

LOCAL GOVERNMENT AND HOUSING COMMITTEE

STANDARD SPENDING ASSESSMENTS – DATA COLLECTION FOR PERSONAL SOCIAL SERVICES

Issue

1. An action from the LGH Committee on 30 January was for the Statistical Directorate to report to a further meeting of the Committee on the possibility of incorporating some of the changes in the personal social services (PSS) data in the 2003-04 settlement.

Recommendation

2. That the LGH Committee endorse the views of the PSS Data Collection Project Board and the Distribution Sub-Group. These views are that the risks involved in attempting to introduce new PSS formulae for 2003-04 settlement are too great and that Assembly officials and local authorities should concentrate on putting the systems in place to ensure that changes for the 2004-05 settlement are sufficiently robust.

Timing

3. Attached as Annex 1 is the proposed timetable for introducing the new formulae.

Background

4. The review of the SSA formula carried out by Swansea University and Pion Economics recommended that a statistical method known as multi-level modelling should be used to develop the formulae for education and PSS. Using this method means looking at information below authority level to obtain a clearer picture of what factors drive need within authorities. It was possible to use the method for education services in the review for the 2001-02 settlement by using school-level information but it has not been possible to do so for PSS as local authorities' social services departments do not currently store the required information.
5. A team from York and Swansea Universities was commissioned to look at the problem and suggest an approach. Their report was produced in January 2002.
6. York University gave a presentation on the main points of the report to the Local Government and Housing Committee on January 30th. One of the key points being that

it would be difficult to introduce the new model for the 2003-04 settlement. The discussion following that presentation led to the Statistical Directorate being tasked with preparing a further paper to the Committee, following more detailed consideration of the issues involved in introducing the new formulae for the 2003-04 settlement, as opposed to the 2004-05 settlement.

7. The issue of an earlier introduction along with other issues highlighted by the project team formed the basis of a consultation exercise with local authorities. Two workshops were held (one in mid-Wales and one in North Wales) as part of that exercise. The feedback from those workshops along with written responses from 10 local authorities and the WLGA were discussed by the Project Board overseeing the project. Membership of the Project Board includes representatives of the local authorities and the WLGA.

Feedback

8. The key messages from the feedback were :
 - i. Further consultation : interest in further consultation workshops when more information is known on the detail of the models and the effect of the models. In addition local authorities would like to know more about the experience of introducing multi-level modelling in PSS in England;
 - ii. Timetables : widespread support for delaying the modelling of all client groups until 2003 due to:
 - a. availability of the small area data from the 2001 census (Spring 2003);
 - b. the time allocated for data cleaning and auditing coincides with financial year end activities;
 - c. lack of time for data cleaning and auditing;
 - d. lack of time for development and consultation on the needs drivers and the authority cost adjustments;
 - e. lack of time to allow consideration of the allocation implications;
 - iii. Timetables : some support for phasing in the changes but also support for implementing as many of the changes as possible in the one year to assist financial planning;
 - iv. Sampling UAs :Most local authorities are not opposed to the idea of basing the models on a sample of UAs but would need to see the evidence that the sample was representative of all Wales.
 - v. Authority cost adjustment weights: More information was desired on the proposals for these cost adjustments weights before any decisions were made as the impact of these weights on the resulting formulae could be substantial;
 - vi. Postcoding : Views on the amount of resources involved to improve the level of postcoding of local authorities PSS clients records were variable. In some instances the view was the data was already available at an acceptable level of coding. In other cases, considerable effort would be needed to improve the level of postcoding and that additional funding to support may be required;
 - vii. Changing responsibilities : Some authorities flagged up issues relating to the impact on

the modelling resulting from the change in responsibility for nursing care and the incorporation of an exit strategy for the learning disabilities grants. In these instances further consideration and discussion would be necessary.

- viii. Costs estimates : A variety of issues raised in regard to the production of costs estimates for the purposes of modelling. These issues will need to be addressed on a case by case basis as part of the process of discussing with individual authorities their production of the required data.

Proposed timetable

8. A proposed timetable has been prepared (attached as annex 1) for the data collection and modelling exercise based on the feedback.
9. The Project Board and then the Distribution Sub-Group of Consultative Forum on Finance have endorsed the timetable recognising that the risks are too great in attempting to introduce before the 2004-05 Settlement.
10. The timetable has been prepared on the basis that the development work will continue during the course of this year and that local authorities will be kept informed of progress and have further opportunities to be consulted on the models.
11. The timetable currently indicates that the changes to the formula for the services for children and young people and older people will be implemented in the 2004-2005 settlement. All the adult services are currently scheduled for 2005-2006 settlement. The timetable may be revised particularly in relation to some of the adult groups when there has been an opportunity to audit some of the data currently available and make a better assessment of the work involved in obtaining the data for modelling.

Annex 1

Proposed timetable for the introduction of new formulae for personal social services

Date	Activity
Early May 2002	Agree initial timetable for introducing the formulae. To be updated following audits and quality checks of the client data.
End May 2002	Agree data specification for children and young person's services. Start collecting, evaluating and cleaning data (include audit of client numbers).
	Establish a programme of visits to local authorities to discuss data specifications.
	Reach decision on how to define small areas.

End June 2002	Audit client numbers in dress rehearsal RAP returns.
	Investigate authority costs adjustment data.
End July 2002	Review quality of data on older people.
End Sept 2002	Agree specification for data to support authority cost adjustments – start data collection.
	Start collecting, evaluating and cleaning data for services for older people.
	Conduct some trial modelling of the needs drivers for children and young people based on data available at the time.
End Oct 2002	Conduct workshops to update authorities on progress on the modelling.
	Audit Learning Disability data.
End Nov 2002	Test availability of mental health client data from multi-disciplinary teams.
	Obtain sample of data to test whether formula for audits with physical disabilities and sensory impairment should be based on client numbers or costed activity.
End Dec 2002	Data on children and young persons cleaned and ready for analysis based on Edivs for testing.
End Jan 2002	Produce some models for older people based on 1991 Census data for presentation to local authorities.
End Feb 2003	Present updates to local authorities at workshops.
	Start collecting and evaluating data for services for Adults.

End March 2003	Small area census available.
	Building of small area aggregates from census data (or using census variable output areas).
	Model children and young persons data using 2001 Census data.
End April 2003	Model older people services data using 2001 Census data.
April to June 2003	Present results of modelling to local authorities and agree models for inclusion in the DSG Report.
End Oct 2003	Incorporate new models in the 2004-05 settlement.
Post Oct 2003	Continue to develop the models for Adult Services for inclusion in the 2005-06 settlement.