

WLGA EVIDENCE TO THE HEALTH, SOCIAL CARE & SPORT COMMITTEE



CLILC • WLGA

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About Us

The Welsh Local Government Association (WLGA) represents the 22 local authorities in Wales, and the three national park authorities and the three fire and rescue authorities are associate members.

The WLGA is a politically led cross-party organisation, with the leaders from all local authorities determining policy through the Executive Board and the wider WLGA Council. The WLGA also appoints senior members as Spokespersons and Deputy Spokespersons to provide a national lead on policy matters on behalf of local government.

The WLGA works closely with and is often advised by professional advisors and professional associations from local government, however, the WLGA is the representative body for local government and provides the collective, political voice of local government in Wales.

Introduction

It remains the case that local government is working at the forefront of the current emergency and we continue to meet the unprecedented challenge of COVID-19 in partnership with Welsh Government, partners in health and the whole public service. As the crisis hit, councils stepped up, working tirelessly with national government and local partners to provide an impressive range of emergency food, financial care and wellbeing support across all ages.

The recent growing number of cases in Wales is extremely worrying and puts at risk the progress that has been made since March. Caerphilly was the first area of Wales to introduce local lockdown restrictions on 8 September in response to the increasing numbers of cases across the county, but with other areas also showing an increase in rates of infection it demonstrates that COVID-19 is still very much here and we all must continue to be very cautious in managing the risk. In response councils continue to play a key role in tracing contacts, supporting vulnerable people and making sure that premises comply with public protection rules, as well as reopening services that are Covid-safe.

The pandemic has highlighted the incredibly valuable role of social care in its own right. Social care staff have been on the frontline throughout this crisis, doing an incredible job in extremely challenging circumstances to protect those they care for. Councils continue to do all they can to support people receiving care, whether at home or in other settings. Whilst we are past the initial peak of the virus in care homes, it is clear that those who use, work and volunteer in these vital services were not given as much priority in terms of their protection as the NHS from the outset of this crisis. While much has been learnt about the virus, the growing number of cases in the community reflect it is essential that we learn from previous experience and do not make the same mistakes again. The Government needs to ensure that councils and social care providers have all the support and resources they need for the weeks and months ahead. Social care deserves parity of esteem with the NHS and this needs to be backed up by a genuine, long-term and sustainable funding settlement for social care, which local government has been calling for, long before the current crisis.

As restrictions have eased and there has been a move towards recovery work, which now continues in tandem with responding to current increases in COVID-19 cases and local outbreaks and lockdowns. Vulnerable people, including those who have been shielding, are likely to be adversely affected by the pandemic in a range of ways. For some of our most vulnerable residents, the pandemic has thrown up a range of financial challenges, with many households taking on new debt during COVID-19 or needing to find new ways of managing on a reduced income. The mental health impacts of COVID-19 will also affect individuals in different ways, including as a result of loneliness and isolation. Good mental health support needs to underpin the COVID-19 recovery. Councils are seeing positive changes which with the right funding and support could be the foundation for a more preventative approach to mental wellness that aids recovery and enhancing community resilience in the long term.

The WLGA has contributed to several Committee Inquiries into COVID-19. The evidence submitted to these¹ provides detail regarding the challenges faced and local government's response during the early phase of the crisis within social care, schools and services for children and young people. This response does not seek to repeat the evidence that has already been provided, but considers recent developments and focuses on some of the financial challenges facing local authorities, both for this financial year and for future years, as well as considering next steps in moving forward and implementing recovery plans and some of the specific considerations that need to be given in relation to social care.

Current Situation

The safety and protection of the most vulnerable people in our communities has been an important priority for local government, with people living in care homes and other similar residential settings amongst those at greatest risk. Events in Wales over recent days and weeks have demonstrated that the virus is still circulating in our communities, underlining the need for all of us to make preparations and take preventative actions for what may lie ahead. As we all respond to the challenges in our local communities, it is essential we learn and apply the lessons of our experiences earlier in the year.

Local authorities have previously raised numerous concerns about the impact of COVID-19 in care homes in particular, with care homes being at the frontline of the response along with hospitals. There is a strong view among the WLGA that all actions necessary should be taken to protect and shield people who live and work in care homes and those receiving care in their own homes. This means responding quickly and efficiently to suspected or reported cases, coordinating support from PHW, CIW, local authorities and health boards to work with the home, whilst also ensuring the appropriate supply of PPE alongside an increase in rapid, regular and timely testing.

During the first wave, the hospital discharge processes was of particular concern, with the potential impact on the number and level of outbreaks and deaths in care homes if people remained COVID-19 positive on discharge. Leaders raised the need to ensure testing of patients before discharge into care homes, as well as testing programmes in care homes with Ministers on a number of occasions. Considerable progress has been made, with testing of hospital discharges to care homes now being key to providing assurance and helping to keep care homes as safe environment. The WLGA would also advocate the need for double testing as opposed to single testing of patients prior to discharge from Hospital into a Care Home, something which the recent Technical Advisory Group consensus statement² concluded would reduce the likelihood of false negative results to almost zero. The continued observance of appropriate quarantine and infection control measures simply cannot be overstated and so it is vital that the processes that have been developed are maintained and built upon and we do not risk losing the gains made.

¹ Health, Social Care and Sport Committee – [Oral Evidence](#) - [Written Evidence](#)

Children, Young People and Education Committee – [Written Evidence Only](#)

Culture, Welsh Language and Communications Committee – [Oral evidence only](#)

Equality, Local Government and Communities Committee – [Oral Evidence](#) - [Oral Evidence \(Housing\)](#) – [Written Evidence](#)

² <https://gov.wales/sites/default/files/publications/2020-09/technical-advisory-group-consensus-statement-on-the-impact-of-single-vs-double-testing-of-patients-prior-to-discharge-from-hospital-into-a-care-home.pdf>

During the first wave of the pandemic it was communicated to the sector by Public Health Wales that there was a need for a 28-day quarantine period for a care home to be COVID-19 free before accepting new residents. This is an area where we could apply lessons and ensure we have alternative provision, for example being able to make use of the field hospitals to create capacity that offers a safe place for hospital discharges to go for a quarantine period before going on to a care home.

The regular testing of care home workers has been essential in supporting the safety of both staff and those receiving services, helping to protect our vital social care services. We recognise the reasons for reducing the regularity of testing during periods where prevalence rates of COVID-19 infection within care homes and the community remain low but are concerned that now that prevalence rates are increasing in the community, there is a need to re-instigate more regular testing of care home workers and residents. The move back to weekly testing for staff and residents in care homes has been one of the first steps taken in response to the local outbreak currently being experienced in Caerphilly and given the increasing prevalence of COVID-19 in communities across Wales we firmly believe that this should be replicated across all local authority areas with immediate effect.

We know that there are significant pressures being placed on the testing system and as the number of cases increase so will the calls for testing. It is essential that we prioritise the most vulnerable, ensuring that we safeguard and control infection in groups, communities or settings where there are greater risks. This means needing to ensure that we have a testing system in place that all have confidence in. There are considerable concerns about the capacity of the current Lighthouse system which is leading to significant delays in results coming back, lost test results and difficulties in booking tests through the portal. Leaders have received some assurance that within the Minister for Health and Social Services' proposals to expand NHS Wales testing capacity, it has been confirmed that the return of care home testing from Lighthouse labs to LHB testing facilities was being prioritised. This issue has been raised as a priority concern as part of leaders' discussions, particularly in localised 'hotspots' where care home residents are being tested on a weekly basis, but results are not being returned in a timely enough manner and sometimes being retested before previous results have been returned.

The issues with the Lighthouse labs have been acknowledged by Welsh Ministers and we support efforts to raise these concerns with the UK Government and look at alternative arrangements within Wales. However, recent experiences have further demonstrated unacceptable challenges in our testing capacity in Wales and it is extremely concerning that these are issues likely to be unresolved for a number of weeks. It is essential that testing capacity increases and local testing availability improves urgently.

During the pandemic local government has been acutely aware of the impact on the mental health and well-being of care home residents due to the restrictions that have been in place. The introduction of the first 'local lockdown' in Wales will no doubt heighten anxieties further. Unfortunately this means that restrictions have had to be put on in-door care home visits in some areas, but it remains essential that we continue to support homes to facilitate outdoor visiting where feasible and safe to do so during future lockdown periods, and that we continue to enable visits that help ensure that people with exceptional circumstances including receiving end of life care can safely receive visitors in care homes. Throughout this effective communication with residents, families and staff will be essential, along with the need to keep any lockdown arrangements under continuous review.

We remain committed to continuing to work with Welsh Government and our many partners as we continue to try to manage the impacts of the COVID-19, however the current rise in cases and application of tighter restrictions demonstrate that there is a long way to go. It is essential that we collectively learn and apply lessons from our previous experiences and do everything possible to protect those who are most vulnerable in our communities.

Funding

Since the onset of the pandemic, a key focus for councils has been to protect the most vulnerable in our communities, to support local economies and to keep other key services like waste and recycling running as normally as possible. All local authorities have faced increased costs and demand pressures as a result of the pandemic, and at the same time have experienced a significant reduction in income.

The WLGA has worked in partnership with the Local Government Associations in Scotland and Northern Ireland to ensure UK Government is aware of the challenges due to continuing financial pressures in response to the current emergency and to seek solutions in partnership, alongside the LGA in England. Cllr Andrew Morgan (WLGA Leader) was a co-signatory of a joint letter to the Rt Hon Rishi Sunak MP, Chancellor of the Exchequer, that sought a UK Government response so that the devolved nations can work collaboratively on the urgent matter of preserving essential services and local democracy within the communities commonly served.

The WLGA Group Leaders have also written to the Minister for Housing and Local Government on 6 July putting forward a series of co-ordinated, Wales-wide programmes of investment in local authority services, to aid economic recovery. The letter stressed that with Welsh Government funding, local authorities could borrow and invest in several significant capital programmes. By doing so these actions would contribute to a wider economic stimulus package whilst simultaneously helping to improve performance and outcomes in relation to a range of other important shared policy objectives. The proposal totals £762 million and would also help to 'lock in' and build upon positive, transformational changes already introduced to services in response to COVID-19. As part of this Leaders have outlined their views on the need for investment in care homes. This is essential not only to bring buildings up to modern standards but also to learn lessons from the current crisis, where the need to be able to separate different care home residents has been highlighted. 'Extra-care' facilities have also been developed by a number of local authorities, with scope for further investment in these or 'Extra-care plus' facilities if capital and revenue were made available. The 21st Century Schools initiative provides a model that could be used to support a programme of work of long-term investment in the improvement and development of our social care infrastructure.

The WLGA continues to work with local authority Treasurers to produce an assessment of the financial impact of COVID-19 on local authorities, which considers loss of income and increased expenditure. The second quarter's survey (June – September) high-level estimates show that the financial pressure continues to be felt by all 22 local authorities. Overall, we estimate that from July to September the income loss and additional spend pressure combine to form a budget gap of £141m compared with £174m in the first quarter of this financial year. These figures are after some savings through cost avoidance and allowing for income that is delayed. This is equivalent to just over 7% of Aggregate External Finance.

The latest estimates indicate that the pressure evident after quarter 1 will continue to be experienced by local authorities. Service and financial impacts of the COVID-19 emergency will be experienced for some time to come and extend to the end of the year, and with a high probability this will also impact on the 2021/22 financial year. To put this into context, the estimated income loss for 6 months (£143m) equates to a 10% one-off increase in council tax. The final year end position will also impact on each authority's balance sheet.

The WLGA, working with authorities, has been engaged in detailed discussions with Ministers evidencing these significant funding pressures caused by the loss of income and additional costs in responding to the pandemic. While some funding for pressures and income loss was announced earlier in the year, the additional £260m support package announced by WG on 17 August will help to bring some much needed certainty for councils in planning for the remainder of the financial year.

The package announced brings the total amount of funding to nearly £0.5bn for this financial year. Whilst the funding to date has been significant and helpful local government remains concerned that further unfunded pressures are likely to occur as communities return to normal levels of activity.

Winter Pressures

As we approach this Winter we are facing the most challenging of times. Winter is always a challenging time for health and social care, however, the occurrence of COVID-19 has added a further dimension, representing an unprecedented position. This year, even more than most, council's have emphasised the importance of providing early information and detail of funding for local government to aid and enable early planning for the forthcoming period.

Social care plays a crucial role, reducing pressure on the NHS, both in terms of discharges from hospital and in helping to prevent admissions to hospital, as well as reducing increased demand on primary care through the preventative and early intervention services provided by social care staff across Wales. Planning for and tackling Winter pressures together is critical in ensuring the system operates to full effectiveness and this requires funding that is appropriately allocated across the whole system.

Local government is keen to play a full part in planning for the Winter ahead, working collaboratively with Welsh Government, colleagues across the whole health and social care system and other partners, including the third sector to ensure we have robust plans in hand. We fully appreciate the challenges ahead with risks from both seasonal flu and further outbreaks or a second wave of Covid-19, making effective planning even more important than usual. This will require early notification of funding allocations so that we can plan accordingly.

Social care faces its own financial pressures from increased demand during the Winter period. In supporting the NHS, flexibility and responsiveness is essential to be able to put care packages in place, supporting recovery and rehabilitation both in the community and in people's homes. As we come out of the first wave of COVID-19, we are already seeing some increased latent demand, requests for assessments and care packages and increases in safeguarding referrals. We are also expecting increased demand for rehabilitation services as people recover from the virus and regain their strength. This demand is likely to increase over the forthcoming period, increasing demand on already overstretched services.

We hope that Welsh Government will be in a position to announce information on the funding that will be available to local authorities to aid early planning. While we recognise and fully support the role Regional Partnership Boards will play in Winter planning, and we are supportive of some funding being provided through this route for joint planning, it is essential that Welsh Government provide funding direct to local authorities, along with the NHS, recognising the role local government plays in the round in reducing pressure on the NHS and ensuring the health and social care system operates to maximum capacity, protecting and supporting citizens across Wales. As the recent Health, Social Care and Sport Committee's inquiry report into the impact of the Covid-19 outbreak states, "We must take this opportunity to be better prepared, on all fronts, for the challenges ahead, especially during the coming winter period."

WLGA has welcomed the inclusion of social care workers within the eligibility for flu vaccination. This year it is even more important that we do all we can to help ensure a maximum take up of the flu and COVID-19 vaccines in social care. Work is underway, but key to this is: needing a clear timetable for where and when social care workers can get the vaccinations; clarity on eligibility for the vaccine; early messages to all social care workers on the need for the flu jab; and community pharmacies and GP practices to be informed and supported to meet the increase in demand.

Future Pressures in 2021-22

The following section summarises the position for the next financial year which we know will have to be addressed through the UK Government's Spending Review and Welsh Government Budget announcements in the autumn.

Figure 1 below summarises the current assessment of expenditure pressures for local government. Total expenditure pressure for 2021-22 is higher than estimates for this financial year and stands at £264m, giving a cumulative total of £518m. Unavoidable workforce pressure account for 60% of this. By 2022-23 this rises to £739m with workforce pressures (£424m) higher than demographic and other inflationary pressures combined (£315m).

Figure 1: Cumulative pressures up to 2021-22, by theme, £m

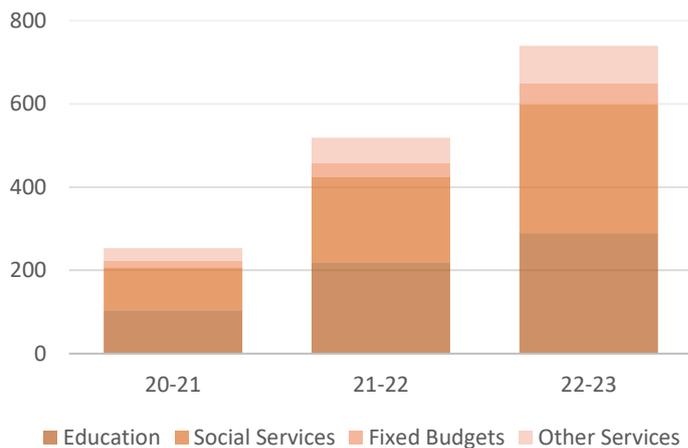


Source: Base estimates: RO and RA returns (2018-19 to 2019-20)

Figure 2 below shows that greater proportion of future pressure is still building up in the larger services. In summary the key features are:

- An additional pressure of £102m for social care in 2020-21 becomes £309m by 2022-23 although the work commissioned from LE Wales by Welsh Government should provide more precise estimates it is yet to be published.
- Budgets for schools and education are not far behind with pressures rising from £105m to £289m over the same period. The imminent Report into School Funding by the Children, Young People and Education Committee will be informative in this regard.
- Fixed elements of the budget – capital financing, fire levies and the Council Tax Reduction Scheme – rise from £17m to £51m by the end of the period.
- The remaining non-statutory services, which are some of the most visible to and valued by communities and those that make a positive contribution to people’s wellbeing are the ones most at risk and areas that have borne the brunt of austerity to date.

Figure 2: Cumulative pressures up to 2021-22, by service, £m



Source: Base estimates: RO and RA returns (2018-19 to 2019-20)

Moving Forward and Recovery Plans

Given the need to respond to the immediate crisis, local authorities are at an early stage of planning the transition to a recovery phase. However, some have already put recovery plans to their Cabinet. The recovery phase is now a key issue that all councils are considering as part of their Business and Medium-Term Financial Planning. There is little doubt that a ‘business as usual’ approach to planning is not appropriate for the next revision of plans. The assumptions used at the time 22 local authority budgets were set in early 2020 will need to be reviewed, revised and agreed by Councils to ensure a sound basis for budget setting is in place.

The degree of reprioritisation will vary across local authorities. However, in order to deliver vital services and balance their finances key areas such as Social Services, Education and the level of local economic stimulus are likely to be key elements.

Local Authorities will welcome an early indication of future years’ key funding assumptions from Welsh Government because this will greatly assist a consistent basis for planning notwithstanding the obvious uncertainty about the wider UK fiscal position. The relative stability of local authority finances in Wales is in contrast with the levels of concern amongst local authorities in England. The position in Wales has been assisted by the partnership approach adopted between Welsh Government and Welsh Local Authorities. Even so, financial stability will be a key factor given affecting local government budget decisions given the unprecedented pressure faced by local authorities.

Against the background of a likely difficult budget setting round, and so that authorities continue to play a key part in the delivery of Welsh public services, the WLGA is supportive of a more flexible and creative approach to meeting the unprecedented challenge. As a result, on 25 June the WLGA wrote to the Treasury to make the case for a comprehensive package of additional funding to address the significant funding gap and also a relaxation on the limits on fiscal autonomy placed on Welsh Government. Such an approach would allow councils to work with Welsh Government to meet the increased demands for front line services and to provide economic support.

On 24 March, the Chancellor announced that the Comprehensive Spending Review (CSR) would be delayed. This was to enable the UK Government to remain focused on responding to the unprecedented COVID-19 public health and economic emergency. The CSR context will include a deficit amounting to more than £300bn and means the Government will be left with difficult choices around increasing borrowing, raising taxes or cutting spending. On 21 July the Chancellor announced that the CSR20 would commence and conclude in September, this will have a significant effect on the funding envelope for all devolved administrations.

Some authorities also see this as an opportunity to pursue transformative change and to identify / maintain new operating models and deliver services in different ways. It is now clear that this crisis has forced a shift towards more agile working and these benefits should not be lost. This is changing the way authorities operate and staff have generally embraced the new approaches.

The willingness and readiness of local authorities to generate much needed economic stimulus for our communities was a key component of the 6 July letter from WLGA Group Leaders to Julie James MS, Minister for Housing and Local Government. The letter contained a list of co-ordinated, Wales-wide programmes of investment in local authority services. The intention of the 'top ten' capital scheme programmes would be to 'lock in' and build on the positive change already evident in response to COVID-19. The letter noted the benefit of the favourable interest rate levels for local government borrowing for schemes that are mainly capital with some of the schemes generating their own revenue contributions and/or revenue savings.

Social Care

The following section considers some specific areas of social care where we believe action will be required in response to the COVID-19 crisis.

Adult Services

Throughout the outbreak, councils have provided leadership of place, working closely with their NHS partners, the third sector, providers, community and wider partners. In many cases responding to the pandemic has strengthened joint working at the local level, with more agile and responsive decision making and action planning being enabled. Relationships with providers have been strengthened by the continual dialogue, with local authorities, and others, supporting homes with the provision of advice and updates, and sharing learning.

These partnerships have increasingly included care providers as well as the voluntary and community sector, housing and wider public services, including public health professionals and environmental health officers. The vast effort and actions mobilised by system leaders is also clear, with the work undertaken to establish or extend the offer of support to care providers, including care homes, such as establishing PPE supply routes, rolling out training and advice, or redeploying staff or volunteers.

As leaders of place, councils have also highlighted the importance of considering the needs of the whole care market when developing financial or other support. Moving forwards the Welsh Government should actively promote the 'principle of subsidiarity' and decision-making at the most local level appropriate in all health and social care delivery of policy, as a necessary underpinning feature of effective health, care and wellbeing.

Significant concerns about the financial viability of Providers continue to be highlighted. This had been a recognised area of risk for several years prior to this crisis but the position has now been exacerbated. This is something that needs to be monitored closely as there may be further stress on the social care system if there is a second peak, or local outbreaks. This will require the ability to shift capacity and resource across from hospitals and into the community. It is imperative that the Welsh Government provides sufficient funding to enable councils to meet additional demands arising from COVID-19, which build on pre-existing pressures. Additional funding should be made available with as few a set of conditions as possible to allow flexibility to address local circumstances.

It is also important to acknowledge the existing fragility of the care market before it had to contend with the challenges arising from COVID-19. It cannot be the case that the additional funds provided in response

to COVID-19 are used to make up previous shortcomings. There remains a need to secure sustainable long-term funding for social care (covering both adults and children's services) as soon as possible.

Children's Services

All communities and every aspect of children's and families services have been affected by COVID-19. The pandemic, ensuing lockdown (including the closure of schools) and enduring social distancing measures have simultaneously exposed and heightened the impact of stark disparities between disadvantaged children and their more affluent peers. These continuing and emerging needs include the impact of poverty, poor-quality housing, ill-health and insecure work, as well as children's access to technology and therefore opportunities to learn at home; safe spaces for play; and enough food.

Experiences for families have varied greatly, and for some, this period will have been exceedingly difficult and traumatic. The level of resilience that many families have demonstrated has been remarkable, however the impact of the pandemic on some children will be far-reaching, particularly those who are 'at risk' and it will be essential that the right services are there to support them.

There is a real need to support children, young people and families as the longer-term impacts of the social distancing measures and pandemic become evident, whether that is hidden harm, impacts of poverty or mental health issues. Services must be properly funded to ensure appropriate support is available, and services must ensure flexibility to respond to the challenges different areas and families will face.

The significant challenges currently in providing the right placements for children in care will become even more apparent if we see an increase in children coming into care or a spike in placement breakdowns as restrictions continue to be lifted. Councils will need to work urgently to expand local provision, both in-house and working with private and voluntary sector providers, to ensure children have safe, caring homes appropriate for their needs. This need is even more urgent for those with complex needs. Important lessons have been learnt about new ways to deliver services during this crisis that in some cases have been better for children, young people and their families. We must learn these lessons and give councils space to embed this learning.

Councils are uniquely placed to bring together the local services that are needed to support children and young people's mental health and tackle problems before they become acute. Schools will also be on the frontline but will need to refer access to a range of services that support families including public health, adult and children's services and housing.

Investment in local government preventative, universal and early help services is essential so that children, young people and families receive the practical, emotional, educational and mental health support they need, as soon as they need it. Additional funding is required in the short-term to meet additional expenditure and increasing demand to ensure that services are available to provide the support required by children and families as a result of the impact of the crisis. Longer-term investment is also needed to ensure that councils have long-term, sustainable funding to invest in the services children, young people and families need to help cope with the long-term implications of the pandemic as well as meet the increasing demand and pressures that services were already experiencing.

Mental Health Services

Councils have always had an important role in improving and maintaining people's mental wellness, from childhood to old age, but COVID-19 has proven the value of this more than ever.

Our mental health is so closely linked with other essential areas of our lives, including housing, employment, social inclusion and economic development. Councils are uniquely placed to use their services to connect all parts of this system together and help ensure the country is prepared for the future.

We need to refocus our policies and funding towards these preventative local services, to help reduce health inequalities and ensure better mental health for all. There needs to be a new national focus on helping everyone stay mentally well, including those affected by COVID-19, backed-up by funding for councils to spend with local partners such as the voluntary and community sector, on meeting their communities' mental wellbeing needs.

This should include a shift in focus and funding away from treating mental ill-health and towards a locally-led approach to promoting people's mental wellbeing throughout their lives, to help prevent more serious problems from developing, alongside earlier intervention and targeted support for those who need it.

Workforce

The workforce is fundamental to the delivery of all that is required in delivering services and supporting vulnerable people. The reality is that the outbreak has had a devastating impact on some working in social care. When adjusted for age and sex, social care workers have twice the rate of death due to COVID-19 compared to the general population.³ Similarly we know that COVID-19 poses a higher risk to BAME communities, and so those social care frontline workers from BAME backgrounds will have been disproportionately impacted by this virus. The intense pressure on these workers and the impact on their current and future mental health and wellbeing continues to be a source of concern.

It is essential that all social care workers are offered the same recognition, support and protection as NHS workers. The WLGA has welcomed the introduction of the social care worker card by Social Care Wales and Welsh Government, however this is no substitute for appropriate pay and conditions and a pathway to progress within a professionalised care sector. The important value of people working in social care needs to be recognised in a meaningful and sustainable way, which includes ensuring that there is parity of pay, terms and conditions with comparable roles in the NHS.

Conclusion

We recognise that in these extraordinary times all public service partners have done their best in the most challenging of circumstances, lessons are being learnt and the focus has always been on delivering the best outcomes. Whilst there have been challenges and difficulties, and more are likely to come as we continue to respond to and recover from the impact of this crisis, the significant progress that has been made in a short space of time should be recognised.

Local authorities have played a vital part of the front-line response; they have demonstrated community leadership, they have been adaptive, innovative, responsive, flexible and have been relied upon to deliver. Councils have continued to be the first port of call for the most vulnerable in our communities, whilst delivering rapid organisational transformation, redeploying staff to prioritise core services and introduce new services to support the COVID-19 response.

The recent increases in COVID-19 cases and implementation of local lockdowns has demonstrated that the crisis is far from over and it is essential that we apply the lessons from earlier in the pandemic, particularly in relation to PPE and testing. The current testing capacity challenges being experienced are extremely worrying and need to be resolved as a matter of urgency.

³ <https://www.health.org.uk/news-and-comment/charts-and-infographics/what-has-been-the-impact-of-covid-19-on-care-homes-and-social-care-workforce>

Local authorities have played a critical role in easing the lockdown and re-introducing valued services safely and are setting out an initial programme for recovery and reconstruction, an economic stimulus package that would address long-standing challenges, reinvigorating and rebooting our local and national economy. However, Wales' health and social care system has been severely tested by COVID-19. We must now address the issues that are impacting on our health and social care services. Fundamental changes which recognise that health and social care are equal partners in the aspiration of delivering one seamless health and social care system for Wales continue to be needed. A long-term, sustainable solution to the way social care is funded is essential if we are to deliver a system that is organised around the individual and their family which meets their needs with safe and high-quality services.

Much of this ambitious agenda will require a partnership approach, delivery of shared ambitions for regeneration and recovery shaped through the strengthened political relationship between Ministers and council leaders. This political relationship, where dialogue and joint decision-making has become direct and immediate and councils are trusted to deliver, needs to be extended throughout Welsh Government departments to ensure that regulation and risk is proportionate, bureaucratic burdens are minimal and discretion and flexibility for local delivery is maximised.

Local government looks forward to playing its part in a relationship based on renewed trust with subsidiarity the foundations of plans for the recovery and reconstruction of our communities, our economy and our public services in Wales.