It was noted that the situation at that time was fragile in all local authorities, with declining income and higher expenditure during the crisis period. However, Gwynedd Council had stepped forward to respond and urgent action taken to look after its residents and services.
3. It was reported that the loss would depend on the duration of the crisis, the effect of the restrictions, and the amount of any Welsh Government grant. The expectation was that Welsh Government would fund Gwynedd Council's additional expenditure, but in May 2020, there was no certainty if the Government would contribute towards local authority income losses.

Previous Decision

4. Therefore, on 19 May 2020, the Cabinet had to consider how to cope with the possible gap in Gwynedd Council and Byw'n Iach's budget due to significant income losses due to the crisis.
5. However, whilst noting that Byw'n Iach would have financial losses as a result of the restrictions of the Covid-19 crisis, the Cabinet confirmed that it was willing to provide the necessary financial support to maintain the services of the Byw'n Iach company initially, until the end of the 2020/21 financial year.

6. It was decided to authorise the Head of Finance, in consultation with the Head of Legal Services and the Head of Economy and Community, to provide a letter of assurance to the company. The Head of Finance sent the letter to the Chair of the Byw'n Iach Cyf Board of Directors on 19 June 2020, confirming that Gwynedd Council would be supporting the company financially until at least 31/03/2021.

Developments in 2020/21

7. By now, we know of course that Welsh Government has contributed fairly from their Hardship Fund towards local authority income losses in 2020/21. Also, we have claimed money from HMRC's Furlough scheme whilst the Leisure centres have been closed. It is expected that we will have claimed a total of over £3m of support in 2020/21 on behalf of Byw'n Iach leisure services: £1.8m from the Welsh Government, as well as £1.2m of Furlough.

Expectations by 2021/22

8. Unfortunately, the side effect of the Covid-19 crisis is likely to continue in 2021/22. Restrictions of some kind could be in place throughout 2021, and Byw'n Iach face the challenge of building the confidence of their customers. With that in mind, and uncertainties due to factors such as the development of the virus, the success of the vaccination scheme, Welsh Government regulations, etc, the company commits to work very closely with the Council in moving forward during the year.
9. Practically, the opinion of Gwynedd Council remains certain that an arms-length company model is the most suitable to meet its aspirations in the leisure industry, and we will continue to maintain the close relationship with Byw'n Iach Cyf to ensure its continued financial viability.

Recommendation

10. Therefore, it is recommended that the Council extends the period of assurance that was introduced to the company in 2020/21 into the next financial year, confirming should the Covid-19 crisis continue that Gwynedd Council will financially support the company at least until 31/03/2022.
11. This assurance of financial support will enable the company to continue to trade legally from 1 April 2021 until the end of the financial year.

Financial Implications

12. Using 2021/22 as a basis, the loss of income was £1.8m, and therefore it is not anticipated that the cost of keeping Byw'n Iach viable would be above this amount in 2021/22.
13. If the impact of the Covid-19 crisis continues in 2021/22, it is a reasonable budgetary assumption that the Welsh Government will continue to compensate the Council for the income losses in the next financial year.

14. Therefore, whilst the potential cost of providing the company with the necessary financial support is open ended, compared to the similar consideration in May 2020, there is now a greater likelihood that the Government will take on a significant proportion of the cost.

Opinion of local member

Not a local matter

Views of the Statutory Officers**Monitoring Officer:**

There is provision in the contract with the Byw'n Iach company which allows the Council to adapt it's contractual contributions. The recommendation allows for the extension of the warrant given for 2020/21 in order to enable the company to maintain it's activities which, as noted in the report, accord with the Council's strategic objectives.

Head of Finance:

I have collaborated with the Cabinet Members in the preparation of this report and I confirm the content.