

**Voice, Choice and Control for Older People
A Joint Response to the Health and Social Services Committee
Consultation on the Social Services and Well-Being (Wales) Bill
By Welsh Progressive Co-operators and
Age Connect Wales**

Scope of the Bill

Welsh Progressive Co-operators (WPC) and Age Connect Wales welcome the opportunity to comment on the draft Bill and welcome many of its provisions. In view of the huge demographic changes taking place in the population and the increasingly large cohort of frail elderly people it is vital that any framework set out in legislation is sufficiently robust to meet the challenges we are facing but also sufficiently flexible to be able to respond quickly to developments which cannot necessarily be foreseen. Whilst certain basic principles should be enshrined in legislation, we believe it desirable to include many practical issues in Regulations under the Act which can more readily respond to changing circumstances.

Financial Implications

2. We consider it would be foolhardy to suppose that any sustainable development of service delivery models can be introduced quickly or on a cost neutral basis. John Restakis at the 2012 Conference of the Association of Directors of Social Services reinforced this point. The increasing size of the cohort of people requiring support will inevitably entail rising expenditure <http://www.ons.gov.uk/ons/rel/census/2011-census/key-statistics-for-unitary-authorities-in-wales/stb-2011-census-key-statistics-for-wales.html>. Indeed policy experts anticipate that an extra 5% or 6% of GDP will need to be spent on health and social care by 2030. The challenge will be to contain any cost increase whilst at the same time ensuring the availability of sensitive services that meet people's needs. Meanwhile, experts say that delayed transfers of care are estimated to cost Welsh Government in excess of £20m pa.

Language & Definitions

3. We consider it vital that great care is taken to ensure that the language used is precise and unambiguous – for example in differentiating between descriptions such as “social enterprises”, “co-production”, “mutuals” and “co-operatives”. As advocates of the co-operative model, we take as our starting point the Co-operatives UK definition of co-operatives as: “Businesses owned and run by and for their members, whether they are customers/service users, employees or residents. As well as giving members an equal say and share of the profits, co-operatives act together to build a better world through co-operation” <http://www.uk.coop/what-co-operative>. From a public perspective a much better shorthand description is that a co-operative is a Member Controlled Enterprise (MCE) and we strongly endorse this approach www.M-cEnterprise.org.

Service Delivery Models

4. The first duty of private companies is to maximize profits for their shareholders rather than respond to the needs of their clients. We are glad to see that the Bill does not envisage wholesale privatization of services as an acceptable model. Some charitable organizations provide excellent services, but the bigger ones often tend to become as bureaucratic as statutory services and can prove inflexible in adapting to changing circumstances. It is all too easy for bureaucratic imperatives to trump the wishes of services users.

Member Controlled Enterprises

5. Our belief that Member Controlled Enterprises are the best vehicle for the provision of quality, cost-effective social support services is backed up by international experience in countries such as Canada and Italy - respectively www.senedd.cynulliadcymru.org/documents/s5381/Papur%20a%20Saesneg%20yn%20unig.html?CT=2 and <http://www.newsociety.com/Books/H/Humanizing-the-Economy>. We believe this is especially true where the enterprise has 3 membership categories – the service users/informal carers, the workers or service providers and supportive community interests. A 'community of interests' ensures a balance between ensuring high quality services and affordable costs and that the enterprise is developed in a way likely to meet future community needs. Such enterprises can also include service users who are able to pay for services as well as those requiring some form of statutory support and can attract local social investment – either in terms of capital investment or 'time banking' investment by members with specific areas of expertise. MCEs are also better placed than other service providing agencies to work in collaboration with Local Authorities, ensuring that the services they provide are complementary to those provided by the Authorities themselves rather than competing against them.

Promotion of MCEs

6. We believe the draft Bill is correct to refer to the need to “promote” such developments and other social enterprises as, by their very nature, they cannot be established by statutory authorities. MCEs must of necessity be established by people coming together of their own free will and must be responsive to the needs they themselves identify. Statutory Authorities can, however, help to provide the right climate in which MCEs can flourish – eg by providing the kind of Council Tax relief afforded to Charities and authorising Local Authorities to give preference to local organisations providing a quality service which can also help to improve the local economy rather than necessarily award contracts to the lowest bidder.

Direct Payments

7. We approve of the desire to encourage the uptake of Direct Payments by service users – but with a significant proviso: Local Authorities must satisfy themselves that there is a reasonable choice of provider from which the recipient of Direct Payments can choose and that support is available to enable recipients, if required, to enable them to make a rational choice in their own best interests. Many frail elderly people, or those with mental health or learning difficulty issues,

may well find themselves open to exploitation without such support. MCEs are well-placed to provide services for people in receipt of Direct Payments because they provide the supportive and participatory environment so necessary to ensure the arrangements are liberating rather than exploitative. Based on international experience, shared services such as screening of service providers and carers, training of carers, scheduling of services, provision of transport, advice on budgeting and financial matters, etc., are all key to helping a direct payment system to work for those dependent on these services.

Advocacy

8. We support the need to establish a firm business case for determining priorities and the scale of investment required for an Independent Advocacy Service. We believe many frail elderly people are particularly vulnerable in terms of timeliness of service provision, access to quality services, affordability and real choice and control over how services are provided. An effective, independent advocacy service is vital to prevent the abuse of vulnerable older people.

Maintenance of Quality Standards

9. Quality Standards must, of course, be enhanced and ensured whatever the mode of service delivery. MCEs are better placed than other organisations to ensure acceptable standards because the service users themselves participate as equals in the governance of the organisation. That may not be sufficient, however, to ensure the services provided meet growing expectations. As we reported in our letter to the Deputy Minister last July, consideration is currently being given in Canada to a 'National Co-op Elder Care Initiative', which will pilot co-op elder care projects for replication using a franchising model. This could be especially relevant to us in Wales and potentially a significant aspect of Welsh Governments approach to helping local groups establish their own MCE. We trust the Welsh Government will keep a close eye on these developments and consider promoting a similar development in Wales. Once a number of social service MCEs are up and running, we envisage that they would wish to form some kind of federation to provide mutual support and promote good practice and governance. We stress, that unless co-ops, and other forms of MCE's, are truly member-controlled and are focused upon delivering upon their purpose, then there is no reason to expect that they will deliver any better services than any other form of organisation. We shall be providing the Welsh Co-operative and Mutual Commission with complementary evidence and this can be made available on request.

No "Quick Fix"

10. It must be recognised that the proposals we have outlined do not represent any kind of "quick fix" – indeed, it would be foolhardy to believe that any form of quick fix is possible. The development of social service MCEs depends on like-minded people in a locality coming together to give practical effect to these ideas. This is beginning to happen – eg in Newport – and we firmly believe that once the

model has been proved successful, others will follow. Welsh Statutory Authorities cannot decree that such developments should take place, but they can actively promote the concept and provide an environment in which such groups can flourish. Member education and lay leadership development will be fundamental to getting active citizens as active players in the co-operative.

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Footnotes

1. Welsh Progressive Co-operators (WPC)

WPC are the Welsh branch of the UK National Federation of Co-operators, which was established in 1975. In 2011, we set out to stimulate co-operative innovation and support Welsh grass roots co-operative development. We are a self-financed organisation with wide ranging expertise related to co-operative development with a commitment to public engagement in the policy development process. We arranged two international tours by Canadian social services experts in 2012 UN Year of Co-operatives, involving Ministers, Officials, AM's, educators, third sector organisations and 14 events with 750 people. This enabled the co-operative option to become a visible alternative in the transformation of social services. We are now consulting with Directors of Social Service, Older People's organisations and others in preparing evidence for submission to the Welsh Co-operative and Mutual Commission <http://progressive-cooperators.org.uk/elder-action-mces>.

2. Age Connects Wales is made up of 6 independently constituted organisations whose areas of benefit are:

- Age Concern Cardiff and the Vale of Glamorgan
- Age Concern Morgannwg (Rhondda Cynon Taff, Bridgend and Merthyr Tydfil)
- Age Concern Torfaen
- Age Concern Neath Port Talbot
- Age Concern North Wales Central (Conwy and Denbighshire)
- Age Concern North East Wales (Wrexham and Flintshire)

The priorities for **Age Connects Wales** <http://www.ageconnectwales.org.uk> are to help and support older people, especially those who are vulnerable, isolated and in poverty. We want to make sure the voices of older isolated, and vulnerable people who live in poverty are being heard at Welsh Government and Local government levels.

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