

Written Evidence Paper

Public Accounts and Public Administration Committee – Inquiry into Care Home Commissioning for Older People

Purpose

This paper provides an update on the Welsh Government's response to the recommendations in the Auditor General's report 'Care Home Commissioning for Older People' (December 2021), and on the progress being made with actions flowing from the Rebalancing Care and Support White Paper published for consultation in January 2021.

1. Welsh Government response to the Audit Wales recommendations

Recommendation R1

- 1.1. R1 recommended that the Welsh Government considers what the findings from the Audit Wales work in North Wales means for planned policy reform, and whether these reforms will go far enough to tackle the root causes of the issues raised.
- 1.2. The Welsh Government welcomes the Auditor General's reports on care home commissioning in North Wales and on the national implications of that work. We recognise the value this work has for informing our planned policy reforms, and in particular the delivery of our national and regional work programmes under the Rebalancing Care and Support Programme. We will ensure that the findings and recommendations from these reports are fed into the Technical and Task and Finish Groups which have been set up in support of this programme. For example the Terms of Reference for the Integrated Services Task Group within the Rebalancing Care and Support programme include a specific reference to the Audit Wales report and recommendations in its key objectives.
- 1.3. The aim of the programme is to bring about real system change, addressing the issues set out in our Rebalancing Care and Support White Paper (January 2021), and in particular ensuring that the Social Services and Well-being (Wales) Act 2014 is fully implemented. Consultation feedback on the White Paper showed strong support for the principles and framework set out in the 2014 Act, but there was a clear perception of an 'implementation gap' which the programme is seeking to address. We believe that successful delivery of the rebalancing programme will tackle the root causes of the issues raised in the Audit Wales reports.

Recommendation R2

- 1.4. R2 listed particular areas that our programme of policy reform should address.

Reducing complexity of funding responsibilities across partners

- 1.5. The Welsh Government recognises that the long standing arrangements for funding health and social care can be complex.
- 1.6. We have recently reviewed the national Framework for Continuing NHS Healthcare (CHC), which went live on 1 April 2022. It includes a focus on partnership working to provide a seamless, person centred health and social care service for individuals, their families and carers. It also stresses the importance of joint commissioning and pooled budgets to support an integrated approach. In terms of Funded Nursing Care (FNC), we are developing an interim policy statement. This will provide an update on legislative changes and court judgements subsequent to the 2004 FNC Guidance, in advance of a longer-term review of FNC policy. This also sets out the importance of partnership working, joint commissioning and pooled budgets. Furthermore, we are intending to include commissioning of care services under CHC and FNC under the national commissioning framework as part of the Rebalancing Care and Support agenda.
- 1.7. Under the Rebalancing Care and Support Programme, the Welsh Government is committed to bringing together both parts of the health and social care system to try and reduce complexity and make better use of key joint commissioning tools such as joint commissioning strategies, standard fee methodologies and pooled budgets.
- 1.8. It is clear that a defined, shared fund agreed at a local level, based on regionally agreed standards and principles could negate the need to debate and obtain budgetary agreement for individual cases. This would in turn streamline the process for both organisations and the people they provide care and support for.
- 1.9. Ministers will shortly be asked to agree whether additional specialist capacity should be appointed in 2022/23 to work with officials and key stakeholders to review and reduce the current complexity of funding for older peoples care homes. The conclusions of this work will inform the Codes of Practice in relation to the National Framework being established under the Rebalancing Care and Support programme and amendments to the Part 9 statutory guidance.

Clearly describing and communicating how pooled funds are expected to operate across health and social care partners

- 1.10. Our expectations about pooled funding arrangements were set out in the regulations and statutory guidance on partnership arrangements under Part 9 of the 2014 Act. Although the current regulations focus on the development of regional pooled funds for older people's residential care, the statutory codes of practice were amended in 2019 to encourage RPBs to consider pooling of funds and joint commissioning in other service areas. We have always been clear that pooled funding is one part of effective joint commissioning and the delivery of services, rather than being an end in itself, and we acknowledge that the current arrangements needs strengthening.
- 1.11. In response to initial requests for further clarity and technical support around pooled funds, the Welsh Government funded and co-produced the Pooled Funding Toolkit, working with stakeholders through the Association of Directors of Social Services Wales to coproduce the content.
- 1.12. Further to this the Welsh Government undertook a review of pooled fund arrangements across Wales. Our research partners KMPG found some notable progress, but concluded that further work was needed to strengthen governance arrangements, undertake benefits analysis and realisation, and sharing of risk in relation to pooled funds.
- 1.13. Learning to date has indicated that despite the challenges with establishing regional pooled funds for older peoples care homes, pooled funds can and are being used in a variety of different service areas and at a range of different levels including national, regional, sub-regional local, cluster and even individual levels. Strengthening the use of pooled funds, allowing greater flexibility between regional and local arrangements, and widening their scope into service areas where they can have the greatest impact, will form part of the integrated service delivery work stream under our Rebalancing Care and Support Programme.

Measures to strengthen scrutiny arrangements and accountability of the Regional Partnership Boards

- 1.14. The Governance and Scrutiny Task and Finish Group under the Rebalancing Care and Support Programme has been established to strengthen regional partnership arrangements by reviewing and addressing:
 - the role, responsibility, function and membership of RPBs
 - ensuring RPB business units are sufficiently resourced and fit for purpose
 - RPBs having own bank account or agreed host

- addressing the imbalance in accountability between statutory partners of the RPB
 - formalising reporting arrangements to/from RPB to statutory partners
 - establishing scrutiny arrangements for RPBs by statutory partners
 - considering whether creating a social care corporate joint committee would aid RPB governance.
- 1.15. During 2022-23 key stakeholders will work with officials through the Task and Finish Group to consider the above areas and inform the necessary changes to the Part 9 guidance.

Developing a framework for outcome-based performance reporting, which links to policy ambition and the seven wellbeing goals for Wales

- 1.16. Joint work across health and social care policy has been undertaken to develop a draft national Outcome Framework for Health and Social Care. This framework is an action within A Healthier Wales supporting and embracing the commitment to improved integrated working. The Framework has currently developed 15 draft population indicators jointly agreed between health and social care policy. Improvement against the proposed population indicators will demonstrate the overall aim of improved health and wellbeing for the people of Wales.
- 1.17. Over summer these indicators and the reasons why they have been selected will be discussed and shared wider with stakeholders. The aim of the wider stakeholder engagement is to gain greater ownership by all partners and to identify the key actions to improve each indicator.
- 1.18. To complement the work being undertaken in developing a National Health and Social Care Outcomes Framework, the newly launched Regional Integration Fund is co-producing with partners an outcomes framework and supplementary guidance to support the development and monitoring of the six national models of care promoted through the fund.
- 1.19. An Outcomes Framework and draft supplementary guidance for the Health and Social Care Regional Integration (RIF) are currently being finalised with RPBs and will be introduced to support monitoring and outcome-focused impact reporting from the outset. The guidance is based on the established Results Based Accountability methodology and includes a range of qualitative indicators and quantitative measures for each of the six new national Models of Care, and information sources to ensure RPBs and the Welsh Government will be able to measure progress to meet the outcomes of the RIF.

2. Progress update on the Rebalancing Care and Support Programme

- 2.1. The Rebalancing Programme was set up following consultation on the Rebalancing Care and Support [White Paper](#) (January 2021), which set out proposals to improve social care through strengthening partnership working and integration of services in line with the Social Services and Well-being (Wales) Act 2014. The [consultation responses](#) were published in June 2021. The Programme has also been shaped by the new [Programme for Government](#) 2021-2026. On 29 October 2021, the Deputy Minister for Social Services published a written statement, 'Rebalancing Care and Support White Paper – Next Steps'.
- 2.2. The programme is now in its delivery phase, and is focused on the following three key areas:
 - developing a strategic National Framework for commissioned care and support, to set standards for commissioning practice, reduce complexity and to focus on quality and outcomes
 - the creation of a National Office to oversee the implementation of this framework
 - strengthening regional partnership arrangements so joint working delivers integrated services for local populations.

Developing a National Framework

- 2.3. Work on developing a strategic National Framework has already commenced. A Technical Group was convened in January to advise the Welsh Government on the technical aspects of policy development in relation to the framework. This group will address the scope of services to be included in the framework, the commissioning cycle, standards for commissioning and service design, fee methodologies, contract / performance management, procurement frameworks, impact assessment, and implementation of the framework.
- 2.4. The Technical Group will be meeting for half a day, approximately every 4 weeks. The first meeting, on 26 January, was a scene-setting meeting. The second, on 30 March, focused on commissioning. It is expected to conclude its work in the autumn.
- 2.5. A final report of recommendations for policy development will be produced by the Technical Group and presented to the Deputy Minister for Social Services and the Minister for Health and Social Services. This report will inform the development of a new Code of Practice. The National Framework will be published for consultation in 2023, set out in the Code of Practice.

Strengthening regional partnership arrangements

- 2.6. The strengthening of regional partnership arrangements is being addressed through five areas: Rebalancing the Social Care Market, Integrated Service Delivery, Engagement and Voice, Planning and Performance, Governance and Scrutiny. This regional programme was launched in February by the Chief Social Care Officer for Wales, with an online event engaging a wide range of stakeholders. Task and Finish Groups are being set up to oversee delivery of each of these workstreams. Most will begin work in May.

Rebalancing the Social Care Market

- 2.7. The Rebalancing the Social Care Market Group aims to strengthen the social care sector by creating a more stable and sustainable market for regulated services providing care and support in Wales. The main objectives of market rebalancing are:
- to rebalance the provision of social care by increasing local authority and third sector provision and reducing an over-reliance on the private sector in certain aspects of social care provision
 - to develop an approach to market stability and market oversight which promotes sustainability and responds to the changing needs of local populations
 - to build commissioning capacity and capability at national, regional and local levels.
- 2.8. In particular, this group will be expected to review RPBs' market stability reports (due on 1 June) and identify key messages for a national overview report, oversee progress with developing the regional Social Value Forums, contribute to the development of a new market oversight framework, oversee work to build regional commissioning capacity and delivery, and advise and make recommendations about rebalancing regulated services at regional and local level. It will meet for the first time on 26 April.

Integrated Service Delivery

- 2.9. The purpose of the Integrated Service Delivery Group is to continue the progress made in realising the Welsh Government's ambition for delivering preventative, integrated health and social care in Wales. This will ensure seamless services are available for the people who need care and support, and for their unpaid carers. This will involve:
- the development of a seamless, integrated health and social care system blueprint and route map for Wales
 - a review and strengthening of RPBs within an integrated system
 - clarifying and strengthening arrangements for pooled funds and joint commissioning of integrated services, taking on board the recommendations from the 2021 Audit Wales report.

Engagement and Voice

- 2.10. The work of the Engagement and Voice Group has already begun, and will be delivered in two phases. Phase 1, which is about to complete its work, has focused on the role of service user, unpaid carer, third sector and provider representatives on RPB boards. This follows concerns, raised particularly by service user and carer representatives, that these roles were not clearly defined, and that these board members were not properly supported or enabled to play a full part in board discussions. The group has produced a draft Charter, guidance for RPB Chairs, and common role descriptions, which we expect all RPBs will adopt. The Group will be reconstituted for Phase 2, which will begin in May and will develop and oversee delivery of a wider programme of work to strengthen engagement and voice mechanisms within RPBs. This includes strengthening engagement with citizens (service users and unpaid carers), the third sector and community groups, and (where appropriate) care and support providers. The Group will also consider how best to embed co-productive practice across all aspects of the work of RPBs, and the relationship between RPBs and the new Citizen Voice Body.

Planning and Performance

- 2.11. The objectives of the Planning and Performance Group are to strengthen regional partnership arrangements in relation to performance and planning. This group will address specific accountabilities, functions, and strategic programmes, including population needs assessments, the RPB self-assessment tool, performance reporting arrangements, and work towards developing one integrated RPB planning framework for services that is aligned to broader health and social care planning arrangements.

Governance and Scrutiny

- 2.12. To deliver strengthened regional partnership arrangements, the Governance and Scrutiny Group will address the role, responsibility, function, and membership of RPBs (including the structure of RPB business units and bank account arrangements), as well as the accountability and reporting arrangements between statutory partners and the RPBs.
- 2.13. The work of these five Task and Finish Groups will contribute to a revision of the Part 9 Statutory Guidance on Partnership Arrangements, which will be consulted upon at the same time as the new Code of Practice on the National Framework for Care and Support.
- 2.14. We remain committed to engagement and co-production with the sector and citizens. Key partners will be members of the Technical and Task and Finish

Groups, and in addition we intend to engage more broadly through programme communications to inform about key delivery updates.